



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



Council Meeting Agenda

Thursday, 24 September 2020

09:00am

Council Chamber

28-32 Ruataniwha Street, Waipawa

Together we Thrive! E ora ngātahi ana!

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- 1 **KARAKIA**
- 2 **APOLOGIES**
- 3 **DECLARATIONS OF CONFLICTS OF INTEREST**
- 4 **STANDING ORDERS**

RECOMMENDATION

That the following standing orders are suspended for the duration of the meeting:

21.2 Time limits on speakers

21.5 Members may speak only once

21.6 Limits on number of speakers

And that Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner.

5 CONFIRMATION OF MINUTES

Ordinary Council Meeting - 30 July 2020

Extraordinary Council Meeting - 20 August 2020

Extraordinary Council Meeting - 14 September 2020

RECOMMENDATION

That the minutes of the Ordinary Council Meeting held on 30 July 2020, the Extraordinary Council Meeting held on 20 August 2020 and the Extraordinary Council Meeting held on 14 September 2020 as circulated, be confirmed as true and correct.

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON THURSDAY, 30 JULY 2020 AT 09:00AM**

PRESENT: Mayor Alex Walker
Deputy Mayor Kelly Annand
Kaiārahi Matua – Dr Roger Maaka
Cr Gerard Minehan
Cr Brent Muggeridge
Dr Roger Maaka
Cr Jerry Greer
Cr Kate Taylor
Cr Exham Wichman

IN ATTENDANCE: Monique Davidson (Chief Executive)
Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Doug Tate (Group Manager, Customer and Community Partnerships)
Bridget Gibson (Governance Support Officer)
Darren De Klerk (Director Projects & Programmes)
Brent Chamberlain (Chief Financial Officer)
Lisa Harrison (Customer Relationships & Experience Manager)
Nigel Pinkerton (Squillions)

The meeting was livestreamed to the public via Facebook and Zoom.

1 KARAKIA

Kaiārahi Matua – Dr Roger Maaka led the Council in karakia.

2 APOLOGIES

APOLOGY

RESOLVED: 20.66

Moved: Cr Jerry Greer

Seconded: Cr Gerard Minehan

That the apologies for absence from Cr Tim Aitken be accepted.

CARRIED

3 DECLARATIONS OF CONFLICTS OF INTEREST

Nil

4 STANDING ORDERS**RESOLVED: 20.67**

Moved: Cr Exham Wichman

Seconded: Cr Gerard Minehan

THAT the following standing orders are suspended for the duration of the meeting:

20.2 Time limits on speakers

20.5 Members may speak only once

20.6 Limits on number of speakers

And that Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

Standing orders are recommended to be suspended to enable members to engage in discussion in a free and frank manner.

CARRIED

5 CONFIRMATION OF MINUTES**RESOLVED: 20.68**

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Kate Taylor

That the minutes of the Ordinary Council Meeting held on 3 June 2020 as circulated, be confirmed as true and correct.

CARRIED

6 REPORTS FROM COMMITTEES

Nil.

7 REPORT SECTION

7.1 ADOPTION OF LONG TERM PLAN GROWTH ASSUMPTIONS - 2021 - 2031

PURPOSE

The matter for consideration by the Council is the adoption of the growth assumptions for the 2021-2031 Long Term Plan.

RESOLVED: 20.69

Moved: Cr Jerry Greer

Seconded: Cr Kate Taylor

That having considered all matters raised in the report:

- a) That Council accept the recommendation to base the relevant components of the 2021-2031 Long Term Plan on the high growth scenario outlined in the Central Hawke's Bay District Demographic and Economic Growth Projections 2021-2051 Report.

CARRIED

The report was presented by Mr Tate. Mr Pinkerton joined the meeting via Zoom audio-visual link to speak to the report.

7.2 ADOPTION OF DRAFT INTEGRATED SPATIAL PLAN

PURPOSE

The matter for consideration by the Council is the adoption of the Draft Integrated Spatial Plan to enable community feedback as part of the 2021 – 2031 Long Term Plan pre-engagement.

RESOLVED: 20.70

Moved: Cr Gerard Minehan

Seconded: Deputy Mayor Kelly Annand

That having considered all matters raised in the report:

- a) That Council adopt the Central Hawke's Bay Integrated Spatial Plan for community consultation as part of the Long Term Plan 2021 – 2031 pre-engagement.

CARRIED

Mr Tate presented the report.

In response to Council questions:

Officers engage with the owners of earthquake prone buildings in the CBD regularly and continue to work through compulsory requirements in securing and strengthening those buildings. The legislation sets the requirements for what steps the owners need to take.

Potential changes for the Waipukurau Jockey Club/Racecourse have been incorporated in the Spatial Plan planning. The president of the Jockey Club has been engaged in the conversation of the Spatial Plan.

7.3 LONG TERM PLAN ACTIVITY GROUPINGS

PURPOSE

The matter for consideration by the Council is activity groupings for the 2021-2031 Long Term Plan.

RESOLVED: 20.71

Moved: Cr Exham Wichman

Seconded: Cr Jerry Greer

That having considered all matters raised in the report:

- a) Council approve of the activity groupings as outlined in appendix 1 for use in the 2021-3031 Long Term Plan.

CARRIED

7.4 FINANCIAL SUPPORT TO WATER HOLDINGS HAWKE'S BAY FOR SCIENCE CHARGES

PURPOSE

The purpose of this report is for Council to consider a request from Water Holdings Hawke's Bay (formally known as Water Holdings CHB) for financial support to assist in the funding of science charges for the 2019/2020 financial year.

RESOLVED: 20.72

Moved: Cr Brent Muggeridge

Seconded: Cr Jerry Greer

That having considered all matters raised in the report:

- a) That Council provides funding of \$58,000 to Water Holdings Hawke's Bay to support the funding of science charges for the 2019/2020 financial year.

CARRIED

Davidson presented the report.

Deputy Mayor Annand voted against the motion.

Mayor Walker introduced the motion:

RESOLVED: 20.73

Moved: Mayor Alex Walker

Seconded: Cr Kate Taylor

That Council request the Chief Executive engage with Water Holdings HB to convey Council expectations for Water Holdings HB to be financially self-sustainable, with regards to science charges, in the future.

CARRIED

7.5 ADOPTION OF REMISSION OF RATES POLICY (FINANCIAL HARDSHIP DUE TO COVID-19) FOLLOWING COMMUNITY CONSULTATION.**PURPOSE**

The matter for consideration by the Council is to receive the consultation feedback of the draft Remission of Rates Policy - Financial Hardship Due to Covid-19, consider the feedback, recommend changes to the policy if necessary, and to adopt the Remission of Rates Policy - Financial Hardship Due to Covid-19.

RESOLVED: 20.74

Moved: Cr Brent Muggeridge

Seconded: Deputy Mayor Kelly Annand

That having considered all matters raised in the report:

- a) That Council receives the paper entitled "Consultation Feedback on Remission of Rate Policy (Financial Hardship due to Covid-19).
- b) That the written submissions attached be received.
- c) That after considering the public feedback on the proposed policy, that Council adopts the Remission of Rates Policy (Financial Hardship Due to Covid-19) as written.
- d) That the Council resolves, in terms of Section 82 (3) of the Local Government Act 2002, that the principles set out in that section have been observed in such a manner that the Central Hawkes Bay District Council considers, in its discretion, is appropriate for the decisions made during the course of this meeting.
- e) That officers forward replies to all submitters that thank them for their submission, advise of any Council decisions in response to the submissions, and offer explanation based on the Council feedback at this meeting.

CARRIED

Mayor Walker introduced the motion:

RESOLVED: 20.75

Moved: Mayor Alex Walker

Seconded: Cr Gerard Minehan

That up to \$200,000 from the catastrophic events fund be used to fund the Remission of Rates (Financial Hardship due to Covid-19) Policy.

CARRIED

Council adjourned for refreshment break at 10:31am

Council resumed the meeting at 10:52am.

7.6 ADOPTION OF DRAFT STATEMENT OF PROPOSAL / REVENUE AND FINANCING POLICY - RATES REVIEW CONSULTATION

PURPOSE

The matter for consideration by the Council is whether to proceed to consultation of the proposed outcome of the Rating Review.

RESOLVED: 20.76

Moved: Cr Brent Muggeridge

Seconded: Cr Exham Wichman

That having considered all matters raised in the report:

1. That Council receive the paper entitled "Rating Review Consultation Plan".
2. That Council adopts the Statement of Proposal and Draft Revenue and Financing Policy for community consultation, and that Council endorses the proposed consultation approach.
3. That the Council resolves, in terms of Section 82 (3) of the Local Government Act 2002, that the principles set out in that section will be observed in such a manner that the Central Hawkes Bay District Council considers the intent of this section will be met by following the proposed consultation program.

CARRIED

Mr Chamberlain presented the report.

7.7 REMITS AND RULE CHANGE FOR CONSIDERATION AT LGNZ 2020 AGM

PURPOSE

The purpose of this report is for Council to consider its position in relation to the 2020 LGNZ AGM Remits.

RESOLVED: 20.77

Moved: Cr Gerard Minehan

Seconded: Cr Kate Taylor

That, having considered all matters raised in the report, the report be noted.

1. That Council confirm voting rights on behalf of Central Hawke's Bay District Council to Mayor Alex Walker and Councillor Kelly Annand for the AGM.
2. That Council confirm Councillor Jerry Greer and Chief Executive Monique Davidson also attend the AGM to represent Central Hawke's Bay District Council.
3. That Council support the proposal to change the maximum number of consecutive terms of office of the President from 3 to 2 as set out below:

Rule F15: Delete the word "three" from the first sentence and replace with the word "two" so that Rule F15 then reads:

"F15 No person may hold office as President for more than two consecutive terms, provided that any person who holds office as President by virtue of an appointment in accordance with Rules F27 to F32 is eligible for re-election at the end of the unexpired term of office of that person's predecessor. For the avoidance of doubt, a term under this Rule does not include any period of office held by a President by virtue of an appointment in accordance with Rules F27 to F32."

4. That Council support the following remits at the LGNZ AGM: (Note – delete those remits Council does not support)

1) That LGNZ:

- Acknowledges the Government for its recognition during COVID-19 of public transport as an essential service;
- Acknowledges the strong financial support provided by the Government through Waka Kotahi NZTA during the COVID-19 Alert Levels, that enabled councils to continue to provide public transport for people providing essential services and transport for the public to receive essential services up to 30 June 2020;
- Recognises that councils will continue to be under significant financial pressure to maintain the viability of public transport under current FAR rate settings for many months during the recovery phase from COVID-19; and
- Calls on the Government to work with councils to maintain the financial viability of public transport during the recovery phase of COVID-19.

2) That Local Government New Zealand (LGNZ):

- Calls on the Government to introduce legislation that would fully enable councils to address housing affordability in their communities through a range of value uplift and capture tools, one such tool being 'inclusionary zoning';
- Seeks to establish a working group on affordable housing, comprising of relevant/affected councils, central government (MHUD, Kāinga Ora, MSD), iwi, and the community housing sector; and

- Advocates to central government for an
- 3) That Local Government New Zealand (LGNZ) request that the Government use the appropriate mechanisms to enable the 15 per cent Goods and Services Tax (GST) charged on rates be returned to councils to spend on local or regional infrastructure projects.
- 4) That central government undertakes, in collaboration with all of local government, a comprehensive review of the current law relating to natural hazards and climate change adaptation along New Zealand's coastlines, and coordinates the development of a coastline strategy for the whole of New Zealand which would cover: the roles and responsibilities of territorial authorities, regional councils and central government; greater direction on an integrated approach; and development of principles for "who pays".
- 6) That the local government electoral cycle be extended from three to four years.
- 7) That LGNZ works with the Government to:
 - Place a moratorium on applications to take and/or use water for water bottling or bulk export;
 - Require and enable regional councils to review inactive water bottling consents, with a view to withdrawal of the consent and discourage consent 'banking';
 - Undertake an holistic assessment of the potential effects of the current industry, its future growth and the legislative settings that enable Councils to effectively manage those effects; and
 - Initiate a comprehensive nationwide discussion on the issue of water bottling and implement.
- 8) That LGNZ requests central government amend legislation to enable elected or appointed members, connecting remotely to a public council meeting, be included in the quorum. This would provide an option for local authority meetings to be held completely remotely, if required.
- 9) That LGNZ work with central government to put in place a simplified process for the addition of macrons to council names if requested by that council or its community.
- 10) That the Government lift the level of rates rebates available for low and fixed income property owners – with yearly increases taking into account the cost for inputs into local government services.

CARRIED

It is noted that remits 5 and 11 as set out in the agenda recommendation were not supported by the Council and were omitted from the resolution.:

- 5) *That LGNZ work with Treasury, Statistics New Zealand and other government agencies to develop an annual regional balance of transfers to show how much each region contributes in taxes and how much each region receives in government funding.*
- 11) *That the Government implement an independent scheme, based on the United Kingdom model operated by the Department of Business, Energy and Industrial Strategy, to measure and report on carbon emissions at a district level.*

7.8 ELECTED MEMBER REMUNERATION FRAMEWORK

PURPOSE

The purpose of this report is to advise Council to a change to Elected Member remuneration following a determination from the Remuneration Authority which is government led and does not allow local input or decision making.

RESOLVED: 20.78

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Gerard Minehan

That having considered all matters raised in the report:

1. That the Elected Member Remuneration report be received and noted.
2. That Council approve the \$1500.00 saving from the Mayor's salary, as a result of the Temporary Reduction Remuneration Authority Determination, be allocated towards the Community Voluntary Organisation Support Fund.

CARRIED

Due to the impact of the global Covid-19 pandemic:

- The report outlined that there will be no increase in the remuneration of Elected Members this annum.
- There will be a voluntary decrease in the Mayor's salary and the \$1500.00 saving is to be donated to the Community Voluntary Organisation Support Fund.

7.9 DISTRICT LICENSING COMMITTEE APPOINTMENT OF MEMBERS

PURPOSE

The matter for consideration by the Council is appointment of a new Chairperson and Deputy Chairperson following the passing of Councillor Tim Chote who was the Chair of the District Licensing Committee.

RESOLVED: 20.79

Moved: Mayor Alex Walker

Seconded: Cr Brent Muggeridge

That having considered all matters raised in the report:

- a) That Councillor Gerard Minehan be appointed as Chairperson of the District Licensing Committee.
- b) That Council appoint Councillor Wichman as the new Deputy Chairperson of the District Licensing Committee.

CARRIED

Mrs Harrison presented the report.

7.10 PARTNERSHIP FUNDING FOR FOOD EAST (HAWKE'S BAY FOOD INNOVATION HUB)**PURPOSE**

The matter for consideration by the Council is partnership funding of \$20,000 split over three years for Food East (Hawke's Bay Food Innovation Hub).

RESOLVED: 20.80

Moved: Cr Kate Taylor

Seconded: Cr Exham Wichman

That having considered all matters raised in the report:

Council approves funding of \$20,000 for the Food East (Hawke's Bay Food Innovation Hub).

CARRIED**7.11 RESIDENT'S OPINION SURVEY RESULTS 2020****PURPOSE**

The purpose of this report is to provide elected members with the overall highlights received from the 2020 Resident's Opinion Survey.

RESOLVED: 20.81

Moved: Cr Kate Taylor

Seconded: Cr Jerry Greer

That, having considered all matters raised in the report, the report be noted.

CARRIED

Lisa Harrison presented the report.

It is noted that action be taken to reassess and redefine survey questions to ensure accurate capture of statistical results.

Mrs Harrison clarified that approximately 2 percent of the population responded to the survey.

Ascertained that the Customer Excellence Action Plan incorporates the future plan to capture data at the point of contact for customers.

Elected members' feedback on the residents survey can be fed directly to Mrs Harrison.

7.12 QUARTERLY NON-FINANCIAL PERFORMANCE REPORT APRIL - JUNE 2020**PURPOSE**

The purpose of this report is to present to Council the Quarterly non-financial performance report for the period 1 April – 30 June 2020.

RESOLVED: 20.82

Moved: Cr Brent Muggeridge

Seconded: Cr Kate Taylor

That having considered all matters raised in the report:

That the Quarterly Non-Financial Performance 1 April – 30 June 2020 Report be received.

CARRIED

Mrs Davidson presented the report.

Noted that the building code was changed in the past 3 years which has impacted the achievability of targets in the area of building and compliance.

7.13 RESOLUTION MONITORING REPORT**SIGNIFICANCE AND ENGAGEMENT****RESOLVED: 20.83**

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Gerard Minehan

That, having considered all matters raised in the report, the report be noted.

CARRIED

Mrs Davidson presented the report.

8 MAYOR AND COUNCILLOR REPORTS**8.1 RUATANIWHA WARD REPORT JULY 30 2020****PURPOSE**

The purpose of this report is to present the Ruataniwha Ward Report.

RESOLVED: 20.84

Moved: Cr Gerard Minehan

Seconded: Cr Exham Wichman

That the Ruataniwha Ward Report be noted.

CARRIED

8.2 ARAMOANA/RUAHINE WARD REPORT**PURPOSE**

The purpose of this report is to present the Aramoana/Ruahine Ward Report.

RESOLVED: 20.85

Moved: Cr Brent Muggeridge

Seconded: Deputy Mayor Kelly Annand

That the Aramoana/Ruahine Ward Report be noted.

CARRIED

8.3 STRATEGY AND WELLBEING COMMITTEE CHAIR REPORT**PURPOSE**

The purpose of this report is to present the Strategy and Wellbeing Committee Chair Report.

RESOLVED: 20.86

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Jerry Greer

That the Strategy and Wellbeing Committee Chair Report be noted.

CARRIED

8.4 FINANCE AND INFRASTRUCTURE COMMITTEE CHAIR'S REPORT**PURPOSE**

The purpose of this report is to present the Finance and Infrastructure Committee Chair Report.

RESOLVED: 20.87

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Gerard Minehan

That the Finance and Infrastructure Committee Chair Report be noted..

CARRIED

9 CHIEF EXECUTIVE REPORT**9.1 ORGANISATION PERFORMANCE AND ACTIVITY REPORT JUNE-JULY 2020****PURPOSE**

The purpose of this report is to present to Council the organisation report for June-July 2020.

RESOLVED: 20.88

Moved: Mayor Alex Walker

Seconded: Cr Kate Taylor

That, having considered all matters raised in the report, the report be noted.

CARRIED

10 PUBLIC EXCLUDED BUSINESS**RESOLUTION TO EXCLUDE THE PUBLIC****RESOLVED: 20.89**

Moved: Cr Exham Wichman

Seconded: Cr Kate Taylor

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - Appointment of Community Voluntary Organisation Support Fund (CVOS) Public Committee Members	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.2 - Central Hawke's Bay Consumers Power Trust - Request to Change Trust Deed	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.3 - Voting for President and Vice-President of LGNZ	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

RESOLVED: 20.90

Moved: Cr Brent Muggeridge

Seconded: Cr Kate Taylor

That Council moves out of Closed Council into Open Council.

CARRIED**11 DATE OF NEXT MEETING****RESOLVED: 20.91**

Moved: Cr Exham Wichman

Seconded: Cr Gerard Minehan

THAT the next meeting of the Central Hawke's Bay District Council be held on 24 September 2020.

CARRIED**12 TIME OF CLOSURE****The Meeting closed at 2:04pm.****The minutes of this meeting were confirmed at the Council Meeting held on 24 September 2020.**.....
CHAIRPERSON

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON THURSDAY, 20 AUGUST 2020 AT 9AM**

PRESENT: Mayor Alex Walker
Deputy Mayor Kelly Annand
Cr Tim Aitken
Cr Gerard Minehan
Cr Brent Muggeridge
Kaiārahi Matua – Dr Roger Maaka
Cr Jerry Greer
Cr Kate Taylor
Cr Exham Wichman

IN ATTENDANCE: Monique Davidson (Chief Executive)
Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Doug Tate (Group Manager, Customer and Community Partnerships)
Brent Chamberlain (Chief Financial Officer)

One member of the public attended.

1 PRAYER

Kaiārahi Matua Maaka led the Council in Karakia.

2 APOLOGIES

Nil.

3 DECLARATIONS OF CONFLICTS OF INTEREST

Nil.

4 STANDING ORDERS

SUSPENSION OF STANDING ORDERS

RESOLVED: 20.91

Moved: Deputy Mayor Kelly Annand
Seconded: Cr Exham Wichman

That the following standing orders are suspended for the duration of the meeting:

- 21.2 Time limits on speakers
- 21.5 Members may speak only once
- 21.6 Limits on number of speakers

THAT 22.4 Option C under section 22 General procedures for speaking and moving motions be used for the meeting.

CARRIED

6 REPORT SECTION**6.1 THREE WATERS REFORM - SIGNING THE MEMORANDUM OF UNDERSTANDING PURPOSE**

The purpose of this report is to provide information and advice to Council in order to seek Central Hawke's Bay District Council to do the following:

- sign a Memorandum of Understanding (MoU) with the Crown, agreeing to participate in the initial stage of a central/local government three waters service delivery reform programme (Appendix A); and
- authorise the Chief Executive to enter into the Funding Agreement, to accept a grant from the Crown to spend on operating and/or capital expenditure relating to three waters infrastructure and service delivery (Appendix B).

RESOLVED: 20.92

Moved: Cr Kate Taylor

Seconded: Deputy Mayor Kelly Annand

That having considered all matters raised in the report:

a) Note that:

- a. in July 2020, the Government announced an initial funding package of \$761 million to provide a post COVID-19 stimulus to maintain and improve water networks infrastructure, and to support a three-year programme of reform of local government water services delivery arrangements; and
- b. initial funding will be made available to those councils that agree to participate in the initial stage of the reform programme, through a Memorandum of Understanding (MoU), Funding Agreement, and approved Delivery Plan.
- c. Minister Mahuta had directed the Regional Hawke's Bay allocation to be equally divided as an acknowledgement of the leadership of the 4 Hawke's Bay Councils, and note that this is different to other regions allocations.

CARRIED**RESOLVED: 20.93**

Moved: Cr Gerard Minehan

Seconded: Cr Brent Muggeridge

- a) That Council agree to sign the MoU at Appendix A and Funding Agreement at Appendix B.
- b) That Council agree to nominate Monique Davidson, the Chief Executive of the Council as the primary point of communication for the purposes of the MoU and reform programme – as referred to on page 6 of the MoU.
- c) That Council agree to delegate decisions about the final delivery plan to the Chief Executive including the delegations to ensure the funding is released, but in doing that note their support for the general approach to the allocation as presented.
- d) That Council note that the MoU and Funding Agreement cannot be amended or modified by either party, and doing so would void these documents.
- e) That Council note that participation in this initial stage is to be undertaken in good faith, but this is a non-binding approach, and the Council can opt out of the reform process at the end of the term of the agreement (as provided for on page 5 of the MoU).

- f) That Council note that the Council has been allocated \$11.09 million of funding, which will be received as a grant as soon as practicable once the signed MoU and Funding Agreement are returned to the Department of Internal Affairs, and a Delivery Plan has been supplied and approved (as described on page 5 of the MoU).
- g) That Council note that the Delivery Plan must show that the funding is to be applied to operating and/or capital expenditure relating to three waters infrastructure and service delivery, and which:
 - a. supports economic recovery through job creation; and
 - b. maintains, increases, and/or accelerates investment in core water infrastructure renewal and maintenance.

CARRIED

6.2 DRAFT FINANCIAL REPORT AND CARRY FORWARDS FOR THE 2019/20 FINANCIAL YEAR

PURPOSE

The matter for consideration by the Council is the draft financial results for 2019/2020 and for Council to approve the proposed allocations to carry forwards, special funds, and between activities for the 2019/2020 Financial Year.

RESOLVED: 20.94

Moved: Cr Tim Aitken

Seconded: Cr Brent Muggeridge

That having considered all matters raised in the report:

- a) That Council receives the report entitled Draft Financial Report and Carry Forwards for the 2019/2020 Financial Year.
- b) Council approve the proposed allocations to carry forwards and special funds for the 2019/2020 Financial Year.
- c) Council approve that the 2019/2020 activity surpluses in the general rate funded activities be used to fund the deficits in the general rate funded activities as proposed.

CARRIED

6.3 APPOINTMENT TO CIVIC AWARDS PANEL

PURPOSE

The matter for consideration by the Council is the appointment of a Council representative to the Civic Awards Panel (Panel).

RESOLVED: 20.95

Moved: Cr Brent Muggeridge

Seconded: Cr Tim Aitken

That having considered all matters raised in the report:

- 1) That Councillor Jerry Greer be appointed to the Civic Awards Panel for the 2019-2022 triennium.
- 2) That the appointment of Lorraine Hall, as President of the Central Hawke's Bay Women's Institute to the Civic Awards Panel be noted.

CARRIED

7 PUBLIC EXCLUDED BUSINESS

RESOLUTION TO EXCLUDE THE PUBLIC

RESOLVED: 20.96

Moved: Cr Kate Taylor

Seconded: Cr Exham Wichman

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
7.1 - Appointment of a Commissioner to the District Licensing Committee	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

1.

2. **CARRIED**

RESOLVED: 20.97

Moved: Cr Kate Taylor

Seconded: Deputy Mayor Kelly Annand

That Council moves out of Closed Council into Open Council.

CARRIED**7 DATE OF NEXT MEETING****RESOLVED: 20.98**

Moved: Cr Jerry Greer

Seconded: Cr Exham Wichman

That the next meeting of the Central Hawke's Bay District Council be held on 24 September 2020.

CARRIED**8 TIME OF CLOSURE****The Meeting closed at 10:18am.****The minutes of this meeting were confirmed at the Ordinary Meeting of the Central Hawke's Bay District Council held on 24 September 2020.**.....
CHAIRPERSON

**MINUTES OF CENTRAL HAWKES BAY DISTRICT COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE COUNCIL CHAMBER, 28-32 RUATANIWHA STREET, WAIPAWA
ON MONDAY, 14 SEPTEMBER 2020 AT 4:00 PM**

PRESENT: Mayor Alex Walker
Deputy Mayor Kelly Annand
Cr Tim Aitken (attended via audio-visual link)
Cr Gerard Minehan
Cr Brent Muggeridge
Kaiārahi Matua – Dr Roger Maaka
Cr Jerry Greer
Cr Kate Taylor
Cr Exham Wichman

IN ATTENDANCE: Monique Davidson (Chief Executive)
Brent Chamberlain (Chief Financial Officer)
Joshua Lloyd (Group Manager, Community Infrastructure and Development)
Bridget Gibson (Governance and Support Officer)

Two members of the public attended.

3. 1 KARAKIA

4. 2 APOLOGIES

Nil

5. 3 DECLARATIONS OF CONFLICTS OF INTEREST

Nil

6. 4 STANDING ORDERS

RESOLVED: 20.98

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Gerard Minehan

THAT the following standing orders are suspended for the duration of the meeting:

- 21.2 Time limits on speakers
- 21.5 Members may speak only once
- 21.6 Limits on number of speakers

THAT 21.4 Option C under section 21 General procedures for speaking and moving motions be used for the meeting.

CARRIED

5 CHIEF EXECUTIVE REPORT

5.1 REGIONAL THREE WATERS REVIEW REPORT

PURPOSE

The purpose of this report is for Council to consider the receipt of the Hawke's Bay Three Waters, Business Case of Three Waters Service Delivery options report, and in receiving this report note the collaborative work completed to date across the region and to provide endorsement for the continued collaborative working relationship as agreed in the Hawke's Bay Triennium Agreement.

RESOLVED: 20.99

Moved: Deputy Mayor Kelly Annand

Seconded: Cr Gerard Minehan

That having considered all matters raised in the report:

- a) That the Council receives the report titled **Hawke's Bay Three Waters, Business Case of Three Waters Service Delivery options**.
- b) The report is for **information purposes only**. No decision relating to the recommendations set out in this report are required by Council.
- c) Central Hawke's Bay District Council, Hastings District Council, Napier City Council and Wairoa District Council have opted into the government three waters reform and stimulus programme committing our councils to engage in the first stage of the reform programme. This includes working together with neighbouring councils and government to consider the creation of multi-regional entities.
- d) The **Hawke's Three Waters, Business Case of Three Waters Service Delivery Options** report provides our regions representatives in the reform programme detailed information and analysis to engage with government to identify approaches to service delivery reform design that considers the recommendations, findings and challenges from the report.
- e) The Hawke's Bay councils based on the principles agreed in our Hawke's Bay Triennium Agreement agree to continue to work together in good faith for our region to develop our strategic capacity from available resources and achieve our strategies by working together through co-design and partnership to grow a thriving Hawke's Bay economy to support inclusive and connected communities and sustainable and resilient environments.

CARRIED

Mrs Davidson presented the report.

5 PUBLIC EXCLUDED BUSINESS

Nil.

6 DATE OF NEXT MEETING**RESOLVED: 20.100**

Moved: Cr Brent Muggeridge

Seconded: Cr Jerry Greer

That the next meeting of the Central Hawke's Bay District Council be held on 24 September 2020.

CARRIED

7 TIME OF CLOSURE

The Meeting closed at 4.28pm.

The minutes of this meeting were confirmed at the Ordinary Meeting of the Central Hawke's Bay District Council held on 24 September 2020.

.....
CHAIRPERSON

6 REPORTS FROM COMMITTEES

Nil

7 REPORT SECTION

7.1 ADOPTION OF ANNUAL REPORT 2019/2020

File Number:

Author: Brent Chamberlain, Chief Financial Officer

Authoriser: Monique Davidson, Chief Executive

Attachments: Nil I

PURPOSE

The matter for consideration by the Council is to adopt the Annual Report for the Year Ended 30 June 2020.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report and following the recommendation of the Risk and Assurance Committee:

- a) That Council adopt the Annual Report for the year ended 30 June 2020.

EXECUTIVE SUMMARY

Attached under a separate cover and linked here are the Central Hawkes Bay District Council's [Annual Report for the Year Ended 30 June 2020](#), and the [Annual Report Summary](#).

Once the Annual Report is adopted by Council, the auditors Ernst Young, will provide the Independent Auditor's Report for publication. Currently Pages 23-25 contain a copy of last year's Audit Report as a placeholder. Ernst and Young have completed their audit subject to the adoption of the accounts and their [Audit Close Report](#) is available on the Councillor Portal.

On the 16th September the Risk and Assurance Committee met to receive the draft Annual Report and to hear from Ernst Young on any concerns they had during the audit. At the conclusion of this meeting the Risk and Assurance Committee passed the following resolutions:

That having considered all matters raised in the report:

That the Risk and Assurance Committee receive the report entitled "Draft Annual Report for the Year Ended 30 June 2020".

That after receiving the Draft Annual Report, and hearing assurances from Ernst Young, that they endorse the Draft Annual Report, and recommend it to Council for adoption once the audit has been completed.

Ernst Young have now concluded their audit of the annual report and have issued the report with an unqualified audit report.

BACKGROUND

Each year Council is required to publically report on its activities for the year, and how they have spent the rates and fees collected from residents, and the grants from 3rd Parties such as Central Government.

As part of this report the Ernst Young have been contracted from the Audit NZ to undertake an audit of both the financial and non-financial disclosures contained within the report. In addition, they also check that all the required statutory disclosures have been made.

DISCUSSION

This year's Annual Report is 117 pages long and covers a Governance Overview, Details of Council Activities and Activity Financials, and the Statutory Financial Statements. The Annual Report will be circulated alongside this meeting agenda, under a separate cover, due to its large file size.

Most of the sections contain similar information to previous Annual Reports, with the exception of a new section that talks about Council's response to COVID-19 and the Drought.

Below are the summary financial statement contained in the annual report:

	2019	2020	2020
	COUNCIL ACTUAL	COUNCIL BUDGET	COUNCIL ACTUAL
	\$'000	\$'000	\$'000
Total Revenue	35,754	32,020	35,398
Finance Costs	173	583	429
Other Operating expenditure	34,130	31,425	35,454
Net Operating Surplus/(Deficit)	-1,451	-12	-(485)
Other (Gains)/Losses	22	--	--
Income Tax	--	--	--
Net Surplus/(Deficit)	-1,429	-12	-(485)
Movements in PPE revaluations	47,287	20,005	2,417
Impairment of Asset	0	--	-(1,082)
Total Comprehensive Revenue and Expense	-48,716	-20,017	-850

While Council's revenue is similar to last years, the composition is quite different. Last year one of the drivers of the higher than normal revenues was NZTA subsidies received for flood repairs, while this years higher than budgeted revenue was driven by higher fees and charges in the solid waste (rubbish) and consenting areas (both building and land use), along with new PGF monies received for roading upgrades and tourism infrastructure.

The higher than expected fees and charges were demand driven, but also came with additional costs which has driven the additional operating expenditure. Examples of these were the need to purchase additional carbon credits for the landfill, and the need to outsource consenting as the demand outstripped Councils in house processing ability.

COVID-19 and the Drought also contributed to the additional costs with Council paying more to keep essential services open during lockdown, and then assisting Central Government with running economic recovery activities such as job creation schemes and welfare assistance post lockdown.

This left Council in a deficit position of \$485k for the year operationally before abnormal items and revaluations.

This year Council has impaired its Waipukurau Library and Memorial Hall buildings due to seismic strengthening issues, and revalued its roading and 3 waters assets.

After these valuation adjustments, Council is left with a Comprehensive Revenue and Expense Surplus of \$850k for the year.

	2019	2020	2020
	COUNCIL ACTUAL	COUNCIL BUDGET	COUNCIL ACTUAL
	\$'000	\$'000	\$'000
Total-Current-Assets	·10,422	·7,624	·19,068
Total-Non-Current-Assets	·846,190	·842,796	·855,391
Total-Assets	·856,612	·850,420	·874,459
Total-Current-Liabilities	·9,504	·5,335	·8,056
Total-Non-Current-Liabilities	·5,489	·17,806	·23,934
Total-Liabilities	·14,993	·23,141	·31,990
Special-&-Other-Funds	·6,900	·6,925	·7,025
Trust-Funds	·182	·166	·182
Revaluation-Reserve-of-Assets	·589,475	·575,684	·590,804
Ratepayers'-Equity	·245,062	·244,504	·244,458
Total-Equity	·841,619	·827,279	·842,469
Total-Liabilities-and-Equity	·856,612	·850,420	·874,459

The above table sets out a summary of Council's Statement of Financial Position.

This shows that Council's fixed assets (mainly buildings, roading, and water infrastructure) has grown by \$9m during the year. This represents the significant work Council has been undertaking upgrading drinking water supplies this year.

Much of this work was loan funded (hence the increase in Non-Current Liabilities) as it was creating intergenerational assets that will be paid for over the life of the asset.

Council had borrowed early for some of its 2020/21 capital projects which is why Current Assets (bank deposits amongst other things) are higher than in the previous year.

RISK ASSESSMENT AND MITIGATION

Both the Risk and Assurance Committee and Ernst Young have reviewed the Annual Report and are happy for it to be adopted.

FOUR WELLBEINGS

The annual report is the mechanism that Council reports back to its community on its activities for the year, and shows how it has done against its Levels of Service that it budgeted to deliver in its Long Term Plan, and where its money has been spent.

Amongst these Level of Service metrics are both economic, environment, and social measures.

DELEGATIONS OR AUTHORITY

This is the Annual Report of the Central Hawke's Bay District Council so needs to be adopted by the Council for public publication.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as of some importance.

OPTIONS ANALYSIS

Council has two options available to it:

1. That after receiving the Annual Report, and receiving the recommendation from the Risk and Assurance Committee, Council can adopt the Annual Report for the year ended 30 June 2020.
2. That after receiving the Annual Report, and receiving the recommendation from the Risk and Assurance Committee, Council can choose not to adopt the Annual Report for the year ended 30 June 2020 and request further work on it be undertaken.

Recommended Option

This report recommends option one, adopt the Annual Report for the year ended 30 June 2020 for addressing the matter.

NEXT STEPS

Once the annual report is adopted, officers will publish the report on Council's website for public consumption.

RECOMMENDATION

That having considered all matters raised in the report and following the recommendation of the Risk and Assurance Committee:

- a) That Council adopt the Annual Report for the year ended 30 June 2020.**

7.2 COMMUNITY FACILITIES - FORMAL UPDATE ON EARTHQUAKE PRONE BUILDINGS

File Number: COU1-1400

Author: Doug Tate, Group Manager Customer and Community Partnerships

Authoriser: Monique Davidson, Chief Executive

Attachments: Nil

PURPOSE

The purpose of this report is to formally update Council in a public forum the status of its Community Facilities currently going through seismic evaluations – principally the Waipukurau Memorial Hall and the Waipukurau Library.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

BACKGROUND

As part of the development of Asset Management Plans for the 2021 – 2031 Long Term Plan, an initial seismic review of a number of Community Facilities was undertaken. The purpose of the review was to determine any further initial or detailed seismic assessments that were required to inform immediate and longer term renewal and funding requirements for the assets.

The initial review flagged some buildings that posed notional risk from the review and identified further assessment work in a prioritised manner to complete detailed seismic reviews based on those risks.

The buildings being assessed are included in the table below. A summary of buildings and their risk is shown in the table below:

Location	Notional Risk
Central Hawke's Bay District Council Administration Building	Moderate - Low
Central Hawke's Bay Municipal Theatre	Moderate
Central Hawke's Bay Museum	Low*
Civic Theatre Waipukurau	Moderate - Low
Waipawa Centennial Memorial Pool Buildings	Low
Waipawa Library	Low
Waipukurau Library	High
Waipukurau Memorial Hall	Moderate

On receipt of this report on 12 March, further work was immediately issued for the assessment on the Waipukurau Library and Waipukurau Memorial Hall, particularly on the basis that Council and community had an expectation that both the aforementioned buildings had been seismically strengthened, relatively to their risk levels. The following week, New Zealand shifted to Level 2 COVID-19 restrictions and shortly after Level 3 and 4 restrictions that delayed the further assessment due to the requirement for interregional inspections of the buildings required.

We specifically provide updates on each building below:

Waipukurau Library

Identified from the initial review as a site with the highest notional risk and as a site that Council and Community had an expectation had been seismically strengthened, Waipukurau Library was prioritised for a detailed seismic assessment.

On 28 May 2020 based on receipt of initial assessment engineering advice the building had significant structural vulnerabilities, the following day (29 May 2020), Council closed the Waipukurau Library. This closure was due to advice the building had significant structural vulnerabilities, that in a large seismic event may result in the catastrophic failure of the building. This level of risk was unacceptable for Council to continue occupation with both staff and community.

This unexpected announcement followed Council and Community expectation that the building had been strengthened as part of structural and renovation works completed in 2016.

Temporary Council service centres and AA Services were established at Waipukurau Railway Station, with limited library services available.

The detailed seismic assessment confirmed the building was assessed as being less than 33% of the New Building Standard of an Importance Level 2 and being potentially earthquake prone. Based on this report, Council confirmed its decision to close the library for the foreseeable future on 6 August 2020.

Council are currently assessing options for library services in the short to medium term, balancing the affordability challenges and the practical options of where short-to-medium term services will be located. Critically, Council will fully consult with the community before any significant decisions are made relating to the long-term provision of library services in Waipukurau.

Waipukurau Memorial Hall

The Waipukurau Memorial Hall was also prioritised as a site for a detailed seismic assessment to be completed, following the initial review in March 2020. Like the Waipukurau Library, there was a Council and Community expectation the Hall had been strengthened as part of works completed in early 2017.

Due to delays relating to COVID-19 and the complexity in the halls design, the assessment took longer to complete than anticipated. The assessment confirmed the building was assessed as being less than 33% of the New Building Standard of an Importance Level 2 Building and was potentially earthquake prone.

News the building was earthquake prone were released and restrictions were placed on the building on Wednesday 6 August 2020. Restrictions included signage notifying occupants of the buildings status, limiting the building to 100 occupants and restricting Council run public events to other venues, to give people choice to enter the building. Other actions included increasing evacuation drills and reviewing egress routes from the facility.

Central Hawke's Bay Musuem

A small old unreinforced masonry shed at the Central Hawke's Bay Musuem was identified in the initial review as unsafe, which was closed immediate to the staff and public. Officers are working with the Musuem to remove this small structure.

The risk of the overall building was assessed as low and funding for further assessment will be requested as part of the Long Term Plan 2021 – 2031.

Central Hawke's Bay Municipal Theatre

The Theatre is currently having a Detailed Seismic Assessment completed, being identified as a moderate risk. The focus of the assessment relates the main timber framed concert hall. We expect the assessment for this building to be received in October.

Waipawa and Districts Centennial Memorial Pool

The change room structure was the focus of the initial review. The risk of the building was assessed as low and funding for further assessment will be requested as part of the Long Term Plan 2021 – 2031.

Central Hawke's Bay Council Administration Building

This building has previously been assessed at 100% of Importance Level Four. We are currently completing a further assessment of the building, however it is expected to be a lower risk facility when assessed as an Importance Level 2 facility.

Waipawa Library

The risks associated with the library were low. Funding for further assessment will be requested as part of the Long Term Plan 2021 – 2031.

Civic Theatre Waipukurau

This building has previously been assessed at 63% of the New Building Standard in a 2015 report at importance level 3. Recognising that the standards relating to the seismic assessment of building changed in 2016 and that the building as assessed as a moderately-low risk, we will be requesting funding for further assessments as part of the Long Term Plan 2021 – 2031.

DISCUSSION

This section discusses the next steps relating to the Waipukurau Memorial Hall and Waipukurau Library and the remaining buildings identified in this report:

Legal Advice relating to Waipukurau Memorial Hall and Waipukurau Library

Council is working through legal advice and continuing to assess the facts surrounding the strengthening works of both sites and the role of the different parties involved to determine what happened.

Council has previously stated that it is unable to publicly name the parties involved or note at this point if any potential liability exists, based on legal advice. We appreciate this response will continue to frustrate the community who seek transparency and answers.

As outlined above, we are continuing further work to assess the facts before making any definitive public statements to ensure Council does not place itself at any legal risk.

We expect this advice to be received in November.

Waipukurau Library

Council Officers are working through options on the immediate term opportunities for library services in Waipukurau. We appreciate that there is ongoing frustration from the community relating to library services and we ask for patience to identify a sustainable and value for money approach to services in Waipukurau.

Responding Strategically

Officers will be proposing in the 2021 – 2031 Long Term Plan the development of a Community Facilities Strategy, to help determine and respond to the challenges of the assessments and other challenges we face as a community relating to our community facilities. It is acknowledged that while shorter-term action will be required for some services such as library, a more strategic approach will however need to be developed, fully informed from the results of further assessments as they are completed to respond to the financial and community challenges that may result.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

7.3 ADOPTION OF PROCUREMENT POLICY

File Number: COU1-1400

Author: Brent Chamberlain, Chief Financial Officer

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Procurement Policy Proposed 2020 - 2023 [↓](#)
2. Procurement and Contract Management Policy

PURPOSE

The matter for consideration by the Council is to consider the attached draft Procurement Policy for adoption.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report, and following the recommendation from the Risk and Assurance Committee:

a) That the proposed “Procurement Policy” be adopted, and replace the previous version adopted in October 2018.

EXECUTIVE SUMMARY

Council’s existing “Procurement and Contract Management Policy” was adopted in October 2018.

In October 2019 Council undertook a “Procurement” internal audit to validate how well the policy had been imbedded. Part of this internal audit identified that the Policy was better suited for larger Councils, and the policy should be reviewed.

This work has been undertaken, and the outcome is the policy you have for adoption today.

This report and proposed policy was presented and discussed at the Risk and Assurance Committee meeting on the 21 July 2020 where the Committee adopted the following recommendations:

That having considered all matters raised in the report:

- a)** *That the Committee receive the Procurement Activity and Structure, and Procurement Policy Refresh report, and note its contents.*
- b)** *That the proposed Procurement Policy be recommended to Council for adoption, to replace the current Procurement and Contract Management Policy.*

BACKGROUND

In October 2018 Council adopted a new policy entitled “Procurement and Contract Management Policy” which was written by an external procurement specialist.

In October 2019 Council undertook a “Procurement” internal audit to validate how well the policy had been imbedded. This found that while Council did the high value, high risk procurement well, the policy was not well understood or adhered to by 3rd tier managers undertaking low value procurement.

It also found that the policy, while well written, was written with a larger Council in mind.

DISCUSSION

Central Hawkes Bay District Council (CHBDC), like most other Councils, does not have a dedicated procurement resource. Most small/medium sized Councils have the procurement function sitting within the corporate services department, but the actual procurement for each activity is undertaken by the budget manager with support from Corporate Services, and this is the case for CHBDC.

Hastings District Council (HDC) has 2 FTE's dedicated to the procurement function. In addition, the 5 Hawke's Bay Councils have recently employed a shared resource in a Regional Strategic Procurement Director.

These two resources, plus New Plymouth District Council's (NPDC) procurement officer, all had input into the draft policy Council has before it.

The proposed policy has incorporated current Ministry of Business, Innovation and Employment (MBIE) recommendations including the concept of public value. This is where Council will evaluate procurement tenders across a number of value factors not directly linked to price including environmental, social, economic and cultural outcomes (Local Government's four well beings).

As part of the economic outcomes of public value, Council should consider promoting economic growth and wellbeing of the Hawke's Bay and the Central Hawke's Bay District. This broader outcome can be achieved through sourcing goods and services through local suppliers where practicable.

Council Officers have also developed a new Procurement Manual which covers the "rules on how procurement is to be undertaken" to ensure that this policy is to be achieved, and will be adopting a range of procurement templates complied by MBIE.

Removed from the proposed policy is the section on "contract management". This section in the existing policy is only 3 paragraphs long. It requires that a contract obligation monitoring report is produced and officers and that suppliers aim for continuous improvement.

Neither HDC, nor NPDC's procurement policies cover contract management.

On the 21 July 2020, the draft "Procurement Policy" was considered by the Risk and Assurance Committee and was endorsed for adoption by Council.

RISK ASSESSMENT AND MITIGATION

The proposed Procurement Policy is consistent with MBIE's recommendations to government agencies, and has been reviewed by the Regional Strategic Procurement Director.

The Risk and Assurance Committee has considered the draft policy and has endorsed it for adoption by Council.

Once the new policy and Procurement Manual have been adopted, Officers will run further training for 3rd Tier managers to ensure a better understanding of procurement, and how it should be conducted, and this will be followed up with further internal checks to ensure adherence to the policy going forward.

FOUR WELLBEINGS

The proposed Procurement Policy with its concept of "Public Value" will ensure that the four wellbeing's are considered with Council undertakes future procurement and that matters other than just price can be evaluated when comparing tenders.

DELEGATIONS OR AUTHORITY

This policy will become a Council policy, and therefore requires adoption by either Council or a Committee with this delegation. The Risk and Assurance Committee does not hold delegations to approve Policy of Council, unlike the Strategy and Wellbeing, and Finance and Infrastructure Committees.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed of minor significance.

OPTIONS ANALYSIS

Council has two options available to it:

1. That after receiving the proposed Procurement Policy, and receiving the recommendation from the Risk and Assurance Committee, Council can adopt the proposed Procurement Policy.
2. That after receiving the proposed Procurement Policy, and receiving the recommendation from the Risk and Assurance Committee, Council can choose not to adopt the Procurement Policy and request further work on it be undertaken.

Recommended Option

This report recommends option one, adopt the proposed “Procurement Policy” for addressing the matter.

NEXT STEPS

Once the policy has been adopted officers will update Council’s Website with the new policy, and they will begin to manage Councils Procurement function in accordance with the new policy.

Officers will also run further training for 3rd tier managers to ensure a better understanding of procurement, and how it should be conducted, and this will be followed up with further internal checks to ensure adherence to the policy going forward.

RECOMMENDATION

That having considered all matters raised in the report, and following the recommendation from the Risk and Assurance Committee:

- a) That the proposed “Procurement Policy” be adopted, and replace the previous version adopted in October 2018.**

 **CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



Procurement Policy

Adopted: TBC

Together we Thrive! E ora ngātahi ana!

Central Hawke's Bay District Council

PROCUREMENT POLICY

PURPOSE OF THIS POLICY

The purpose of this procurement policy is to provide guidance to suppliers and staff of Central Hawke's Bay District Council to achieve the outcomes of Central Hawke's Bay long term plan and vision for the future. This policy provides clear intentions to suppliers, contractors and the community on the key areas the Council will consider throughout the procurement process.

This policy and the Central Hawke's Bay District Council procurement manual outline the strategic approach that the council will take to planning, sourcing and managing its procurement activities. The Council is committed to negotiating with suppliers in a fair, open and transparent manner, while ensuring maximum public value for the procurement of goods, works and services.

SCOPE OF THIS POLICY

Procurement covers all the business processes associated with purchasing the goods/services/works the Council use to run the business and deliver public service objectives.

Procurement starts with identifying the needs, then planning the effective and efficient way to meet them; continuing through to sourcing the goods/services/works then managing the contract; and ends with the expiry of either the contract or the assets useful life. This also includes the relationship management and review of suppliers involved.

The Council's approach to procurement will be dependent on the value, complexity and the risks involved. Each individual procurement will be in alignment with the council's objective.

PRINCIPAL OF PUBLIC VALUE

The principle of public value is not solely focused on price but is about getting the best possible result over the whole-of-life of the goods, services or works. This includes using resources effectively, economically, and without waste, and taking into account the total costs and benefits (total cost of ownership), and its contribution to the results Council is trying to achieve (such as social or environmental outcomes).

The value factors not directly linked to price include environmental, social, economic and cultural outcomes (Local Government's four well beings). These are considered 'broader outcomes' and can have a profound effect on the local economy and the wellbeing of the community. Council does not place an obligation on employees to use a process that only accepts the lowest quote or tender from a supplier; however, reasons for not doing so should be transparent and justified on a 'whole of life' public value basis.

As part of the economic outcomes of public value, Council should consider promoting economic growth and wellbeing of the Hawke's Bay and the Central Hawke's Bay District. This broader outcome can be achieved through sourcing goods and services through local suppliers where practicable (after considering cost, market capacity, local skill availability, community outcomes).

A 'local supplier' is defined as a supplier of goods or services operating or based in the Hawke's Bay, and employing and developing local people.

Procurement Policy
ADOPTED: TBC

E ora ngātahi ana! ¹

Central Hawke's Bay District Council

OUR GREATEST ASSET - PEOPLE

The Council recognises that procurement has a profound effect on the people of Central Hawkes Bay District. Procurement has an important commitment to effectively engage our community and achieve the best results for social, economic, cultural and environmental outcomes when procuring goods, works and services. In order to achieve these outcomes a reliable, efficient and community focused process will optimise our procurement operations.

Through increased planning, reporting and analysing the Council will be in a desirable position to make well informed procurement decisions. Providing an opportunity to eliminate waste and achieve value for money which will contribute to the reduction of project, contract and whole-of-life costs. In turn, the council, suppliers and the community can invest in their people's wellbeing and development.

OUR PURPOSE – THRIVING DISTRICT

It's our goal to create an environment that supports a thriving Central Hawkes Bay District, by providing efficient and appropriate infrastructure, services and regulatory functions.

Central Hawkes Bay District Council has a responsibility to understand the impacts of their procurement decisions and how they affect the environment and local infrastructure. The Council identifies that procurement has a key role in getting the right supplier, the right level of service and to provide the right community support.

OUR OBJECTIVES – PROUD, PROSPEROUS DISTRICT

The development of Central Hawkes Bay as a sustainable thriving district lies at the heart of what we are trying to achieve. This requires a sustainable and vigorous local economy with a range that can deliver local services, innovate and provide local prosperity. The more money that is spent locally, the greater the positive impact this will have on the local economy and particularly the sustainability of community organisations, small and medium sized businesses.

The procurement policy actively seeks a more reliable and efficient customer focused service delivery. The strategic approach to procurement in the early stages of planning and using accurate data allows the optimisation of local suppliers for goods, works and services.

Through procurement the council aspires to keep their people active, inclusive and safe.

Procurement Policy
ADOPTED: TBC

E ora ngātahi ana! ²

Central Hawke's Bay District Council



PRINCIPALS

Council applies the 'The Five Principles of Government Procurement' and takes into consideration the Government procurement charter and rules, as set out in the Government Procurement Rules (4th Edition) 2019, published by the Ministry of Business, Innovation and Employment (MBIE). Council recognises this publication as providing a best practice framework to guide Council in the delivery of the best 'public value' through its procurement, and to drive innovation and performance. Council is also guided by the Government Procurement Rules for sustainable and inclusive procurement.

Procurement Policy
ADOPTED: TBC

E ora ngātahi ana! ³

Central Hawke's Bay District Council



1. Plan and Manage for great results

Central Hawke's Bay District Council will use resources effectively by planning and managing procurement actions. The skills and experience that are available will be used to understand the business and community's needs when planning and approaching the market.

Planning and managing procurement will allow the Council to engage with suppliers in a timely manner, while forming the best possible supplier outcomes. The approach to market will be dependent on the size, complexity and any risks that are involved.

2. Be fair to all suppliers

Open and effective supplier competition maximises the prospect of the Central Hawke's Bay District Council obtaining the most effective procurement outcome. The Council will ensure that suppliers wishing to do business are given reasonable opportunity to do so. The procurement and relationship management processes used will aim to ensure that suppliers look to continue to do business with the Council.

Evaluation of proposals will be determined by the criteria set in the Council's procurement plan. The criteria will regulate which proposal satisfies the requirements and provides value for money over the procurement life cycle.

The Council's commitment to openness and fairness to suppliers will continue through to the feedback and proposed learnings for the successful and unsuccessful suppliers. Consistent evaluation methods and feedback will be submitted for an opportunity for the supplier to improve their business and increase competition.

3. Get the right supplier

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Central Hawke's Bay District Council

Central Hawkes Bay District Council plan to provide a framework for procurement that promotes consistent, transparent and efficient procurement practices to a high professional standard. The procurement process will apply sound ethical considerations, provide equitable and fair opportunity for procurement.

The Council will actively seek innovation and sustainable delivery approaches from the market.

4. Best deal for everyone

Central Hawkes Bay District Councils procurement actively promotes best public value for money and benefits over the course of the procurement life cycle. The principle of best deal for everyone does not necessarily mean the lowest price response, but rather the best outcome for the total life cycle. This includes but does not exhaust social, environmental and economic effects, with strategic focus on risk, innovation and sustainability.

Where appropriate group sourced procurement ensures the Council is utilising its size and buying power to make certain the best outcome is realised. The Council will continue to monitor supplier performance by tracking and reporting to deliver value for the ratepayers.

5. Play by the rules

The Local Government Act 2002 (section 14) details the principles relating to local authorities. The principles most relevant to the Council's procurement activities are:

1) In performing its role, a local authority must act in accordance with the following principles:

- a) A local authority should –
 - I. Conduct its business in an open, transparent and democratically accountable manner; and
 - II. Give effect to its Identified priorities and desired outcomes in an efficient and effective manner;
- b) A local authority should undertake any commercial transactions in accordance with sound business practices; and
- c) A local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region, including by planning effectively for the future management of its assets; and
- d) In taking a sustainable development approach a local authority should take into account –
 - I. The social, economic, and cultural interests of people and communities; and
 - II. The need to maintain and enhance the quality of the environment; and
 - III. The reasonably foreseeable needs of the future generations.

As part of Councils obligation to act fairly and openly, employees must take care that decision-making cannot be challenged on the basis of actual or potential bias and/or conflicts of interests. Conflicts of Interest may relate to Council Officers who make decisions relating to procurement, including governance, management, operational employees and the person approving the procurement.

Any conflicts of interest identified through the risk management process shall be handled in accordance with the Council's [Conflict of Interest Policy](#).

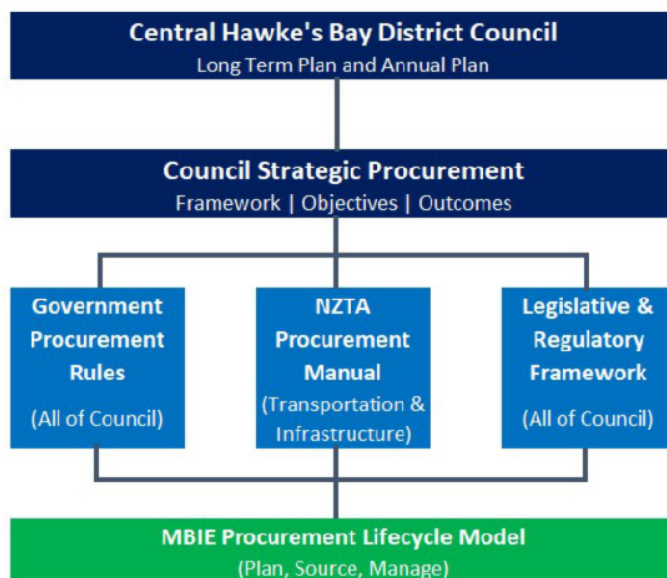
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Central Hawke's Bay District Council

STRATEGIC ALIGNMENT

In undertaking procurement, Council must operate within a policy framework which includes wider Council strategic objectives and outcomes, Government and (for transport) the New Zealand Transport Agency (NZTA) procurement rules and a legislative and regulatory framework as outlined in the framework below.



GOVERNMENT RULES OF SOURCING

The Council's procurement of goods, works and services are governed by the government rules of sourcing. Representatives of the Council involved in procurement must be mindful of the fact the council is subject to and should comply with, all applicable legislation

<https://www.procurement.govt.nz/procurement/principles-charter-and-rules/government-procurement-rules/>

EMERGENCY PROCUREMENT

In the event of a genuine emergency the council will need to be flexible in how it procures goods and services that are required for their response. In these situations rapid procurement may mean it is not possible or prudent to satisfy all requirements of this policy.

When making emergency procurement decisions the Council will act lawfully and with integrity.

Once the situation is stabilised and there is no risk to human life, the environment or critical infrastructure, a recovery plan will be established to authorise necessary procurement activity.

The Council will endeavour to document and account for all emergency procurement activity to safeguard against the high risk of corruption. Emergency situation can include but are not limited to-

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Central Hawke's Bay District Council

- Natural or manmade disasters; such as earthquakes, cyclones, tsunamis, volcanic eruptions, flooding, fires or contamination.
- Failures of critical infrastructures or equipment; such as failure of key transport routes or the ability to deliver safe drinking or waste water services.
- Critical health or environment emergencies; such as pandemic or food safety incident.
- Political emergencies; such as war, coup, or civil insurrection in New Zealand or countries where the New Zealand Government offers support.
- Critical security emergencies; such as terrorist attacks, serious crime or major cyber security emergency.
- Unanticipated events that make it impossible for an agency to perform a statutory or critical function in the necessary timeframe; such as the destruction of critical election supplies immediately prior to an election would be an emergency for the electoral commission.

COMPLIANCE

Procurement activity must be conducted in a manner which ensures the Council maintains a reputation of being fair, transparent and equitable towards suppliers and evidenced through sound and robust record keeping. Representatives of the Council undertaking procurement activities must declare any perceived or actual conflicts of interest to the procurement group as soon as practicable.

Prior to any procurement activity being undertaken internal processes must be followed and should be completed. The budget must be identified and approved, procurement plans must be prepared for purchases over \$25,000.

Any procurement activity must also be in alignment with Council's [Financial Delegation Register](#).

Compliance with this policy and the procurement manual is required for all procurement activity undertaken by the council's temporary and permanent employees, consultants and contractors. Any departure from this approach must be approved by the Chief Finance Officer.

This policy is to be read in conjunction with the council's procurement manual and relevant council policies and procedures (see Relative Legislation, Policies and Other Documents section below).

RISK MANAGEMENT

Risk is inherent in all procurement activities. Effective risk management is required to ensure that Council and its ratepayers are not exposed to significant unmitigated risk and future liability.

Employees shall proactively identify, evaluate and manage any risks, opportunities and issues at all stages of the procurement process in accordance with Councils' [Risk Management Framework](#). The [Risk Management Framework](#) provides practical guidance to employees on risk management, including a Risk Matrix for determining the level of risk, and a risk evaluation template to ensure all areas of risk are considered.

RELATIVE LEGISLATION, POLICIES AND OTHER DOCUMENTS

Commerce Act 1986

Contract and Commercial Law Act 2017

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Fair Trading Act 1986

Health and Safety at Work Act 2015

Local Authorities (Membership Interests) Act 1968

Local Government Official Information and Meetings Act 1987

Local Government Act 2002

Official Information Act 1982

Public Records Act 2005

Civil Defence Emergency Management Act 2002

Goods and Services Tax Act 1985

Land Transport Management Act 2003

Resource Management Act 1991

Construction Contracts Act 2002

Public Works Act 1981

Principles of Government Procurement

Government Rules of Sourcing

[Central Hawkes Bay District Council's Delegation Register](#)

[Central Hawkes Bay District Council's Procurement Manual](#)

[Central Hawkes Bay District Council's Company Credit Card Policy](#)

[Central Hawkes Bay District Council's Risk Management Framework](#)

[Central Hawkes Bay District Council's Conflict of Interest Policy](#)

Procurement Policy
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Central Hawke's Bay District Council <i>PROCUREMENT AND CONTRACT MANAGEMENT POLICY</i>	POLICY MANUAL	
	Document #	7.21
	Approved by:	Council
	Adoption Date:	31-10-2018
	Last Amended:	31-10-2018
	Review Date:	31-10- 2019
	Page:	Page 1 of 13

1. INTRODUCTION

The Central Hawkes Bay District Council is a local authority with obligations to its ratepayers and the public as defined under the Local Government Act 2002.

Procurement and contract management plays an important role in the delivery of Council outcomes, with a wide variety of goods, services and works being purchased from third party suppliers to deliver the levels of service and capital projects in the Long Term Plan (LTP). Procurement policy traditionally focuses on sourcing the right suppliers but it needs to be supported by effective contract management to ensure Council receives the value that was promised by suppliers in the procurement process. The scope of contract management can range from simple 'on time, on cost and in spec' operational delivery through to broader strategic innovations and contributions. Most Council staff are involved with some or all procurement and contract management processes including planning sourcing and managing as demonstrated in the procurement lifecycle diagram below.



Procurement and Contract Management Lifecycle

The Council recognises that it is a significant user of public money, and that the expenditure of this money impacts the local and domestic economy and the overall performance of the Council. Council must demonstrate that its procurement and contract management processes from source and selection through to payment are fair, transparent, compliant and auditable, and that staff and suppliers are able to deliver services in a safe and efficient commercial environment.

This policy provides clarity for staff and suppliers and outlines how Council will meet its obligations as described in the Office of the Auditor General's 'Procurement Guidance for Public Entities' (<https://www.oag.govt.nz/2008/procurement-guide/docs/procurement-guide.pdf>)

Procurement framework

Council's procurement framework is as follows:



Compliance and delegations

All Council Groups will comply with guidelines outlined in this policy and Council expects all staff and business units to be guided in their procurement of goods, services and works by the sensible application of the following principles and procurement policies. For clarity, this includes compliance with Council's preferred suppliers, contracted suppliers and their associated purchasing and invoicing processes.

Council's default policy is an open competitive tender process commensurate with delegated financial authority supported by effective contract compliance. However, Council encourages innovation, and if a new or different approach or methodology will deliver better value for money then it can be proposed and approved by way of a Procurement Plan.

Approach to policy and guidelines

Council's approach to procurement and contract management policy is to develop and maintain principles and business rules that are appropriate for delivering its outcomes. For guidelines, or 'how to' practices and procedures, Council will work with Hawkes Bay Local Authority Shared Services

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(HBLASS) to develop a common set of tools and guidelines. This will be informed by best practice tools and templates developed and maintained by Ministry of Business Innovation and Employment (MBIE), and the New Zealand Transport Agency (NZTA) procurement guide for infrastructure construction and maintenance tendering.

Alignment to organisation principles and values

Council's suppliers are often the 'face of council' in our community and they can also be part of our community as local businesses or staff who reside in Central Hawkes Bay. It is important that we recognise this through aligning our interactions with suppliers with the core principles and values of 'Thrive' where we demonstrate the following:

- **DOING IT TOGETHER:** Central Hawke's Bay will be stronger when we work together. Partnerships and collaboration are at the core of everything we do.
- **CUSTOMER EXCELLENCE:** The communities we serve are our customers. They are at the heart of our decisions, interactions and communication. We'll engage with our customers to deliver value and exceed expectations.
- **THINKING SMARTER:** We need to think smarter and better in everything we do. With a culture of innovation and continuous improvement we will add value to our communities.
- **VALUES:**
 - ✓ **TRUST** – We create trust by acting with integrity.
 - ✓ **HONESTY** – We do what is right even when no one is looking.
 - ✓ **RESPECT** – We have respect for each other, our community and our stakeholders.
 - ✓ **INNOVATION** – We find smarter ways to do things to produce improved and sustainable results.
 - ✓ **VALUING PEOPLE** – We are one team, supporting each other to succeed.
 - ✓ **EXCELLENCE** – We deliver exceptional results.

Our objectives

The objectives of the Procurement and Contract Management Policy are to provide clear direction to management and staff in relation to the procurement, contract management and purchasing functions and establishes a decision framework that:

- Ensures purchases are made in a transparent and accountable manner
- Delivers best value for money through the most appropriate goods or services provider
- Ensures open and effective competition
- Supports sustainability with particular regard to longer term affordability
- Appropriately manages risk e.g. contractual, financial and public interest
- Promotes efficient purchasing practices and their continuous improvement
- Ensures suppliers are delivering their service promise, contractual obligations and/or innovations that improve efficiency and effectiveness
- Encourages local economic development
- Ensures Council's purchasing activities are in accordance with its legal responsibilities

Purpose

This Procurement and Contract Management Policy states the procurement principles of the Council, and aims to:

- Inform Council staff, and those acting on behalf of the Council, of the objectives, behaviours and principles appropriate when undertaking procurement and purchasing activities
- Protect staff and suppliers from exposure to fraud, conflict of interest and illegal activities
- Encourage a common understanding and consistent management practice across the Council organisation to realise procurement-related value for money¹
- Promote transparency in how the Council manages its procurement
- Promote effective management of contracts and the supply market
- Ensure procurement practices are always consistent with legislation
- Provide a framework for common understanding of Council procurement practices for potential vendors

Scope

The policy applies to all contracting and procurement activities at Council and is binding upon councillors, council staff and suppliers engaged by Council. These processes cover all goods and services delivered in part or in full by 3rd party suppliers and include:

- Source and selection of suppliers (direct award, quotes and tenders)
- Contracts and contract management
- Establishing and maintaining approved vendors
- Sourcing and managing preferred suppliers and/or supplier panels
- Raising and approving purchase orders
- Goods or services receipting and invoice approval (including contracted claims processes)

For clarity this includes goods or services supplied by non-commercial entities such as Iwi, volunteer and other community organisations.

This policy does not apply to the following activities:

- The employment of staff (excluding the engagement of contractors and consultants to supply services)
- The acquisition or lease of strategic land or buildings (excluding the design, construction or refurbishment of buildings)
- Disposals and sales of Council assets
- Investments, loans, guarantees, or other financial instruments
- Gifts, donations and grants

¹ Council will follow the Office of the Auditor General's definition for value for money in procurement which is:

Value for money means using resources effectively, economically, and without waste, with due regard for the total costs and benefits of an arrangement, and its contribution to the outcomes the entity is trying to achieve.

In addition, the principle of value for money when procuring goods or services does not necessarily mean selecting the lowest price but rather the best possible outcome for the total cost of ownership (or whole-of-life cost).

Value for money is achieved by selecting the most appropriate procurement method for the risk and value of the procurement, and not necessarily by using a competitive tender

- Non-contractual agreements between public sector agencies, such as memorandums of understanding.
- Statutory or ministerial appointments.

Related policies and legislation

Legislation and central government guidance

Council procurement and contract management practices must be compliant with current legislation and council officers must actively seek assurance that suppliers comply with their legal obligations.

Council Policies

- Sensitive Expenditure Policy
- Purchases Policy
- Delegations Register

Policy Owner

This policy is the responsibility of Group Manager Corporate Support and Services

Policy Management

This policy will be managed by the Executive Leadership Team. The Executive Leadership Team and Council will meet and agree the formation and role of a Tenders sub-committee to oversee the annual procurement strategy process and outcomes, and procurement plans for procurements with a value greater than \$1,000,000.

2. MANAGEMENT – PROCUREMENT STRATEGY

Council will obtain better value for money through strategic planning of its procurement and contract and relationship management. For strategic procurement planning and management purposes Councils requirements for goods and services are assigned to one of three main categories being

- **Infrastructure Services** – all asset maintenance, service delivery and capital works associated with, Property, Roads, Water, Wastewater, Solid Waste and Stormwater
- **Community Services and Governance** – all outsourced activities associated with community services and governance including parks and open spaces, parking, animal control, libraries, swimming pools, elections, hearings and licencing and consents
- **Corporate Services and Purchasing** – all goods and services required for the effective and efficient management of Council offices including stationery, professional and legal services, information, communications and technology (ICT), electricity and consumables. Also includes purchasing transaction management.

The Executive Leadership Team (ELT) will assign ownership of the procurement strategy for each of these categories.

Strategy Outcomes

The procurement strategy(s) will outline specific objectives, procedures and initiatives that will contribute to the following long term outcomes where Council will:

- Increase its measurable contribution to Council's Economic Development Strategy, and local economic wellbeing and growth
- Increase value for -money from its suppliers
- Realise opportunities from works programme bundling, sequencing and prioritising
- Optimise outsourced asset lifecycle costs
- Consider the depth and sustainability of the regional supply market
- Increase its capability to procure goods and services efficiently and effectively
- Position itself as a client of choice for high performing value adding suppliers
- Maintain compliance with requirements for fair and transparent value for money procurement and contract management

Strategy dependencies

Council will consider and align procurement strategy development and reviews to the following:

Section17a reviews

Section 17a of the Local Government Act requires Council to regularly review how it delivers services, which informs decisions to insource or outsource services. Council requires procurement strategy reviews to consider the timing and outcomes of S17a reviews.

NZTA Procurement Strategy

NZTA requires Approved Organisations to maintain a procurement strategy for all activities supported by funding from NZTA. Many of Councils Infrastructure Services category suppliers offer goods and services across all infrastructure assets and Council therefore requires staff to integrate the requirements of a complying NZTA strategy into its wider Infrastructure Services category strategy.

Central and regional initiatives

For many expenditure categories such as electricity, stationery and fleet, Council has access to arrangements made by central government through All of Government contracts (AOG) or through shared procurement with regional organisations such as Hawkes Bay Local Authority Shared Services (HBLASS). Council requires national and regional initiatives to be considered in its procurement strategy.

Strategy scope, development and reviews

The ELT will oversee the development and maintenance of a rolling three year procurement strategy for each of the three categories. The scope of the strategy will encompass the following:

The ELT will oversee the development and maintenance of a rolling three year procurement strategy for each of the three categories. The scope of the strategy will encompass the following:

- Relevant Section 17a reviews
- Relevant contracts expiry and term renewals
- NZTA complying strategy for NZTA funded activities
- Supply chain capability and capacity development
- Identification and development of strategic supply partners
- Local economic development including upstream and local suppliers
- Programme optimisation
- Regional shared opportunities and initiatives
- Identification and development of preferred supplier panels
- Preferred suppliers for minor expenditure
- Relationship and contract management
- Strategic and significant supplier business ownership and accountability
- Procure to pay processes

The ELT will provide an annual procurement strategy review report to the Risk and Audit committee by 31 July each year.

3. OPERATIONS - HOW WE WORK

Principles

Council has aligned its procurement and contract management policy and practices to the principles developed and maintained by the Ministry for Business Innovation and Employment (MBIE) which are:

Plan and manage for great results: This is about actively planning for success – it's as simple as 'plan, do, check, improve'. Make sure your process is reasonable and set realistic timeframes.

Be fair to all suppliers: This is about giving all suppliers a chance to respond – either as a prime contractor or a sub-contractor. We need to make it easy for people to do business with us. It's essential to give suppliers enough time to prepare and send in their proposals.

Get the right supplier: This is about choosing the right supplier and being confident that they will successfully deliver.

Get the best deal for everyone: This is about achieving best value for money – which often isn't the lowest purchase price. It's also about making quality decisions that remain good over the life of the contract.

Play by the rules: This is about building trust with suppliers and keeping a reputation as a fair buyer.

Delegations

All procurement decisions will be subject to approval as outlined in [Council's Delegated Financial Authority \(DFA\) guidelines](#). In addition to the DFA the ELT will act as Council's Tenders Committee and maintain oversight over all Council procurements.

The Executive Leadership Team has the responsibility to oversee the procurement processes for all purchases requiring a commitment between \$200,000 and \$1,000,000 over the life of the contract. Procurements with a value greater than \$1,000,000 must be approved by Council by way of a procurement plan and a supplier recommendation report.

Procurement Plans

Procurement Plans (a form of business case) must be completed for all procurements where an existing supplier is not being used. The Procurement Plan must be approved by the appropriate manager under the Delegations Register.

Any non-budgeted goods or services procurement with a value of more than \$5,000 must be supported by an approved procurement plan regardless of value or risk.

Managing Risk and Value

Procurement risk is a combination of value, complexity and other non-financial factors such as public profile, sensitive expenditure areas, depth of supply market or dependencies across projects.

A key step in developing a procurement plan is to complete a simple risk assessment. This assessment helps identify particular issues that staff should address in their procurement plan.

All procurement activity will be authorised in line with Councils delegated financial authorities. Approved procurement methods will be determined by the value and risk of the procurement.

The value / risk profile is defined as follows:

Low value procurement – this is where there is little or no risk and the value of the procurement is less than **\$10,000**. In most cases the goods or services will be provided by a preferred or contracted supplier as published by the Corporate Support and Services Group.

Simple procurement – this is where there is some risk and the value is **>\$10,000 and <\$100,000**. In this case the standard procedure is quotes from preferred or panel suppliers. If existing contracted, preferred or panel suppliers are not appropriate then a Procurement Plan that recommends another approach must be prepared (e.g. an open tender or direct award to a high performing supplier).

Complex procurement – this is for high risk and/or procurements valued at over **\$100,000**. This is a full business case based process starting with a procurement plan approved by the appropriate delegated financial authority.

Note – the value is the total potential value of the contract ie: if it is valued at \$25,000 per annum, and it's a three year contract, then the procurement value is \$75,000

Probity and legal review

Complex procurements are significant and can include advanced procurement methodologies such as weighted attribute evaluation. They also usually result in a contract and attendant schedules being prepared and executed. To ensure Council's interests and responsibilities are well managed the procurement plan must address how probity and legal review will be managed.

This should be addressed on a case by case basis, however as a general guide any procurement with a value greater than \$1,000,000, or involving sensitive expenditure, should require independent probity audit and legal review.

For clarity, the probity period for any procurement commences with the approval of a procurement plan and concludes with the approval of a supplier recommendation report. Staff involved must ensure that they do not compromise themselves or Council through things such as accepting gifts or gratuities from suppliers, or communicating with suppliers or other interested third parties about the procurement.

Conflict of Interest

All staff involved in the preparation and execution of a public procurement process are to complete a Conflict of Interest declaration which is to be approved by the delegated financial authority for the procurement.

Form of Contract

Council does not have a specific preferred form of contract and expects the Procurement Plan to specify the recommended form of contract to be used in the circumstance. Forms of contract to consider include:

- Council's template for Strategic Relationships
- MBIE templates (<http://www.procurement.govt.nz/procurement/for-agencies/government-model-contracts>)
- NZS series (NZS 3910,16,17 etc) (<https://shop.standards.govt.nz/search/ed?q=Contracts&fq=&sort=&start=10>)
- NEC series (<https://www.neccontract.com/Products/Contracts>)
- FIDIC books (<http://fidic.org/bookshop/about-bookshop/which-fidic-contract-should-i-use>)
- Bespoke (refer to Executive Leadership Team)

Contract Management

Contracted and/or preferred suppliers must be well managed in order for Council to obtain best value for money through contract compliance, ongoing development and innovation and effective contract management.

Council's contract managers will provide an annual contract compliance report to the Executive Leadership Team that provides assurance that both Council and the supplier have met their contracted obligations.

Council requires all preferred suppliers, panel suppliers and contracted suppliers of ongoing services (such as infrastructure maintenance or fleet management) of more than \$100,000 pa, or high risk (such as legal advisors and engineering consultants), to prepare and maintain a Continuous Improvement Plan which should be refreshed annually and reported against half yearly. Suppliers who are required to maintain these plans will be itemised in the annual procurement strategic plan.

Emergency Procurement

From time to time Council must undertake emergency procurement in order to protect life and/or property and infrastructure from the effects of natural or manmade events, health or environmental emergencies or other unanticipated events.

In these cases, if it is impractical to follow normal procurement procedures, then staff should proceed using the following guidelines:

- Refer to the Delegations Register for approved purchasers
- Procure the required goods or services from Council's preferred or existing suppliers. Large contracts should already have provisions in place for emergency or response based activities.
- Follow up any verbal request for service with a written confirmation as soon as practicable
- Retrospectively comply with purchasing rules as soon as practicable. Please note that suppliers will not be paid until these processes have been complied with.
- Complete a post-procurement report to the Executive Leadership Team with recommendations and an implementation plan for improved practices

Purchasing Rules

Council must protect itself, its staff and its suppliers from fraudulent activities in addition to supporting efficient and effective management of its financial transactions with suppliers. To achieve this, the following rules must be complied with:

- **Purchase orders (POs)** – all POs with a value greater than \$5,000 require a two-step approval as detailed in the Delegations Register
- **Invoice approval** – 'two step approval required if the invoice value is flagged as varying from the PO value by more than the allowed percentage recorded in the financial management system
- **'No purchase order – no pay'**: if a supplier doesn't put a valid PO# on their invoice they will not be paid. In the case of monthly claims for large contracts, then contractors must provide the required work order or purchase order number for each activity claimed, or, obtain approval for a pro-forma claim from the budget holder.
- **New Vendor requests**: raised by requestor and approved by budget holder

Contract Register: no tender can be let, and no contract can be signed, without a valid contract number. Any exceptions to the above rules must be approved in writing by Group Manager Corporate Support and Services.

Procurement and Contract Management Practice guidelines

Council practice will be informed by MBIE and NZTA procurement guidelines and manuals. The reasons for this are:

- Tools and templates are legally reviewed and regularly updated
- MBIE practices include all current public sector procurement methodologies together with guidelines as to when a particular methodology is appropriate
- The site supports All of Government (AOG) contracts that Council and/or HBLASS may join
- The site supports training and capability development
- Suppliers are becoming increasingly familiar with the practices, contract and supplier relationship management tools and templates recommended by MBIE
- Adopting a centrally provided resource will reduce risk, cost and administration for Council

Review

This policy replaces any policies that are currently in use and will be reviewed in 12 months.

Signed: _____

Monique Davidson
CHIEF EXECUTIVE

Glossary of terms:

Term	Meaning
Claim	Claim is a contracting term for the documentation that supports an invoice in (normally) larger capital and asset management contracts.
CUP clause	A clause that enables Eligible Agencies to join an Open Syndicated contract. The CUP clause must be included in all syndicated contracts.
Preferred supplier	A provider of goods or services under a non-exclusive contractual arrangement, especially for indirect categories. The arrangements are usually non-binding, standing-offer agreements which offer preferential terms for a defined period of time. Preferred suppliers may be selected after a competitive evaluation as being the best value providers for a given category, and the terms of the preferred supplier arrangements are publicised to end users who are encouraged to raise purchase orders on those suppliers. The use of preferred supplier arrangements can help achieve better value and help reduce the size of the active supply base.
Probity	Probity is demonstration that the procurement process will be conducted ethically and fairly, with all participants provided an equal opportunity. All procurement processes need to win the trust of suppliers so that they feel confident that their offers will remain confidential and that the best offer will win. However, probity is of especial concern to the public sector, as not only do public sector procurement processes need to be conducted in a transparent and impartial way, officers need to be able to demonstrate the integrity of the process in the event of challenge.
Procurement	Procurement describes all those processes concerned with developing and implementing strategies to manage an organisation's spend portfolio in such a way as to contribute to the organisation's overall goals and to

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	maximise the value released and/or minimise the total cost of ownership. Procurement is a more comprehensive term than purchasing, which is more focused on the tactical acquisition of goods and services and the execution of plans rather than the development of strategies.
Procurement plan	Effectively a Business Case for a procurement activity
Procurement Strategy	The procurement strategy documents how Council will coordinate all of its procurement activities to meet its business objectives.
Purchasing	Purchasing describes all those transactional processes concerned with acquiring goods and services, including payment of invoices. It is a narrower term than procurement, describing reactive, tactical processes. Typically purchasing processes are triggered by the development of a request to purchase by a user.
Purchase Order	A purchase order [PO] is a document issued by a buyer to their supplier that defines what is needed, in what quantity, when performance is required, and on what terms, including price and payment terms. The issue of a purchase order is increasingly a prerequisite in many payment systems for the payment of invoices.
Vendor	The term 'vendor' is a generic label applied to suppliers.

7.4 ADOPTION OF DEBT AND TREASURY MANAGEMENT POLICY

File Number: COU1-1400

Author: Brent Chamberlain, Chief Financial Officer

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Treasury Management Policy Proposed [↓](#)

PURPOSE

The matter for consideration by the Council is to consider the attached draft Treasury Policy (incorporating Investment and Liability policies) for inclusion in the Draft Long Term Plan 2021-2031.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report and following the recommendation of the Risk and Assurance Committee:

- a) **That Council adopt the proposed “Debt and Treasury Management Policy” to be included as part of the Draft Long Term Plan 2021 – 2031 which will be consulted on in early 2021.**

EXECUTIVE SUMMARY

Council’s Treasury Management Policy was last reviewed in 2016 by PriceWaterhouse Coopers.

The main change recommended is a change in the external debt levels allowable, and that these be better aligned with the Local Government Funding Agencies prudential debt benchmarks used by other New Zealand Councils.

These changes were presented to Council’s Risk and Assurance Committee on the 3rd September, and they were endorsed to come to full Council for adoption.

BACKGROUND

Council last reviewed its Treasury Management Policy in May 2016, and it is due to be reviewed as part of the Long Term Plan preparation.

The original Policy was drafted by PriceWaterhouse Coopers.

Since 2016 the world economy has significantly changed, and we now find ourselves in a period of sustained low to negative interest rates, looming recessions, impacts of Covid-19, and high levels of central government stimulus in the job creation/infrastructure areas.

Central Hawkes Bay District Council also is in a different place to that of 2016, with significantly more external debt and large capital programs on the horizon.

This report and proposed policy was presented and discussed at the Risk and Assurance Committee meeting on the 3 September 2020 where the Committee adopted the following recommendations:

That having considered all matters raised in the report:

- a) *That the report entitled “Treasury Management Policy” be received*
- b) *That the proposed changes to the policy be endorsed and be recommended to Council for future adoption.*

DISCUSSION

The existing Treasury Management Policy is largely still fit for purpose; however, it is an extremely rigid, conservative policy.

The policy also has a couple of contradictory ratios and concepts such as the liquidity ratio being 130% on page 9 and 110% on page 18, and the concept of holding special funds in liquid investments on page 14, and yet on page 11 being available to fund internal debt.

Attached is a copy of the current Treasury Management Policy (all be it reformatted in our current template) with marked up proposed changes and comments why the changes are being proposed.

The main changes are:

Page 8 – The debt limit ratios are currently very conservative and include a cap of \$2,000 per head of population. It is proposed that these debt ratios be slightly below the maximums that the LGFA (Local Government Funding Agency) will apply when lending to a non-credit rated Council (i.e. how much the LGFA is willing to lend to Central Hawkes Bay District Council before they consider Council's debt levels are becoming unaffordable), and remove the cap per head of population. Assuming this change is adopted, Council would be able to borrow up to \$52m based on its draft 2019/20 annual report. Council currently has external debt of \$20m, so this would give Council \$32m of headroom to complete its proposed infrastructure program in the 2021-2031 Long Term Plan.

Page 15 – The levels of fixed versus floating debt allowed is proposed to change slightly (from 50-95% to 50-100%), and the further break down of these limits into maturity bands is reduced to just 2 bands. This will allow Council more flexibility when borrowing to choose fixed rates, without exposing Council to increased interest rate variability. This will allow Council to lock in more of the current low interest rates, thus protecting Council from possible future interest rate rises.

Page 17 – The bands of when debt matures is proposed to be deleted, and replaced with a single limit that "no more than the greater of \$10m, or 35% of Councils total debt can mature in any 12 month rolling period".

Page 18 – Officers have proposed the levels of Counter Party Risk has been increased from A+ to AA- which will preclude Council from transacting with Building Societies and smaller tier two banks, but on the flip side it is proposed that the limits per bank is lifted from \$8m to \$10m.

The adoption of this policy is a key component of the review of our financial policies leading into our Long Term Plan 2021 – 2031.

RISK ASSESSMENT AND MITIGATION

The proposed changes in levels of debt limits will significantly increase Councils ability to borrow further funds (and obviously come with a repayment/servicing risk), while the other proposed changes are minor in nature.

However, the proposed debt levels are aligned with the LGFA prudential benchmarks, and what other New Zealand Councils are doing.

FOUR WELLBEINGS

The policy changes will have an impact on Councils finances, and what levels of service it can deliver, which ultimately has an impact on the wellbeing of the community and people we serve – it is because of this that the decision triggers significance, a matter dealt with later in the report.

DELEGATIONS OR AUTHORITY

This policy will become a Council policy, and therefore requires adoption by either Council or a Committee with this delegation. The Risk and Assurance Committee does not hold delegations to approve Policy of Council, unlike the Strategy and Wellbeing, and Finance and Infrastructure Committees.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as significant. Previously Officers had advised the Risk and Assurance Committee, that the adoption of this policy does not trigger significance, however this guidance was incorrect.

Given the Treasury Management Policy is a key component of Councils Financial Strategy, and the changes in the policy include changes to the debt limit ratios, these are key decisions that community can expect input into therefore the decision sought from the Council today are to adopt the policy for inclusion in the Draft Long Term Plan 2021 – 2031 for consultation.

OPTIONS ANALYSIS

Council has two options available to it:

1. That after receiving the proposed Treasury Management Policy, and receiving the recommendation from the Risk and Assurance Committee, Council can adopt the Treasury Management Policy for inclusion in the Draft Long Term Plan 2021 – 2031.
2. That after receiving the proposed Treasury Management Policy, and receiving the recommendation from the Risk and Assurance Committee, Council can choose not to adopt the Treasury Management Policy and request further work on it be undertaken prior to the adoption of the Draft Long Term Plan 2021 – 2031.

Recommended Option

This report recommends option one, adopt the proposed “Treasury Management Policy” for addressing the matter.

NEXT STEPS

Once the policy has been adopted officers will update the Long Term Plan programme to reflect that this milestone has been completed. The newly adopted treasury policy will be included in the Draft Financial Strategy for Councils consideration later in the year, and will be incorporated into the Draft Long Term Plan 2021 – 2031 for public consultation early 2021. The newly adopted Debt and Treasury Management Policy would not come into effect until 1 July 2021, following community consultation.

RECOMMENDATION

That having considered all matters raised in the report and following the recommendation of the Risk and Assurance Committee:

- a) **That Council adopt the proposed “Debt and Treasury Management Policy” to be included as part of the Draft Long Term Plan 2021 – 2031 which will be consulted on in early 2021.**



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL



Treasury Management Policy (including Investment and Liability Policies)

Adopted: TBC

Together we Thrive! E ora ngātahi ana!

Central Hawke's Bay District Council

Treasury Management Policy

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Procurement Policy
ADOPTED: TBC

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Procurement Policy
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Central Hawke's Bay District Council

PURPOSE OF THIS POLICY

The purpose of the Treasury Management Policy ("Policy") is to outline approved policies and procedures in respect of all treasury activity to be undertaken by Central Hawke's Bay District Council ("Council"). The formalisation of such policies and procedures will enable treasury risks within Council to be prudently managed.

As circumstances change, the policies and procedures outlined in this Policy will be modified to ensure that treasury risks within Council continue to be well managed.

It is intended that the Policy be distributed to all personnel involved in any aspect of the Council's financial management. In this respect, all staff must be completely familiar with their responsibilities under the Policy at all times.

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Central Hawke's Bay District Council

SCOPE AND OBJECTIVES OF THIS POLICY

Scope

- This document identifies the Policy of Council in respect of treasury management activities, incorporating both borrowing and investment activity.
- The Policy has not been prepared to cover other aspects of Council's operations, particularly transactional banking management, systems of internal control and financial management. Other policies and procedures of Council cover these matters.

Treasury Management Objectives

The objective of this Policy is to control and manage costs, investment returns and risks associated with treasury management activities, incorporating both borrowing and investment activity.

Statutory objectives

- All external borrowing, investments and incidental financial arrangements (e.g. use of interest rate hedging financial instruments) will meet requirements of the Local Government Act 2002 and incorporate the Liability Management Policy and Investment Policy.
- Council is governed by the following relevant legislation:
- Local Government Act 2002, in particular Part 6 including sections 101, 102, 104, 105 and 113.
- Local Government (Financial Reporting and Prudence) Regulations 2014, in particular Schedule 4.
- Trustee Act 1956. When acting as a trustee or investing money on behalf of others, the Trustee Act highlights that trustees have a duty to invest prudently and that they shall exercise care, diligence and skill that a prudent person of business would exercise in managing the affairs of others.
- Council will not transact with any Council Controlled Trading Organisation (CCTO) on terms more favourable than those achievable by Council itself, without charging any rate or rates revenue as security.
- A resolution of Council is not required for hire purchase, credit or deferred purchase of goods if:
The period of indebtedness is less than 91 days (including rollovers); or
The goods or services are obtained in the ordinary course of operations on normal terms for amounts not exceeding in aggregate, 5.0% of the Council's consolidated annual operating budget for the year (as determined by Council's Significance and Engagement Policy).

General objectives

- Ensure that all statutory requirements of a financial nature are adhered to.
- Minimise Council's costs and risks in the management of its external borrowings.
- Minimise Council's exposure to adverse interest rate movements.
- Arrange and structure external long term funding for Council at a favourable margin and cost from debt lenders. Optimise flexibility and spread of debt maturity terms within the funding risk limits established by this Policy statement.
- Maintain appropriate liquidity levels and manage cash flows within Council to meet known and reasonable unforeseen funding requirements.
- Manage investments to optimise returns in the long term whilst balancing risk and return considerations.

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Central Hawke's Bay District Council

- Develop and maintain relationships with financial institutions, brokers and LGFA.
- Comply, monitor and report on borrowing covenants and ratios under the obligations of Council's lending/security arrangements.
- To minimise exposure to credit risk by dealing with and investing in credit worthy counterparties.
- Borrow funds, invest and transact risk management instruments within an environment of control and compliance.
- Monitor, evaluate and report on treasury performance.
- Ensure the Council, management and relevant staff are kept abreast of the latest treasury products, methodologies, and accounting treatments through training and in-house presentations.
- Ensure adequate internal controls exist to protect Council's financial assets and to prevent unauthorised transactions.

In meeting the above objectives Council is, above all, a risk averse entity and does not seek risk in its treasury activities. Interest rate risk, liquidity risk, funding risk, investment risk or credit risk, and operational risks are all risks which Council seeks to manage, not capitalise on. Accordingly activity which may be construed as speculative in nature is expressly forbidden.

Policy setting and management

Council approves Policy parameters in relation to its treasury activities. The CE has overall financial management responsibility for the Council's borrowing and investments, and related activities.

The Council exercises ongoing governance over its subsidiary companies (CCO/CCTO), through the process of approving the Constitutions, Statements of Intent, and the appointment of Directors/Trustees of these organisations.

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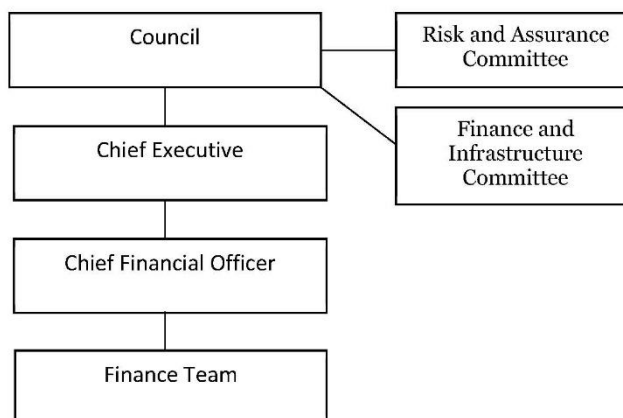
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Central Hawke's Bay District Council

GOVERNANCE AND MANAGEMENT RESPONSIBILITIES

Overview of Management Structure

The following diagram illustrates those individuals and bodies who have treasury responsibilities. Authority levels, reporting lines and treasury duties and responsibilities are outlined in the following section:



Council

The Council has ultimate responsibility for ensuring that there is an effective Policy for the management of its risks. In this respect the Council decides the level and nature of risks that are acceptable, given Council's statutory objectives.

The Council is responsible for approving the Policy. While the Policy can be reviewed and changes recommended by other persons, the authority to make or change Policy cannot be delegated.

In this respect, the Council has responsibility for:

- Approving the long-term financial position of Council through the Long Term Plan (LTP) and Financial Strategy along with the adopted Annual Plan.
- Approve and adopt the Liability Management and Investment Policies (the Treasury Management Policy).
- Approval for one-off transactions falling outside Policy.

Finance and Infrastructure Committee

Under delegation from Council:

- Monitor and review treasury activity through at least six monthly reporting, supplemented by exception reporting.

Risk and Assurance Committee

Under delegation from Council:

- Review formally, on a three yearly basis, the Treasury Management Policy document.
- Evaluate and recommend amendments to the Treasury Management Policy to Council.

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Central Hawke's Bay District Council

Chief Executive Officer (CE)

While the Council has final responsibility for the Policy governing the management of treasury risks, it delegates overall responsibility for the day-to-day management of such risks to the CE. The CE has approval and monitoring responsibilities over the treasury function.

Chief Financial Officer (CFO) and Finance Team

The CFO along with the Finance Team share the treasury tasks and responsibilities of the treasury function ensuring an adequate segregation of treasury duties and cross-checking of treasury activity. Oversight is maintained by the CE through regular reporting and approval delegations.

Delegation of authority and authority limits

Treasury transactions entered into without the proper authority are difficult to cancel given the legal doctrine of "apparent authority". Also, insufficient authorities for a given bank account or facility may prevent the execution of certain transactions (or at least cause unnecessary delays).

To prevent these types of situations, Council's Delegations Register must be complied with at all times.

Central Hawke's Bay District Council

LIABILITY MANAGEMENT POLICY

Introduction

Council's liabilities comprise of borrowings and various other liabilities. Council maintains external borrowings in order to:

- Raise specific debt associated with projects and capital expenditures.
- Raise finance leases for fixed asset purchases.
- Fund the balance sheet as a whole, including working capital requirements.
- Fund assets whose useful lives extend over several generations of ratepayers.

Borrowing provides a basis to achieve inter-generational equity by aligning long-term assets with long-term funding sources, and ensure that the cost are met by those ratepayers benefiting from the investment.

Borrowing limits

Debt will be managed within the following limits:

Item	Council Limit	LGFA Limit
Net External Debt / Total Revenue	<95%150%	<175%
Net Interest on External Debt / Total Revenue	<10%15%	<20%
Net Interest on External Debt / Annual Rates Income	<20%20%	<25%
External, term debt + committed bank facilities + unencumbered cash/cash equivalents to existing external debt.	>130%115%	>110%
Total debt per head of population	<\$2,000	

- Total Revenue is defined as cash earnings from rates, government capital grants and subsidies, user charges, interest, dividends, financial and other revenue and excludes non-government capital contributions (e.g. developer contributions and vested assets).
- Net external debt is defined as total external debt less unencumbered cash/cash equivalents.
- The liquidity ratio is defined as external debt plus committed LGFA/bank facilities, plus unencumbered cash/cash equivalents divided by external debt.
- Net interest on external debt is defined as the amount equal to all interest and financing costs (on external debt) less interest income for the relevant period.
- Annual Rates Income is defined as the amount equal to the total revenue from any funding mechanism authorised by the Local Government (Rating) Act 2002 (including volumetric water charges levied) together with any revenue received from other local authorities for services provided (and for which the other local authorities rate).
- ~~Financial covenants are measured on Council only not consolidated group.~~
- Disaster recovery requirements, urgent financing of emergency-related works and services are to be met through the special funds and liquidity policy.

Asset management plans

In approving new debt Council considers the impact on its external borrowing limits as well as the economic life of the asset that is being funded and its overall consistency with Council's LTP and Financial Strategy.

Procurement Policy
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Central Hawke's Bay District Council

Borrowing mechanisms

Council is able to externally borrow through a variety of market mechanisms including issuing stock/bonds, commercial paper (CP), direct bank borrowing, accessing the short and long-term wholesale debt capital markets either directly or through the LGFA, or internal borrowing of reserve and special funds. In evaluating strategies for new borrowing (in relation to source, term, size and pricing) the following is taken into account:

- The size and the economic life of the project.
- Available terms from banks, the LGFA and debt capital markets.
- Council's overall debt maturity profile, to ensure concentration of debt is avoided at reissue/rollover time.
- Prevailing interest rates and margins relative to term for debt issuance, the LGFA, debt capital markets and bank borrowing.
- The market's outlook on future interest rate movements as well as its own.
- Legal documentation and financial covenants considerations.
- Alternative funding mechanisms such as leasing should be evaluated with financial analysis in conjunction with traditional on-balance sheet funding. The evaluation should take into consideration, ownership, redemption value and effective cost of funds.

Council's ability to readily attract cost effective borrowing is largely driven by its ability to rate, maintain a strong financial standing and manage its relationships with the LGFA, and financial institutions/brokers.

Security

Council's external borrowings and interest rate management instruments will generally be secured by way of a charge over rates and rates revenue offered through a Debenture Trust Deed. Under a Debenture Trust Deed, Council's borrowing is secured by a floating charge over all Council rates levied under the Local Government Rating Act. The security offered by Council ranks equally or *pari passu* with other lenders.

From time to time, and with Council approval (or through an approved person as per the delegations register), security may be offered by providing a charge over one or more of Council's assets, where it is beneficial and cost effective to do so.

- Any internal borrowing will be on an unsecured basis.
- Any pledging of physical assets must comply with the terms and conditions contained within the Debenture Trust Deed.

Debt repayment

The funds from all asset sales, operating surpluses, grants and subsidies will be applied to specific projects or the reduction of debt and/or a reduction in borrowing requirements, unless the Council specifically directs that the funds will be put to another use.

Debt will be repaid as it falls due in accordance with the applicable borrowing arrangement. Subject to the appropriate approval and policy limits, a loan may be rolled over or re-negotiated as and when appropriate.

Council will manage debt on a portfolio basis and will only externally borrow when it is commercially prudent to do so.

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Central Hawke's Bay District Council

Guarantees/contingent liabilities and other financial arrangements

Council may act as guarantor to financial institutions on loans or enter into incidental arrangements for organisations, clubs, trusts, [Council-controlled trading organisations](#) or Business Units, when the purposes of the loan are in line with Council's strategic objectives.

~~Council is not allowed to guarantee loans to Council-controlled trading organisations under Section 62 of the Local Government Act.~~

Council will ensure that sufficient funds or lines of credit exist to meet amounts guaranteed. Guarantees given will not exceed any amount agreed by Council in aggregate. The Finance Team monitors guarantees and reports six-monthly to the CE.

Internal borrowing of special funds

Special Funds must generally be used for the purposes for which they have been set aside. ~~Council currently has a Capital Projects Fund, a Disaster Fund and an Adverse Event Fund, held for the benefit of all ratepayers.~~ Council may, however, modify such purposes from time to time. Funds held in excess of the special funds requirement are held as ratepayers equity reserves, and can be utilised as needed. Recorded special fund balances must be used for their intended purpose.

Council maintains its funds in short term maturities emphasising counterparty credit worthiness and liquidity. The interest rate yield achieved on the funds therefore is a secondary objective. ~~Liquid assets are required to be held physically against Special Fund amounts.~~

Any internal borrowing of equity reserves must be reimbursed for interest revenue lost.

The cost of internal borrowing is set by the Finance Team from time to time.

For reasons of cost distribution, records on internal borrowings will be maintained to ensure Funds are not disadvantaged.

New Zealand Local Government Funding Agency (LGFA) Limited

Despite anything earlier in this Policy, Council may borrow from the New Zealand Local Government Funding Agency Limited (LGFA) and, in connection with that borrowing, may enter into the following related transactions to the extent it considers necessary or desirable:

- Contribute a portion of its borrowing back to the LGFA as an equity contribution to the LGFA. For example borrower notes.
- Provide guarantees of the indebtedness of other local authorities to the LGFA and of the indebtedness of the LGFA itself.
- Commit to contributing additional equity (or subordinated debt) to the LGFA if required.
- Secure its borrowing from the LGFA and the performance of other obligations to the LGFA or its creditors with a charge over the Council's rates and rates revenue.
- Subscribe for shares and uncalled capital in the LGFA.

Central Hawke's Bay District Council

INVESTMENT POLICY

Introduction

Council generally holds investments for strategic reasons where there is some community, social, physical or economic benefit accruing from the investment activity. Generating a commercial return on strategic investments is considered a secondary objective. Investments and associated risks are monitored and managed, and reported at least six-monthly to the Finance and Services Committee. Specific purposes for maintaining investments include:

- For strategic and intergenerational purposes consistent with Council's LTP and AP.
- The retention of vested land.
- Holding short term investments for working capital and liquidity requirements.
- Holding assets (such as property and land parcels) for commercial returns.
- Provide ready cash in the event of a natural disaster. The use of which is intended to bridge the gap between the disaster and the reinstatement of normal income streams and assets.
- Invest amounts allocated to specific reserves.
- Invest funds allocated for approved future expenditure.
- Invest proceeds from the sale of assets.

Council recognises that as a responsible public authority all investments held, should be low risk, giving preference to conservative investment policies and avoiding speculative investments. Council also recognises that low risk investments generally mean lower returns.

To minimise raising external debt, Council can internally borrow from equity, reserves and investment funds, in the first instance to meet operational and capital spending requirements.

Policy

Council's general Policy on investments is that:

- Council may hold financial, property, and equity investments if there are strategic, commercial, and economic or other valid reasons.
- Council will keep under review its approach to all investments and the credit rating of approved creditworthy counterparties.

Mix of investments

Council maintains investments in the following assets:

- Equity investments
- Property investments
- Financial investments

Equity investments

It may be appropriate to have limited investment(s) in equity (shares) when Council wishes to invest for strategic, economic development or social reasons, ~~such as Local Government Insurance Corp.~~

Council will approve equity investments on a case-by-case basis, if and when they arise.

Generally such investments will be (but not limited to) Council Controlled Trading Organisations (CCTO) or Council Controlled Organisations (CCO) to further district or regional economic development. Council does not invest in offshore entities.

Procurement Policy
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Central Hawke's Bay District Council

Council reviews performance of these investments as part of the annual planning process to ensure that stated objectives are being achieved.

Any disposition of these investments requires approval by Council. Acquisition of new equity investments requires Council approval. The proceeds from the disposition of equity investments will be taken to the Capital Projects Fund. .

All income, including dividends, from Council's equity investments is included in general revenue.

Equity investment performance is reported to the Finance and Services Committee at least annually, along with the consideration of and approval of the Statement of Intent.

New Zealand Local Government Funding Agency Limited

Despite anything earlier in this Policy, Council may invest in shares and other financial instruments of the New Zealand Local Government Funding Agency Limited (LGFA), and may borrow to fund that investment.

Council's objective in making any such investment will be to:

- Obtain a return on the investment.
- Ensure that the LGFA has sufficient capital to remain viable, meaning that it continues as a source of debt funding for the Council.

As a borrower, Council's LGFA investment includes borrower notes.

Property investments

Council's ~~overall objective is to only primary reason to~~ own property ~~that is necessary to allow it to~~ achieve its strategic objectives as stated in the LTP or deemed to be a core Council function. Council reviews property ownership through assessing the benefits of continued ownership in comparison to other arrangements which could deliver the same results. This assessment is based on the most financially viable method of achieving the delivery of Council services. Council generally follows similar assessment criteria in relation to new property investments.

Council may also hold investment properties that are not held for core function delivery purposes, where such a property is held for commercial returns (both rental returns and capital gains). Any purchase of investment properties must be approved by Council Resolution.

Council reviews the performance of its property investments at least annually and ensures that the benefits of continued ownership are consistent with its stated objectives. Council's policy is to dispose of any property that does not achieve a commercial return having regard to any restrictions on title or other requirements or needs to achieve Council objectives. All income, including rentals and ground rent from property investments is included in the consolidated revenue account. All rented or leased properties will be at an acceptable commercial rate of return so as to minimise the rating input, except where Council has identified a level of subsidy that is appropriate.

Proceeds from the disposition of property investments are used firstly in the retirement of related debt and then are credited to the Capital Projects Fund.

Council's investment in properties, other than reserves and those required for own occupation/core service delivery and infrastructural services, will not exceed 50% of total fixed assets in the land and building category.

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Central Hawke's Bay District Council

Any purchased properties must be supported by a current registered valuation, substantiated by management including a fully worked capital expenditure analysis.

Financial investments

Objectives

Council's primary objectives when investing is the protection of its investment capital. Accordingly, Council may only invest in approved creditworthy counterparties. ~~For financial investments (excluding equity and property investments) Council should only hold investments with a underlying credit rating of AA- or above. Creditworthy counterparties and investment restrictions are covered in section 5.4.~~ Credit ratings are monitored and reported at least six-monthly.

~~Council may invest in approved financial instruments as set out in section 6.2. These investments are aligned with Council's objective of investing in high credit quality and liquid assets. The CE approves the investment strategy within the scope and parameters of this policy and does so with input from Council's investment advisors.~~

Council's investment portfolio will be arranged to provide sufficient funds for planned expenditures and allow for the payment of obligations as they fall due. Council prudently manages liquid financial investments as follows:

- Any liquid investments must be restricted to a term that meets future cash flow and capital expenditure projections.
- Council may choose to hold specific reserves in cash and financial investments. Interest income relating to special reserves is allocated to those accounts annually based on the opening balance.
- Internal borrowing will be used wherever possible to minimise external borrowing.
- ~~Financial investments do not include shares/equities.~~
- ~~All unsecured financial investment must be senior in ranking. Subordinated and perpetual debt instruments are not permitted.~~

Special funds

~~Liquid assets are required to be held against recorded Special Fund amounts.~~

Trust funds

Where Council hold funds as a trustee, or manages funds for a Trust then such funds must be invested on the terms provided within the Trust Deed. If the Trust's Investment Policy is not specified then this Policy should apply.

Investment management and reporting procedures

Council's policy for the management and reporting of investments includes:

- The legislative necessity to maintain efficient financial systems for the recording and reporting (inter alia) of:
 - All revenues and expenditures;
 - All assets and liabilities; and
 - The treatment and application of special funds.

Central Hawke's Bay District Council

- Adherence to Council's financial processes and delegations to Council's staff to invest surplus short-term funds and negotiate reinvestments, subject to the provision of adequate cash resources to meet normal expected cash demands;
- Treasury reporting is completed on at least a six-monthly basis.

Central Hawke's Bay District Council

RISK RECOGNITION / IDENTIFICATION MANAGEMENT

The definition and recognition of liquidity, funding, investment, interest rate, counterparty credit, operational and legal risk of Council is detailed below and applies to both the Liability Management Policy and Investment Policy.

Interest rate risk on external borrowing

Risk recognition

Interest rate risk is the risk that funding costs (due to adverse movements in market wholesale interest rates) will materially exceed or fall short of projections included in the LTP or Annual Plan so as to adversely impact revenue projections, cost control and capital investment decisions.

The primary objective of interest rate risk management is to reduce uncertainty relating to interest rate movements through fixing/hedging of interest costs. Certainty around interest costs is to be achieved through the management of underlying interest rate exposures.

Interest rate risk control limits

Exposure to interest rate risk is managed and mitigated through the risk control limits below. Council's forecast core external debt should be within the following fixed/floating interest rate risk control limit, and will apply when forecast 12 month core debt exceeds \$10 million.

Core external debt is defined as gross external debt. When approved forecasts are changed, the amount of fixed rate protection in place may have to be adjusted to ensure compliance with the Policy minimums and maximums.

Master Fixed / Floating Risk Control Limits	
Minimum Fixed Rate	Maximum Fixed Rate
50%	95% 100%

"Fixed Rate" is defined as an interest rate repricing date beyond 12 months forward on a continuous rolling basis.

"Floating Rate" is defined as an interest rate repricing within 12 months.

The percentages are calculated on the rolling 12 month projected core debt level calculated by management. ~~(signed off by the CE).~~

The fixed rate amount at any point in time should be within the following maturity bands:

Fixed Rate Maturity Limit

Fixed Rate Maturity Limit		
Period	Minimum Hedge %	Maximum Hedge %
1 to 4 3 years	15%	100 60%
4+3 to 5 years	0 15%	60%
5 years plus	0%	60 60%

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Central Hawke's Bay District Council

A fixed rate maturity position that is outside the above limits, however self corrects within 90-days is not in breach of this Policy. Maintaining a maturity profile beyond 90-days requires specific approval by Council.

~~• Floating rate debt may be spread over any maturity out to 12 months. Bank advances may be for a maximum term of 12 months.~~

- Any interest rate swaps with a maturity beyond 10 years must be approved by Council.
- Hedging outside the above risk parameters must be approved by Council.
- At all times these instruments must be used within the context of the prudent financial objectives of Council's treasury function.

Approved financial instruments

Approved financial instruments (which do not include shares or equities) are as follows:

Category	Instrument
Cash management and borrowing	Bank overdraft Committed cash advance and bank/LGFA accepted bill facilities Loan stock /bond issuance <ul style="list-style-type: none"> ▪ Floating Rate Note (FRN) ▪ Fixed Rate Note (Medium Term Note/Bond) ▪ Commercial paper (CP)/Promissory notes
Financial investments – no more than 12-month term (except for LGFA borrower notes, investments linked to debt pre-funding and bank bonds)	Bank call/term deposits Bank registered certificates of deposit (RCDs) Secured/unsecured senior bank bonds for terms up to 5-years LGFA borrower notes
Interest rate risk management	Forward rate agreements ("FRAs") on: <ul style="list-style-type: none"> ▪ Bank bills Interest rate swaps including: <ul style="list-style-type: none"> ▪ Forward start swaps. Start date <24 months, unless linked to existing maturing swaps ▪ Swap maturity extensions and shortenings Interest rate options on: <ul style="list-style-type: none"> ▪ Bank bills (purchased caps and one for one collars) ▪ Interest rate swaptions (purchased swaptions and one for one collars only)
Foreign exchange management	<ul style="list-style-type: none"> ▪ Spot foreign exchange ▪ Forward exchange contracts (including par forwards)
Carbon price risk management	<ul style="list-style-type: none"> ▪ New Zealand Units (NZUs) and Assigned Amount Units (NZAAUs) ▪ Emission Reduction Units (ERUs), Certified Emission Reduction Units (CERs), Removal Units (RMUs) –

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	until such time as inadmissible on the NZ Emission Trading Scheme (ETS)
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Any other financial instrument must be specifically approved by the Council on a case-by-case basis and only be applied to the one singular transaction being approved.

Liquidity risk/funding risk

Risk recognition

Cash flow deficits in various future periods based on long term financial forecasts are reliant on the maturity structure of cash, short-term financial investments, loans and bank facilities. Liquidity risk management focuses on the ability to access committed funding at that future time to fund the gaps. Funding risk management centres on the ability to re-finance or raise new debt at a future time at acceptable pricing (fees and borrowing margins) and maturity terms of existing loans and facilities.

A key factor of funding risk management is to spread and control the risk to reduce the concentration of risk at one point in time so that the overall borrowing cost is not unnecessarily increased and desired maturity profile compromised due to changing market conditions.

Liquidity/funding risk control limits

To ensure funds are available when needed Council ensures that:

- There is sufficient available operating cash flow, liquid investments (cash/cash equivalents) and unused committed bank facilities to meet cash flow requirements between rates instalments as determined by the Finance Team.
- For liquidity purposes Council maintains the following;
External term debt plus committed bank facilities, plus unencumbered cash/cash equivalents to existing external debt of at least 115%.
Unencumbered liquid financial investments (cash/cash equivalents) used for liquidity management purposes are to not have a maturity term greater than 30-days.
- Council has the ability to pre-fund up to 12 months forecast debt requirements including re-financings.
- The CE has the discretionary authority to re-finance existing external debt.
- Council will only borrow from strongly rated banks with a minimum long-term credit rating of at least "A+" (S&P, or equivalent Fitch or Moody's rating).
- The maturity profile of the total committed funding in respect to all external term debt and committed bank facilities is to be controlled by the following system. The limits will apply when core debt exceeds \$10 million. No more than the greater of \$10m, or 35% of Councils total debt can mature in any 12 month rolling period.

Period	Minimum %	Maximum %
0 to 3 years	15%	60%
3 to 5 years	15%	60%
5 years plus	0%	60%

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A funding maturity profile that is outside the above limits, however self corrects within 90-days is not in breach of this Policy. Maintaining a maturity profile beyond 90-days requires specific approval by Council.

Counterparty credit risk

Counterparty credit risk is the risk of losses (realised or unrealised) arising from a counterparty defaulting on a financial instrument where the Council is a party. The credit risk to Council in a default event will be weighted differently depending on the type of instrument entered into.

Credit risk will be regularly reviewed by the Finance and Services Committee at least six-monthly. Treasury related transactions would only be entered into with approved counterparties.

Counterparties and limits are only approved on the basis of the following Standard & Poor's (S&P, or equivalent Fitch or Moody's rating) long and short-term credit ratings matrix. Limits should be spread amongst a number of counterparties to avoid concentrations of credit exposure.

Counterparty / Issuer	Minimum S&P long term / short term credit rating	Investments maximum per counterparty (\$m)	Risk management instruments maximum per counterparty (\$m)	Total maximum per counterparty (\$m)
NZ Government	N/A	Unlimited	None	Unlimited
Local Government Funding Agency (LGFA)	AA+/AA-1	10.0	5.0 None	15.0 10.0
NZ Registered Bank	AA+/AA-1	108.0 (with the exception of Council's transactional bank which may exceed this for up to 5 working days)	5.0	1513.0

Credit ratings should be reviewed by the Finance Team on an ongoing basis and in the event of material credit downgrades should be immediately reported to the CE and assessed against exposure limits. Counterparties exceeding limits should be reported to the Council.

Risk management

To avoid undue concentration of exposures, financial instruments should be used with as wide a range of approved counterparties as possible. The approval process must take into account the liquidity of the market and prevailing market conditions the instrument is traded in and repriced from.

Foreign currency

Council has minor foreign exchange exposure through the occasional purchase of foreign exchange denominated services, plant and equipment.

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All individual commitments over NZ\$100,000 equivalent are hedged using approved foreign exchange instruments, once expenditure is approved, legal commitment occurs and the purchase order is placed, exact timing, currency type and amount are known. Only approved foreign exchange instruments are used.

Council shall not borrow or enter into incidental arrangements, within or outside New Zealand, in currency other than New Zealand currency. Council does not hold investments denominated in foreign currency.

Emissions Trading Scheme (ETS)

The objective of the ETS carbon credit policy is to minimise the financial impact of carbon price movements on Council's forward carbon liability. The objective requires balancing Council's need for price stability with the benefit of realising market opportunities to reduce costs as they arise. ETS is risk managed on a case-by-case basis, with any strategy approved by the CE.

Operational risk

Operational risk is the risk of loss as a result of human error (or fraud), system failures and inadequate procedures and controls. Detailed controls and procedures are agreed between the CE and CFO on an annual basis.

Legal risk

Legal risks relate to the unenforceability of a transaction due to an organisation not having the legal capacity or power to enter into the transaction usually because of prohibitions contained in legislation.

Council will seek to minimise this risk by adopting Policy regarding:

- The use of standing dealing and settlement instructions (including bank accounts, authorised persons, standard deal confirmations, contacts for disputed transactions) to be sent to counterparties.
- The matching of third party confirmations and the immediate follow-up of anomalies.

The use of expert advice.

Agreements

Financial instruments can only be entered into with banks that have in place an executed ISDA Master Agreement with Council. All ISDA Master Agreements for financial instruments and carbon units must be signed under seal by Council.

Financial covenants and other obligations

Council must not enter into any transactions where it would cause a breach of financial covenants under existing contractual arrangements. Council must comply with all obligations and reporting requirements under existing bank funding facilities, LGFA, Trustee and legislative requirements.

Central Hawke's Bay District Council

MEASURING TREASURY PERFORMANCE

In order to determine the success of Council's treasury management function, the following benchmarks and performance measures have been prescribed.

Those performance measures that provide a direct measure of the performance of treasury staff are to be reported to the Finance and Services Committee on, at least, a six-monthly basis.

Management	Performance
Operational performance	<ul style="list-style-type: none"> All Policy limits must be complied with, including (but not limited to) counterparty credit limits, control limits and exposure limits. All treasury deadlines are to be met, including reporting deadlines.
Management of debt and interest rate risk (borrowing costs)	<ul style="list-style-type: none"> The actual borrowing cost (taking into consideration any costs/benefits of entering into interest rate management transactions) should be below the budgeted YTD/annual interest cost amount.
Treasury investment returns	<ul style="list-style-type: none"> The actual investment income should be above the budgeted YTD/annual interest income amount.

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CASH MANAGEMENT

The Finance Team has responsibility to manage the day-to-day cash and short-term cash management activities of Council. The Finance Team prepares rolling cash flow and debt forecasts to manage Council's cash management and borrowing requirements. The overdraft facility is utilised as little as practical with any operational surpluses prudently invested.

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REPORTING

When budgeting interest costs and investment returns, the actual physical position of existing loans, investments, and interest rate instruments must be taken into account.

Treasury reporting

Regular treasury reporting on at least a six monthly is provided to the Finance & [Infrastructure Services](#) Committee.

Accounting treatment of financial instruments

Council uses financial arrangements ("derivatives") for the primary purpose of reducing its financial risk to fluctuations in interest rates.

Under New Zealand Public Benefit Entity (PBE) International Public Sector Accounting Standards (IPSAS) changes in the fair value of derivatives go through the Statement of Comprehensive Revenue and Expense unless derivatives are designated in an effective hedge relationship.

Council's principal objective is to manage Council's interest rate risks within approved limits and chooses not to hedge account. Council accepts that the marked-to-market gains and losses on the revaluation of derivatives can create potential volatility in Council's financial accounts.

The Finance Team is responsible for advising the CE of any changes to relevant New Zealand Public Sector PBE Standards which may result in a change to the accounting treatment of financial arrangements.

All derivative instruments must be revalued (marked-to-market) at least six-monthly for reporting purposes.

Central Hawke's Bay District Council

POLICY REVIEW

The Policy is to be formally reviewed on a triennial basis in conjunction with the LTP.

The CFO has the responsibility to prepare the annual review report (following the preparation of annual financial statements) that is presented to the CE. The report will include:

- Recommendation as to changes, deletions and additions to the Policy.
- Overview of the treasury function in achieving the stated treasury objectives and performance benchmarks.
- Summary of breaches of Policy and one-off approvals outside Policy.

Council receives the report, approves Policy changes and/or rejects recommendations for Policy changes. The Policy review should be completed and presented to the Council, through the Finance and Services Committee within five months of the financial year-end.

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APPENDIX 1: Glossary of Terms

BKBM—The bank bill mid market settlement rate, as determined at 10.45 am each business day on Reuters page BKBM. This is the standard rate for the settlement of interest rate swaps, forward rate agreements and interest rate floors, caps and collars.

Bank Bill—A "bill of exchange" security document issued by a corporate borrower, but guaranteed by a bank, who then in turn sells the security into the bank/investor market to re-liquify itself with cash. Normally for terms of 30, 60, 90 or 180 days.

Benchmark—An agreed market related yardstick that investor returns, funding costs or average exchange rate achieved are compared against for performance measurement purposes.

Bond—The security instrument that is issued by a borrower whereby they promise to repay the principal and interest on the due dates. A bond's interest rate is always fixed.

Borrower Notes—On occasion when Council borrows from the LGFA it will be required to contribute part of that borrowing back as equity in the form of "Borrower Notes". A Borrower Note is a written, unconditional declaration by a borrower (in this instance the LGFA) to pay a sum of money to a specific party (in this instance the Council) at a future date (in this instance upon the maturity of the loan). An interest return is paid on the Borrower Notes and can take the form of a dividend if the Borrower Notes are converted to redeemable preference shares.

Cap—A series or string of interest rate put options whereby a borrower can have protection against rising short term interest rates, but participate in the lower rates if market rates remain below the "capped rate." A cap is normally for more than one 90 day funding period. Also called a "ceiling".

Certificate of Deposit "CD"—A debt instrument (normally short term) issued by a bank to borrow funds from other banks/investors.

Closing Out—The cancellation/termination of a financial instrument or contract before its maturity date, resulting in a realised gain/loss as the current market rate differs from the contract rate.

Collar—Two option contracts linked together into the one transaction or contract. A borrower's collar is normally a "cap" above current market rates and a "floor" below current rates. Over the term of the collar contract, if rates go above the cap the borrower is protected and pays an interest cost no more than the cap rate. Likewise, if market rates fall below the floor, the borrower pays the floor rate and does not participate in the lower market rates. Also called a "cylinder".

Commercial Paper—The debt security instrument issued by a prime (and normally credit rated) borrower to raise short term funds (30, 60, 90 or 180 days). Also called "one name paper" and "promissory notes" issued by competitive public tender to investors, or by private treaty to one investor.

Counterparty—The contracting party to a financial transaction or financial instrument.

Covenants—Special conditions and financial ratios required to be met or maintained by a borrower for a lender under the legal security documents.

Cover—A term used to describe any action of entering financial instruments that reduces risk or puts protection in place against adverse future price movements.

Credit Rating—The credit rating of a Corporation/Council is a financial indicator to potential investors of debt securities such as bonds. These are assigned by credit rating agencies such as

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Standard & Poor's, Moody's or Fitch Ratings and have letter designations such as AAA, B, CC. A poor credit rating indicates a high risk of defaulting, therefore constitutes a higher level of interest rates.

Credit Risk—The risk that the other party to a financial transaction (bank deposit, interest rate swap contract) will default on or before the maturity date and not be able to fulfil their contractual obligations.

Credit Spread—The interest rate difference (expressed as basis points) between two types of debt securities. The credit spread being a reflection of the difference in credit quality, size and liquidity between the two securities e.g. five year corporate bonds may be at a credit spread of 200 basis points above Government bonds.

Debenture—A debt instrument similar to a bond whereby a borrower (normally a finance company) borrows for a longer term at a fixed rate. Also a legal instrument provided as security to a lender.

Derivative(s)—A "paper" contract whose value depends on the value of some "underlying" asset e.g. share market stocks, bank bills, bonds or foreign currency. Also called a "synthetic". The value of the assets will change as its market price changes, the derivative instrument will correspondingly change its value.

Exercise Date/Price—The day and fixed price that an option contract is enforced/actioned or "exercised" because it is in the interests of one of the parties to the contract to do so.

Fair Value—The current market value of an off balance sheet financial instrument should it be sold or closed out on the market rates ruling at the balance date.

Fixed Rate—The interest rate on a debt of financial instrument is fixed and does not change from the commencement date to the maturity date.

Floating Rate—The interest rate on a loan or debt instrument is re-set at the ruling market interest rates on the maturity date of the stipulated funding period (usually 90 days).

Floor—The opposite of a "cap". An investor will buy a floor, or a series/string of call options (the right to buy) to protect against falling interest rates, but be able to invest at higher interest rates if rates move upwards.

Forward Exchange Contract—A contract to buy and sell one currency against another at a fixed price for delivery at some specified future date.

Forward Rate Agreement—A contract ("FRA") whereby a borrower or investor in Bank Bills agrees to borrow or invest for an agreed term (normally 90 days) at a fixed rate at some specified future date. A FRA is an "over the counter" contract as the amount and maturity date is tailored by the bank to the specific requirements of the borrower/investor.

Forward Starting Swap—An interest rate swap contract that commences at a future specified date. The rate for the forward starting swap will differ from the current market rate for swaps by the shape and slope of the yield curve.

Funding Risk—The risk that a borrower cannot re-finance its debt at equal or better terms at some date in the future, in terms of lending margin, bank fees and funding time commitment. Funding risk may increase due the company's own credit worthiness, industry trends or banking market conditions.

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Guaranteeing borrower LGFA—a Council borrower that guarantees the interest and loan principal obligations of other Councils borrowing from the LGFA and the LGFA itself.

Hedging—The action of reducing the likelihood of financial loss by entering forward and derivative contracts that neutralise the price risk on underlying financial exposures or risks. The gain or loss due to future price movements on the underlying exposure is offset by the equal and opposite loss and gain on the hedge instrument.

ISDA—International Security Dealers Association: a governing body that determines legal documentation/standards for over the counter swaps/options/FRAs and other derivative instruments for interest rates, currencies, commodities etc. Corporate users of such instruments sign an ISDA Master Agreement with banking counterparties that covers all transactions.

Interest Rate Collar Strategy—The combined purchase (sale) of a floor or cap with the sale (purchase) of another floor or cap. This can be a zero premium cost strategy. See the interest rate option for further details. This product can be used by both an investor and a borrower. From a borrower's perspective, this product is transacted to provide a limited amount of participation in a downward movement in interest rates to an agreed strike rate. If the interest rate continues to move downwards, Council cannot participate in any movement beyond the strike rate. If interest rates move in an unfavourable direction (upwards) then the predetermined strike rate provides certainty through a known worst case rate. For an investor, the zero cost collar allows some participation in an increase in rates and provides a worst case rate if interest rates decline.

This product outperforms the forward rate agreement if rates fall but under performs if rates rise. This product would be used by a borrower, for known exposures, where the interest rate is expected to decline moderately from current levels.

Interest Rate Options—The purchase of an interest rate option gives the holder (in return for the payment of a premium) the right, but not the obligation, to invest (described as a floor) or borrow (described as a cap) at a future date for a specified period. Council and the counterparty agree to a notional future principal amount, the future interest rate, the benchmark dates and the benchmark rate (usually BKBM). Interest rate option products include caps, floors, swaptions and bond options.

From a borrower's perspective, these products offer Council maximum flexibility, protecting Council from a rise in rates but allowing full participation in a fall in rates. When used by an investor, this product protects Council from a decline in rates and allows full participation in rising rates.

This product is used either where there is some uncertainty in the underlying debt exposure or the outlook for interest rates is favourable but the policy requires some form of protection.

Interest Rate Swaps—A binding, paper contract where one party exchanges, or swaps, its interest payment obligations from fixed to floating basis, or floating to fixed basis. The interest payments and receipts under the swap contract being offsetting, equal and opposite to the underlying physical debt.

Liability Management—The policy, strategy and process of actively managing a portfolio of debt.

Limit(s)—The maximum or minimum amount or percentage a price or exposure may move to before some action or limitation is instigated. Also called "risk control limits".

Liquidity Risk—The risk that a company cannot obtain cash/funds from liquid resources or bank facilities to meet foreseen and unforeseen cash requirements. The management of liquidity risk involves working capital management and external bank/credit facilities.

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LGFA Bonds—A medium term note (MTN) where a fixed coupon payment is made semi-annually to the LGFA by the Council borrower over the term of the bond, or a floating rate notes (FRN) where interest is paid quarterly at a margin over the bank bill bid rate over the term of the bond.

LGFA guarantee—Provided by a guaranteeing borrower, Council guarantees the interest and principal loan obligations of other Councils that are borrowing from the LGFA and the LGFA itself. The guaranteeing amount is to proportionate to Council's rate revenue relative to the rate revenue of all other LGFA borrowing guaranteeing Councils.

Marked-to-Market—Financial instruments and forward contracts are revalued at current market rates, producing an unrealised gain or loss compared to the book or carrying value.

Margin—The lending bank or institution's interest margin added to the market base rate, normally expressed as a number of basis points.

Medium Term Notes (MTN)—A continuous program whereby a prime corporate borrower has issuance documentation permanently in place and can issue fixed rate bonds at short notice under standard terms.

Non-guaranteeing borrower LGFA—a Council borrower that does not guarantee the interest and loan principal obligations of other Councils borrowing from the LGFA or the LGFA itself. The Council borrower has no more than \$20 million of borrowing from the LGFA.

Revaluation—The re-stating of financial instruments and option/forward contracts at current market values, different from historical book or carrying values. If the contracts were sold/bought back (closed-out) with the counterparty at current market rates, a realised gain or loss is made. A revaluation merely brings the contract/instrument to current market value.

Roll-over—The maturity date for a funding period, where a new interest rate is reset and the debt re-advanced for another funding period.

Spot Rate—The current market rate for currencies, interest rates for immediate delivery/settlement, and normally two business days after the transaction is agreed.

Subordinated debt—Upon liquidation of a company, subordinated debt holders rank behind other senior unsecured and secured creditors.

Strike Price—The rate or price that is selected and agreed as the rate at which an option is exercised.

Swaption—An option on an interest rate swap that if exercised the swap contract is written between the parties. The option is priced and premium paid similar to bank bill and bond interest rate options.

Swaption Collar—The simultaneous position of entering into 2 option contracts on 2 interest rate swaps linked together into one transaction. A swaption collar performs similarly to a 'collar' where from a borrower's perspective a top-side position above current market rates and a bottom-side position below current market rates are entered into. On maturity of the options and depending on current interest rates relative to the strike levels on the swaps will determine if either swap is transacted.

Treasury—Generic term to describe the activities of the financial function within a company that is responsible for managing the cash resources, debt, foreign exchange risk, and sometimes the commodity price and energy price risk.

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~~**Treasury Bill**—A short term (<12 months) financing instrument/security issued by a Government as part of its debt funding program.~~

~~**Volatility**—The degree of movement or fluctuation (expressed as a percentage) of an asset, currency, commodity or financial instrument price over time. The percentage is calculated using mean and standard deviation mathematical techniques.~~

~~**Yield**—Interest rate, always expressed as a percentage.~~

~~**Yield Curve**—The plotting of market interest rate levels from short term (90 days) to long term on a graph i.e. the difference in market interest rates from one term (maturity) to another.~~

7.5 ADOPTION OF CENTRAL HAWKE'S BAY INTEGRATED SPATIAL PLAN 2020 - 2050**File Number:** COU1-1400**Author:** Doug Tate, Group Manager Customer and Community Partnerships**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Central Hawke's Bay Integrated Spatial Plan 2020 - 2050 [↓](#)**PURPOSE**

The matter for consideration by the Council is the adoption of the Central Hawke's Bay Integrated Spatial Plan 2020 – 2050.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

a) That Council adopt the Central Hawke's Bay Integrated Spatial Plan 2020 – 2050.

EXECUTIVE SUMMARY

The Central Hawke's Bay Integrated Spatial Plan 2020 – 2050 is a plan that sets out a blueprint for growth and development of the three townships of Otane, Waipawa, and Waipukurau.

Focussed on maximising the delivery of Project Thrive, the non-statutory document is a key guiding document, developed in an integrated approach to address several projects requiring a connected and joined up approach to growth.

Following a series of engagement and feedback processes, the Central Hawke's Bay Integrated Spatial Plan is now at a point where it is ready to be considered by the Elected Council for adoption.

BACKGROUND

Councillors will recall as part of their induction for the 2019 – 2022 Triennium, the briefing paper 'Shaping the Strategy for Central Hawkes Bay – Spatial Planning'.

The interrelated operational project was borne through several existing projects, identifying key gaps in information required for their success that could not be addressed in isolation. A joined-up and highly collaborative approach to ensure robustness in future decision making was essential.

In December 2019, a Request for Proposal was released to the market with a joint submission from Veros Property Services partnering with Isthmus Landscape Architects being chosen as the preferred Supplier. In late February work began on the ISP, with a substantial workshop in March able to be held prior to the effects of the COVID-19 lockdown.

The Central Hawke's Bay Three Towns' Integrated Spatial Plan (ISP), the resulting document from this briefing paper, is a 30-year blueprint of growth opportunities across Ōtāne, Waipawa and Waipukurau. The ISP will:

- Maximise the delivery of Project Thrive
- Assist to inform the Central Hawke's Bay District Plan review
- Outline community and infrastructure investment required to support enhanced community well beings,
- Form the basis for implementation through the Long-Term Plan and coordinated, multiagency investment.
- Enable the completion of the Urban Growth Strategy.

The development of the Draft ISP has been within the strategic contexts developed during Project Thrive in 2017. The process has been a 6-step process as follows:

1. Started by gathering and mapping underlying data and understanding the drivers of, and the projections for growth
2. Followed by the Enquiry by Design process on 29 and 30 June to develop 4 options for growth for each town developed through four lens:
 - Market-led growth
 - Community-led growth
 - Fiscally-led growth
 - COVID-19 opportunity-led growth
3. These options were tested against key criteria for defining smart growth.
4. A preferred option for each town has been identified and a draft ISP developed
5. Council adopted the draft plan for Community feedback through the Long Term Plan 2021 – 2031 Long Term Plan Engagement on 30 July.

Feedback from the community as part of the great eight was sought, with feedback on growth through a survey included as part of the overall LTP Pre- engagement, the Full Plan being available as well as online maps where people could drop pins on areas of interest or areas that the disagreed on key points.

6. Elected Members have since pre-engagement closed had two workshop opportunities to provide further feedback on the plan, based on any anecdotal or other feedback received through the LTP Pre-engagement process. Other feedback, including commentary through the Pre-Engagement Process has been checked against the actions and the plan is now in a final draft state

We are now at a point where we are ready for Council to adopt the Central Hawke's Bay Integrated Spatial Plan 2020 – 2050.

It is worth noting that the Integrated Spatial Plan is not a single project or programme, but a culmination of a number of existing and new projects to be considered as part of the Long Term Plan 2021 – 2031 that collectively aim to ensure we prepare and plan for current and future growth and Development in Central Hawke's Bay.

DISCUSSION

Through the Long Term Plan Pre-Engagement Process, two key community engagement processes were used. The feedback from these are summarised below:

CHB Mail Survey

Through the written paper survey as part of the CHB Mail on the Great Eight Areas of Engagement, 48 survey responses were provided to the question in responding to growth - *As our district continues to grow, apart from infrastructure, what do you think are the most important things we should be planning for, for future generations?*

From the feedback, there was a clear message that Council needed to be planning for the future and preparing for the change that is occurring. Broad themes included ensuring we achieved positive environmental outcomes – both natural and built from growth, continued focus on infrastructure maintenance, ensuring our community has appropriate built and natural facilities for the future – eg libraries and passive outdoor spaces. General feedback supports the overall intent of the Spatial Plan and initiatives that have been developed to address the specific areas of focus raised.

From the comments that were against growth generally, this seemed to stem from the fact that they saw ratepayers as having to burden the costs of development alone or related to topics not necessarily directly aligned with growth.

Social Pinpoint

Nearly forty pins were dropped across the three maps being the three town cluster, Waipawa and Waipukurau townships maps. Overall pins were supportive of changes, and suggestions aligned with existing initiatives through the areas.

The only pin that was not supportive of a growth area was Area 5B in Waipawa, along the northern margin of Pourerere Road, proposed long-term as residential rather than as a proposed Rural Living Zone. At this point the comment is noted, with opportunities for consultation and demand to be more widely considered with the growth areas is required to be brought 'online' as part of future District Plan changes.

Implications for Infrastructure

One of the key existing projects/focus areas of Council that resulted in the creation of the ISP project is Councils asset management planning approach and the creation of Councils 30yr Infrastructure Strategy. The Infrastructure Strategy and Asset Management Plans of Council rely heavily on sound assumptions and forecasts about future growth. Beyond simple growth projections or high level assumptions about year on year percentage growth increase or decrease, to manage infrastructure robustly Council's asset managers need to know where growth will happen, when, how much of it and what type of growth. Forecasts of growth then need to be translated into forecasted requirements for infrastructure and this then compared against existing infrastructure to determine where and when investment may be required. The implications of growth modelling can range from a need to invest in new or bigger pipes through to the redesign of hard and soft roading and transport infrastructure to accommodate changing community design and demand.

Importantly Council's asset managers were involved throughout the ISP process from concept through to completion. Council's asset teams have a high level of confidence in the outputs of the ISP work with regard to growth and have been able to use these as direct feed ins into asset management plans and the Infrastructure Strategy.

RISK ASSESSMENT AND MITIGATION

There are no obvious risks at this point that have been identified. However, it should be noted that the implementation of the Spatial Plan will depend on funding identified in the Long Term Plan 2021 -2031 and third party sources, therefore the implementation of the spatial plan may be slower than we would ideally like.

FOUR WELLBEINGS

The recommended option addresses the four wellbeing in the following ways:

Social Wellbeing

Under the Thrive focus areas of 'Strong Community', 'Proud District' and 'Connected Citizens', over 30 initiatives are promoted to support to support and enhance the social wellbeing of Central Hawke's Bay residents.

Cultural Wellbeing

The unique place of Manawhenua in Tamatea- Central Hawke's Bay is recognised in the plan, supporting the continued implementation of the Maori Engagement Strategy, and identifying further opportunities for hapu to be recognised as manawhenua of Tamatea, as well as other unique wellbeing initiatives.

Economic Wellbeing

Under the Thrive focus – 'A prosperous District', nine Districtwide initiatives are identified that support a range of economic outcomes. One of the seven Principles in the plan, also seeks to *'support and enhance economic prosperity, in turn supporting better community wellbeing outcomes'*.

Environment Wellbeing

A number of new initiatives that support the Environmental and Sustainability Strategy under the Thrive focus – environmentally responsible are proposed. This included the creation of 'green streets', the development of a Healthy Rivers and Lakes Action Plan.

DELEGATIONS OR AUTHORITY

Council has authority to adopt the plan. For clarity the Plan will be a non-statutory document, however will enable other statutory documents, including supporting the review of the District Plan and the Long Term Plan 2021 – 2031.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as being of some significance.

OPTIONS ANALYSIS

Three possible options available to Council are shown in the table below:

	<u>Option 1</u> Adopt the Plan (recommended option)	<u>Option 2</u> Adopt the Plan with minor changes	<u>Option 3</u> Do not adopt the spatial plan
Financial and Operational Implications	There are no new financial or operational implications at this time. The plan will be factored into the development of the Long Term Plan 2021 – 2031.	If changes are minor, there are no new financial or operational implications, already factored into the delivery of the project.	If Council rejected the plan outright, there would be financial and operational costs revising and revisiting the project. If the project was restarted, additional financial funding would be required to address the gaps across multiple projects.
Long Term Plan and Annual Plan Implications	The spatial plan is a key input into the development of the 2021-2031 Long Term Plan.	The spatial plan is a key input into the development of the 2021-2031 Long Term Plan.	Noting that the spatial plan is a key input into the development of the 2021-2031 Long Term Plan and other documents, no adopting the spatial plan will have implications for the delivery of the Long Term Plan.

Promotion or Achievement of Community Outcomes	The Draft Spatial Plan directly supports the achievement of the outcomes of Project Thrive.	The Draft Spatial Plan directly supports the achievement of the outcomes of Project Thrive.	Not adopting the Spatial Plan would not support the achievement of the outcomes of Project Thrive.
Statutory Requirements	There are no statutory requirements in this decision.	There are no statutory requirements in this decision.	There are no statutory requirements in this decision.
Consistency with Policies and Plans	This decision supports the achievement and completion of other policies and plans, including the District Plan Review, Urban Growth Strategy and Infrastructure strategy.	This decision supports the achievement and completion of other policies and plans, including the District Plan Review, Urban Growth Strategy and Infrastructure strategy.	This decision does not support the achievement or delivery of existing policies and plans.

Recommended Option

This report recommends option one - for addressing the matter.

NEXT STEPS

In the event that Council adopt the Central Hawke's Bay Integrated Spatial Plan, Officers will begin the incorporation of the plan into Asset Management Plans, the Infrastructure Strategy and other supporting documents.

Through Councils Strategy and Wellbeing Committee, an annual update will be provided on the progress and implementation of the Plan. Officers still need to give consideration to how the plan will be monitored and reported on without duplicating existing reporting on existing programmes, which are already reported to either Council or Committees.

RECOMMENDATION

That having considered all matters raised in the report:

- a) That Council adopt the Central Hawke's Bay Integrated Spatial Plan 2020 – 2050.**



CENTRAL HAWKE'S BAY INTEGRATED SPATIAL PLAN 2020 - 2050

Responding to Growth

Being prepared for what's ahead, to ensure
future generations continue to Thrive!



**CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Foreword

The secret's out and Central Hawke's Bay is growing like never before!

In 2018 Central Hawke's Bay's population hit an all-time high of just over 14,000 residents, reaching levels of growth and optimism not seen since the 1960's.

Fast forward to 2031 and despite the current economic challenges, that number is projected to increase to over 18,000 people – with over 1,449 homes forecast to be built in that same time. Being prepared for what's ahead is critical to ensuring future generations of residents in Central Hawke's Bay continue to Thrive!

During the development of Project Thrive in 2017, the community clearly described a Thriving Central Hawke's Bay of the future. That was a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand. Ensuring our community grows in a smart and sustainable way with facilities and infrastructure that are innovative and fit for purpose is critical to this.

In responding to our current and projected growth, in late 2019 in conjunction with funding support from Centralines, Council began a project focussing on growth opportunities in the three main centres of Ōtane, Waipawa and Waipukurau to project how they would grow. This sought to address a number of existing projects such as the review of our District Plan, our Big Water Story for Waste Water and Drinking Water and planning our Town Centres for the future, needing to join together in a single planned view the

future of Central Hawke's Bay.

The result is this document, our 'Integrated Spatial Plan', that sets out a blueprint for growth of our three main towns for the next 30 years. This document is key to informing our Infrastructure Strategy and Asset Management Plans, both essential documents in ensuring that our assets – both infrastructure and community, meet the needs of our community now and into the future.

In creating this integrated spatial plan, we've relied heavily on feedback collected from the community during Project Thrive in 2017, submissions to the draft District Plan and input from residents and key stakeholders such as Chorus and New Zealand Transport Agency, given in a community workshop held in June 2020.

Through July and August 2020, we sought feedback from the community on the draft integrated spatial plan, using online maps, webinars and the opportunity to provide feedback directly to us as part of our approach to 'responding to growth' to inform our 2021 Long Term Plan.

On XXXXX Council adopted this Integrated Spatial Plan, to inform planning documents for the 2021 Long Term Plan and other supporting documents for a Thriving Central Hawke's Bay of the future.



2 • Central Hawke's Bay Integrated Spatial Plan 2020 - 2050

Spatial Plan Context

The purpose

The Central Hawke's Bay Three Towns' Integrated Spatial Plan (ISP) project is a 30-year blueprint of growth opportunities across Ōtāne, Waipawa and Waipukurau. The ISP is a living document, which we will continue to review and update overtime.

The ISP will:

- Maximise the delivery of Project Thrive
- Guide how we grow across the three towns
- Assist to inform the Central Hawke's Bay District Plan review
- Outline community and infrastructure investment required to support enhanced community wellbeing,
- Guide Council's Long-Term Plan and coordinated, multi-agency investment.
- Enable the completion of the Urban Growth Strategy

All of the actions and planned direction of growth will occur in partnership, with our communities, with Te Taiwhenua o Tamatea, with Government and non-Government agencies and organisations. Central Hawke's Bay District Council will continue to be innovative in the way we invest in the initiatives in the ISP. Seeking partnerships, targeting external funding opportunities and looking for innovative forms of delivery are very much a part of this package. Aligning our key tools like our Long Term Plan, our District Plan, our Policies and Bylaws will help us to manage growth smartly and optimise value from our investments.

The ISP covers the following areas to explain how we have developed our blueprint for growth in the future.

The Process	Part One How we got here
The Past	Part Two Where we have come from and how it has shaped our district and our towns
Project Thrive	Part Three Our Community Vision
Our Growth Story	Part Four What are our communities likely to look like into the future
The Present	Part Five Our current opportunities and challenges
What is our future	Part Six Current direction and proposed action plan



Central Hawke's Bay Integrated Spatial Plan 2020 - 2050 • 3

The process

As with Project Thrive, we are including the people of Central Hawke's Bay in our planning for the future of our towns. We are doing this through six stages.

Stage One – focused on gathering and mapping underlying data and understanding the drivers of, and the projections for growth

Stage Two – was the Enquiry by Design process to analyse four options for growth for each town developed through four lens'. These lens' are explained below:

Emerging direction lens'

Manage growth based on Thrive, the objectives within the Draft District Plan, as well as Council direction setting through the emerging 2021-2031 Long Term Plan.

Fiscal constraint lens'

Manage growth based on existing infrastructure capacity and where proposed infrastructure investments can be utilised to their maximum capacity.

Development lens'

Manage growth through a development lens. Identifying current and proposed development led proposals and allowing growth to occur in response to the market.

Smart Growth step change – boosted Thrive

Future proof Central Hawke's Bay and 'Promoting Smart Growth' – maximising investments, protecting highly productive soils and arable land, creating strong communities. Managing growth in a scenario where \$87m of three waters costs are removed from the balance sheet and there is an increased awareness of global resilience issues.

This stage took place from the 16 – 30 June 2020 with people who live, work and learn in each of the towns coming together to explore potential future scenarios of growth. We held four workshops.

- One for each of the three towns
- One with a group of Central Hawke's Bay College students

The diagram below explains the approach used for each workshop.



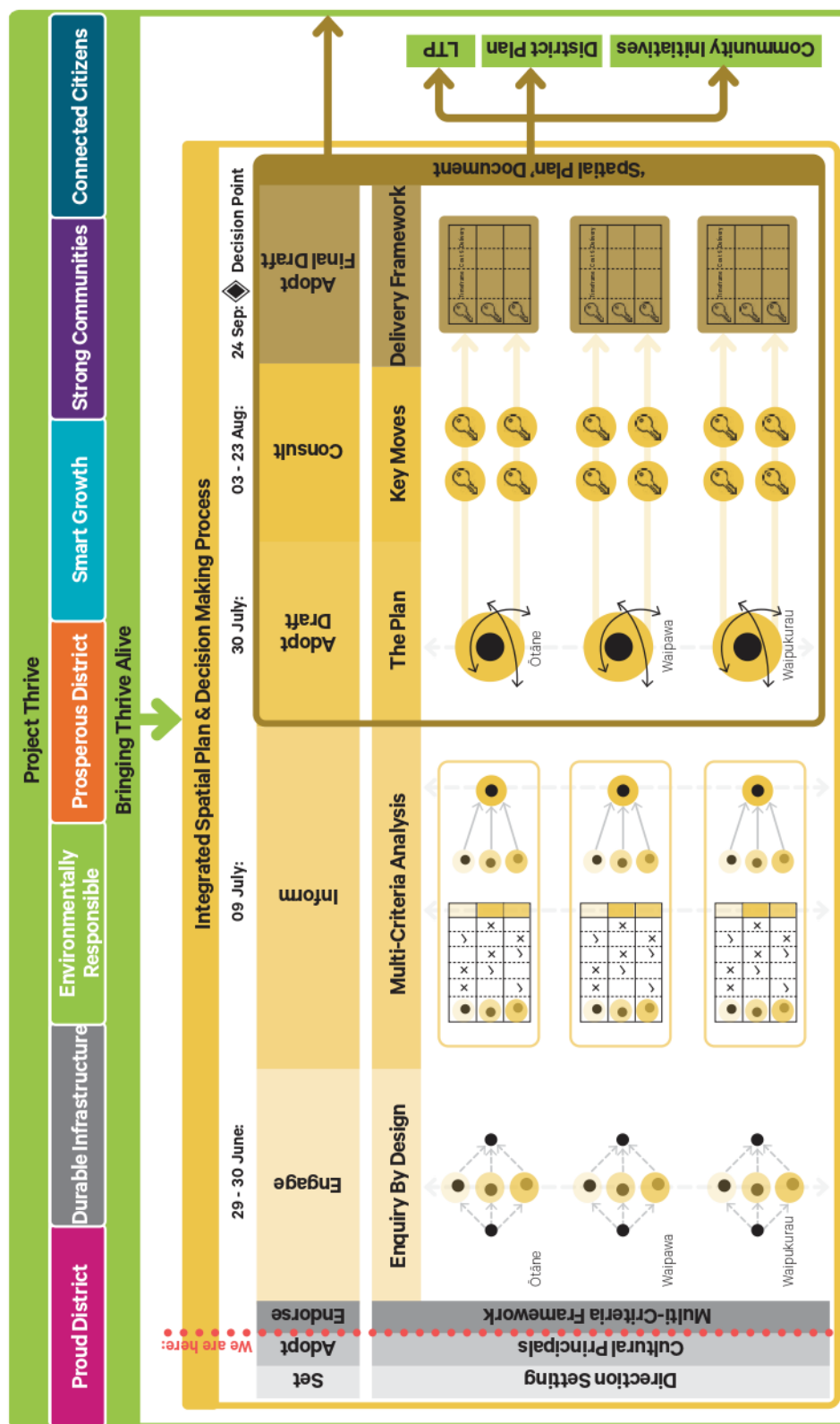
Stage Three – Distilling this into a draft ISP

Stage Four – Seeking community feedback on the draft ISP. This took place through July and August 2020 through online webinars, online maps and from a range of online and printed surveys.

Stage Five – Elected Members consideration of the feedback on the draft ISP and determining a preferred way forward.

Stage Six – Delivering the preferred direction through the Long Term Plan, District Plan, and other key delivery focused tools.

The following diagram shows how we are moving through this journey:



Central Hawke's Bay Integrated Spatial Plan 2020 - 2050 • 5

The past

Central Hawke's Bay

The Central Hawke's Bay and its three main towns have a rich cultural and natural history which has shaped the relationship between people and the place and the form and growth across the district. This interconnectedness is a key theme that runs through the district today – mountain ranges connected by rivers to the sea, communities connected to each other by the relationships formed by whanau and friendships and the differing roles of each of the towns. The following brief histories of the district and the three towns provides an initial understanding of what drew people to the area and why the towns are shaped as they are today. Understanding this helps to understand the character and unique elements of our towns and to plan their futures better.

Mana Whenua

The lands of Tamatea stretch from the Ruahine mountain range in the west, across the Ruataniwha and Takapau plains to the wild coastline from Kairakau in the north to Whangaehu in the south.

Mana Whenua first settled in Tamatea/Central Hawke's Bay around the ninth century, attracted by the richness of the land, the rivers, the forest and the coast. Over the centuries people continued to arrive and settle. The histories and stories of the Mana Whenua of Tamatea illustrate their relationship with the lands and natural resources of this place.

From and within the relationship with the lands and natural resources flow the values that are integral to Mana Whenua identity. This environment, and associated lifestyle, has produced a world view that is centred on interconnectedness, where all things are connected through whakapapa.

There are nine Marae in Tamatea/Central Hawke's Bay that over 20 hapū associate with. Other hapū have historically associated with the lands and District of Tamatea.

Many Māori living in and around Central Hawke's Bay are not of Tamatea heritage, yet they are regarded, locally, as integral to the Māori identity of Tamatea/Central Hawke's Bay.

The three towns

Waipukurau

Lake Whatumā was a pātaka kai – a valued source of food. Eels, freshwater mussels and kokopu were abundant. Pā were built near the lake to protect the resource with its significant stands of native timber and kereru drew people to settle around Waipukurau.

The rivers, streams, lakes, hills and forests led to the location of seven Pā around Waipukurau and continued to shape the town as Europeans arrived.

European traders, whalers, missionaries arrived in the 1830s. By the 1850s six run holders controlled the best grazing land in Waipukurau. In 1867 the village and part of the surrounding country belonging to H.R. Russell who did not sell any of his property. Russell leased his land with the idea that all of it would be reverted to a town council in 99 years' time, so as to realise his personal dream of making Waipukurau the richest city in New Zealand.

Waipukurau thrived during the post-Second World War agricultural boom. Car yards opened in the town to meet demand from wealthy farmers. By 1951 Waipukurau had six banks. With the decline of farming profits from the 1970s businesses such as stock firms merged, and banks and transport companies closed. In the 2000s Waipukurau was still supported by farming and related industries. Although the economy has diversified farming and related industries still form the backbone of economic activity in Waipukurau and across the district.

Waipawa

Waipawa was one of the first established inland towns (1860) even from the earliest days, Waipawa has taken a leading part in the history of the province of Central Hawke's Bay. Founded by an early settler, Mr. F. S. Abbott, Waipawa soon became a progressive community and administrative centre for the area stretching from Te Aute to Woodville, bounded by the Ruahine Ranges and the sea.

Waipawa was soon surrounded by many smaller farms that supported its growth. However, from the early 20th century its population lagged behind Waipukurau. The closure of the longstanding branch of the Williams & Kettle stock agents in 1987 was symbolic of the economic difficulties experienced by rural service centres like Waipawa during the later 20th century.

Otane

Ōtane was founded in 1847 on part of runholder Henry Tiffen's 5140-hectare Homewood estate, which had been subdivided into smaller farms. The township was planned, laid out and offered for sale. Ōtane originally consisted of 176 sections ranging from ¼ to 1 acre with areas set aside for churches, a school, a post office, a court house, a parsonage and a future railway station.

These very brief histories of the towns show how they emerged from cultural and rural roots. The history also shows the distinct foundations of each town, from the 'planned' approach of Ōtane to the more organic past of Waipukurau. These pasts are visible today in the way the towns are laid out and the way development has occurred.

Project Thrive Central Hawke's Bay

Together We Thrive! E Ora Ngā Tahi Ana!

Our people are our greatest asset. At the core of everything we do is a vision that our people are healthy, prosperous and resilient, with a strong sense of pride and identity.

In 2016 we asked our community, including many of you, what their vision for Central Hawke's Bay was. Over 4,500 pieces of feedback were received, and this directly led to the creation of our community vision – Together we Thrive. This vision continues to be the cornerstone of our aspirations for Central Hawke's Bay.

The Integrated Spatial Plan will not reinvent Project Thrive, but be developed to deliver on it.

What our vision means

We had no way of knowing what the start of 2020 would bring. Being forced to battle a severe and enduring drought at the same time as an unprecedented global pandemic has placed significant pressure on our community.

We quickly adapted to life during a pandemic, which led to a significant shift in how we do things.

This, along with other technological, economic, social and environmental challenges along with our projected growth will continue to require us to innovate, work

collaboratively, be resilient to disruption and be ready to make smart choices about our future.

We are well located, and our community gets to experience the best of both worlds – a strong relationship to regional centres but living in a close and connected rural community that celebrates its place in the world.

We will leverage off this to actively position ourselves to take advantage of any opportunities, while retaining our unique heritage and local character and sense of community.

We are a Council that takes seriously its responsibility to futureproof our District and ensure we are investing in durable infrastructure that is environmentally responsible.

We will plan for and deliver the social infrastructure required to support our community's health and wellbeing.

We will focus on building our partnership with Te Taiwhenua o Tamatea and support the governance capability of Māori to take a more active role in planning for the future, recognising and valuing the tangata whenua relationship to land.



The people of Central Hawke's Bay identified seven strategic goals for achieving this vision:



Our DNA

We have identified four fundamental ways that will guide the way Council and councillors interact with our communities and lead our city. The guiding principles will be evident in the way we engage, plan, make decisions and allocate resources on behalf of our city and residents.



Working Together: Central Hawke's Bay will be stronger when we work together. Partnerships and collaboration are at the core of everything we do.



Customer Excellence: The communities we serve are our customers. They are at the heart of our decisions, interactions and communication. We'll engage with our customers to deliver value and exceed expectations.



Thinking Smarter: We need to think smarter and better in everything we do. With a culture of innovation and continuous improvement we will add value to our communities.



Planning for Tomorrow: there will be an element of long-term thinking in everything we do, so we can futureproof Central Hawke's Bay.

Strategic fit

The vision and goals set out the Council's broadest aspirations.

Each goal has several levels of detail below it to show what the Council will do to achieve the vision and goals:

- **Strategies:** these show the priorities that the Council will focus on to achieve the vision and goals
- **Plans:** these show specific actions under the strategies for the next three years
- **Activities:** these are the operational functions, with budgets, that deliver the actions from the plans. (They are the building blocks of the long-term plan).



Our growth story

Our growth story matters. Growth means change. If it is not managed well growth can lead to far reaching and long-lasting issues.

We understand from Project Thrive, that to our community smart growth means growing Central Hawke's Bay in a smart and sustainable way that cherishes our identity.

If we grow smart, we are using our resources intelligently and with care to ensure they are protected for the citizens of the future.

Our resources include our:

- highly productive soils
- water
- land
- heritage

while ensuring the other six objectives of Project Thrive are met.

During our ISP journey we spent an afternoon with some young people from Central Hawke's Bay College. When asked what the one key concept was that captured how they would like to describe their place in 30 years-time every one of them spoke of the connections they have to each other and the strength and inclusiveness of the community they wish to live in.

Protecting this feeling of connectivity is another key focus in responding to growth. So, in the following section we explore our growth.

Growth – the facts and the projections

In developing our ISP and preparing for the 2020-2031 Long Term Plan, we engaged an economist to forecast our future growth and demand, based on statistics and local knowledge. This report prepared by Squillions Limited can be found by visiting www.chbdc.govt.nz

Following the Global Financial Crisis, the population of Central Hawke's Bay remained static until 2013. Then things began to change. Between 2013 – 2019 approximately 200 people per year moved into the District.

Why?

Reasons include:

- Signs of a lift in employment and economic growth
- Technological change and its effects on remote working and commuting patterns
- A preference shift to a back to basics ideal making life in the regions more attractive to some people
- A sustained lift in house prices in the cities making regional housing markets more attractive.

Our Economy

The importance of agriculture to the Central Hawke's Bay economy is shown in the figure below. While this dependency makes Central Hawke's Bay vulnerable to adverse growing conditions it will, conversely, make Central Hawke's Bay more resilient to the Covid-19 crisis as the world and country still need to eat.

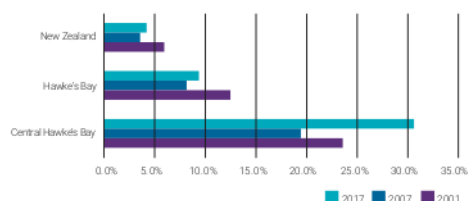


Figure 1: Agricultural as a percentage of total (nominal) GDP

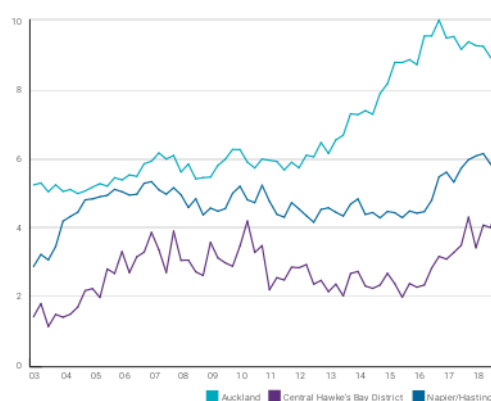
Employment

Despite agricultural industries featuring highly in 2019, there has not been a significant increase in employment in agriculture over the last ten years. While output improves it has become less labour-intensive.

800 jobs were added in Central Hawke's Bay in the three years to 2019. Most, 490 of these jobs were added in the manufacturing sector.

Housing Affordability

While housing in Central Hawke's Bay is relatively more affordable than Napier-Hastings and Auckland, as shown in the figure below. House prices have increased in Central Hawke's Bay and become more unaffordable over time.



The report draws a connection between the increase in house prices and the increasing pressure being placed on social housing in Central Hawke's Bay. There are 34 social housing tenancies in Central Hawke's Bay and 42 applicants on the housing register. 2017 was the first time that the applicant list broke single digits.

Our Growth Scenario

We have adopted a high growth scenario to guide our growth planning for the 2021 - 2031 Long Term Plan and in this ISP. To support your comments on this draft plan we have included all the growth scenarios below.

You can view our full Demographic and Economic Growth Projections report on our website at www.chbdc.govt.nz

Medium Scenario

Business as usual Assumptions and Highlights

Key assumptions under the medium scenario are:

- The population steadily ages, birth rates slow and death rates rise although all of this is tempered somewhat by incoming migrants (national and international which have a higher proportion of families and working-age people).
- Net migration, which averaged about +200 people per year since 2013) drops in the short-term, but averages approximately 140 people per year between 2020 – 2031.

The highlights are:

- Central Hawke's Bay adds 2,300 people by 2031 and a total of 4,600 people by 2051.
- Average growth rate between 2019 and 2031 is 1.2% (lower than the average between 2013 -2018 2.1%)
- Proportion of the population aged over 65 rises from 20% in 2019 to 27% in 2031 and continues to rise to 32% by 2051
- Number of households is projected to grow to 6,340 by 2031, an increase of 920 from 2018 census, and reach 7,480 by 2051
- The average household size sits around 2.7 through to 2031

High Scenario

Let us move to Central Hawke's Bay Assumptions and Highlights

Key assumptions under the high scenario are:

- Population still ages, however this trend is further limited by higher levels of migration
- Birth rates are higher throughout our time compared to medium and low scenarios due to injection of younger migrants
- Net migration remains high despite the uncertain economic situation but averaging about 270 people per year between 2022 and 2031 – above recent historical levels.

The highlights are:

- Central Hawke's Bay adds 3,900 people by 2031, and a total of 9,100 people by 2051
- Average growth rate between 2019 – 2031 is 2.0%
- Proportion of population aged over 65 rises from 20% in 2019 to 26% in 2031. By 2051 over 65s make up 29% of the population
- Number of households projected to reach 6,870 by 2031
- The average household size sits around 2.7 through to 2031

Under this scenario Central Hawke's Bay adds 450 households over the next five years – an average of 90 per year.

To meet this growth building activity would need to continue to rise from pre-lockdown levels.

Low Scenario

Weak to negative net migration Assumptions and Highlights

Key assumptions under the low scenario are:

- The population ages rapidly in the absence of offsetting effects of younger migrants
- The population starts to shrink around 2030 as the number of births falls below deaths.
- The number of people moving into the district is largely cancelled out by people leaving.
- The average household sits around 2.7 before dipping slightly post 2031.

The highlights are:

- Slow population growth adds only 600 people by 2031.
- Beyond 2031 the population starts to fall to 13,430 by 2051, down 1400 people from 2019.
- The average growth between 2019 and 2031 is just 0.3% pa which is comparable to the pre-2013 growth rate.
- The number of households increases to 5,760 by 2031 but slips back to 5,430 by 2051.

...but where will they live

The following table shows the distribution of growth under each scenario across the three towns.

Area	2019	Scenario	2031	2051	Change 2019-2031	Change 2019-2051
Waipawa	2,180	Low	2,220	2,090	40	(90)
		Medium	2,360	2,520	180	340
		High	2,507	2,852	327	672
Waipukurau	4,580	Low	4,760	4,190	180	(390)
		Medium	5,340	6,030	760	1,450
		High	5,890	7,540	1,310	2,960
Otane ¹	710	Low	770	700	60	(10)
		Medium	950	1,170	240	460
		High	1,151	1,756	441	1,046
Central Hawke's Bay	14,850	Low	15,400	13,430	550	(1,420)
		Medium	17,140	19,430	2,290	4,580
		High	18,770	23,980	3,920	9,130

¹ 2019 population for small areas estimated from 2018 census and partial indicators.

The features of each town driving these scenarios are:

Otāne

- Well positioned for commuters

Waipawa

- Historically has accommodated less growth.
- Natural hazards potentially constraining market and growth

Waipukurau

- Appears to be significant scope for infill housing.
- Productive soils may constrain greenfield developments.
- Location of major commercial and industrial activity in district.

Our present

Three town opportunities and challenges

Ōtane, Waipawa and Waipukurau are the focus of our integrated spatial planning work. Around 50% of Central Hawke's Bay's 14,850 people live in Waipawa, Waipukurau or Ōtane. The three towns will accommodate most of the projected growth in our District. All three towns are already experiencing growth. We need to move quickly and decisively to ensure this growth is managed smartly and contributes to our Project Thrive objectives. As outlined above the ISP is delivered through Council and stakeholder implementation. The Central Hawke's Bay District Plan is a key tool of delivery. One way the ISP will inform the District Plan will be by clarifying how much additional land needs to be zoned and serviced to accommodate the growth projected or how to encourage growth within the existing town boundaries. Decisions will then need to be made in the Long Term Plan about servicing and funding that land to meet growth needs.

To provide some context for the ISP we have identified project challenges and opportunities. While each of the towns have unique growth management challenges and opportunities, there are some key elements that are shared. These are the shared key challenges and opportunities that the Integrated Spatial Plan process will need to respond to across all three towns.

At the Enquiry by Design workshop it was clear that people were well aware of the growth challenges and opportunities. For most people it was the infrastructure requirements for the three towns that presented the biggest challenges at the three town level.

Challenges

- Infrastructure requirements for the three towns, including three waters and streetscape are placing increased financial and resourcing pressure on the District.
- Significant wastewater investment is required to achieve compliance and meet the expectations of Central Hawke's Bay communities to improve environmental performance.
- The lack of an overall strategy for stormwater management puts us at risk of making ad hoc and untimely decisions, that do not consider possible wider benefits.
- There is not a clear and integrated understanding of the development capacity across the three towns in terms of the servicing and feasibility of residential, commercial, or industrial development which effects the ability to plan effectively for growth.
- The volume of work across the district could lead to potential lack of capacity of tangata whenua to engage

Infrastructure is our key constraint to growth. The age and capacity of our existing infrastructure is reflective of the age of our towns and the fact that our District has not experienced growth in the recent past, like we expect in the future. We need to make sure that we plan well for growth, to do this we need to know more about our existing infrastructure and the requirements for new infrastructure in our existing urban and village areas before we advance new growth areas. Likewise, zoning new growth areas can only occur once infrastructure requirements and our capacity to pay for them are known.

in future planning and take advantage of current opportunities issues, this could undermine the ability of tangata whenua to achieve cultural ambitions.

- The open space and community facilities network is not meeting the needs of youth leading to a disconnect between youth and their towns.
- Access to housing is impacted by rising land, house and rental prices, and housing availability, pushing some people in our communities into emergency housing, overcrowded homes, further from the town centres and facilities that they need access to, of out of the District in the case of elderly who do not have local housing options.
- The demand to provide greenfield development land for growth is placing pressure on our fertile soils which underpin our economic resilience.
- Lack of maintenance and the presence of Earthquake Prone Building issues are placing at risk the built heritage that provides a lot of the existing character in each of the main streets and wider town areas.
- Central Hawke's Bay is becoming an attractive satellite living option for commuters to Hawke's Bay's commercial and industrial centres, this changes the relationship of the residents to their town and communities and potentially the village or local character of the towns.

Opportunities

- Ensure we are investing in durable infrastructure that is environmentally responsible and future proofs our District.
- Undertake an evidence-based and integrated assessment of capacity for residential, commercial, and industrial growth demand and supply that supports clear policy and investment decision-making.
- Aligning our key tools, like the Long-Term Plan and the District Plan to manage growth smartly.

- Developing a Māori Engagement Strategy and supporting the governance capability of Māori to take a more active role in planning for the future, recognising and valuing the tangata whenua relationship to land.
- Working with Central Government, other agencies, and the private sector to ensure the policy and delivery of housing and development responds to the needs of our community.
- Planning for and delivering the social infrastructure required to support all members of our communities
- Creating an urban form that supports the delivery of housing options and future proofs Central Hawke's Bay
- Addressing adhoc urban development on the urban rural boundaries of the three towns to protect soils and create compact urban forms
- Creating opportunities for all residents to know, love and engage with their towns to maintain the sense of community and connectedness
- The next sets of Challenges and Opportunities relate more directly to each of the towns.

Waipukurau

4,580 people live in Waipukurau, making it the largest town in Central Hawke's Bay. Waipukurau is the service town of Central Hawke's Bay. The Tukituki River lies at the northern edge of the town and Lake Whatumā to the south-east. The current Ngā Ara Tipuna project will emphasise the rich Māori history of the town and the five Pa that frame Waipukurau. State Highway 2 and the rail line pass through the centre of the town and form a boundary between the commercial and residential areas and the industrial zone.

For many people at the workshop the current state of the Waipukurau town centre presented both the key challenge but also an opportunity for the future.

Challenges

- Out of zone commercial activities, dispersal and under-utilisation of land is impacting on the availability of land in the right place for the right activities and placing pressure on servicing new areas to provide additional land.
- Demand for new rural-residential development opportunities is a risk to developing a compact urban form that provides choice to people on housing types and how they move.
- There is poor legibility and unclear markers on how to navigate into the town centre and other key features from the State Highway is running the risk that people pass through rather than stop.
- Waipukurau's town centre lacks amenity and appeal, there is no civic gathering space in the town centre and no strong physical or visual connection with the site of Ngā Ara Tipuna, Pukekaihai and wayfinding into and around the town centre is not clear.
- There is little coordination and collaboration between the agencies and organisations involved in river and

wider environmental programme delivery creating potential gaps and overlaps and even tension in delivering outcomes.

- The local town amenity, distance of residential activity from the town centre, a culture of 'jump in the car' for short trips and the service town function of Waipukurau means that a lot of people rely on private motor vehicles for access to the town centre, this places pressure on car parking access, which in turn has an impact on people accessing goods and services.

Opportunities

- Creating sufficient, well serviced commercial and industrial zones that consolidate the role of Waipukurau as the commercial and industrial service town of Central Hawke's Bay to strengthen the existing activity and attract and locate new activity in the right areas.
- Improving town centre amenity, creating a central gathering space and strong connections within the town centre and between the town centre and Pukekaihai will increase pedestrian movement in the town centre and maximise the economic benefits of Ngā Ara Tipuna investment.
- Developing an urban form approach that supports growth, provides choice, and protects fertile soils.
- Encouraging and supporting collaboration between agencies and organisations actively delivering services across the town will lead to more coordination and focus of effort.
- Considering access strategies that balance the need for private motor vehicle use and car parking provision with overarching access approaches and alternative modes of transport, particularly for local journeys.



Waipawa

2,180 people live in Waipawa. Waipawa is the oldest inland town in New Zealand, heritage buildings and trees are a feature throughout the town. Waipawa sits on the north bank of the Waipawa River before the River meets the Tukituki further east. State Highway 2 and the rail line run through the centre of town, with residential and commercial activity on both sides. The town centre sits, predominantly, on the western side of State Highway 2.

The location and impact of State Highway 2 was identified at the Enquiry by Design workshop as a challenge that needed focus, but potentially also a 'hero' of the future of the town.

Challenges

- Most of the land available for residential development on the eastern side of the State Highway is low lying and subject to flooding requiring significant investment in stormwater infrastructure to realise the land supply for housing.
- Industrial land is at capacity and some current activities are no longer compatible with the surrounding level and type of uses.
- The town centre and town are physically and/or visually disconnected from the awa and existing open space, not maximising its natural and social amenity.
- The location of isolated commercial activity to the north of the commercial core potentially dilutes the strength of the town centre.
- The impact of State Highway 2, type and speed of traffic dividing the main street impacts on the visitor experience and the use of parking along the eastern side of the main street for commuter parking decreases the availability for visitors and shoppers.

Opportunities

- Visually opening up the main street to reveal the open space and other activities in the 'next street over' and reconnecting the town to the awa.
- Celebrating and leveraging off Waipawa's oldest inland town status and revealing and sharing the Māori stories of Waipawa and the wider area.
- Developing a long-term response to stormwater management to enable resilient housing development.
- Consolidating commercial activity to strengthen a town centre destination.
- Taking a whole of District view to industrial land supply to manage the shortage in Waipawa and manage compatibility issues.

Ōtane

Ōtane is home to 710 people. The village lies just east of State Highway 2. Ōtane is an easy commute to Napier, at 45 minutes and Hastings and Havelock North, at 25 minutes. There is a local sense that the village is becoming more of a satellite town. The town centre is spread out along the main road through the village, some of the buildings in the village centre are unoccupied. The people of Ōtane are passionate about their village and actively participate in planning for its future.

Challenges

- Perception that growth is contributing to the loss of character throughout the town leading to potential District Plan responses that limit town growth capacity and place pressure on highly fertile land for more rural residential development.
- Unoccupied buildings in the town centre are diluting the sense of activity and purpose.

Opportunities

- Extend the strong character features of the village to mitigate the impact of growth and change.
- Re-establish a strong, functional town centre that creates a busy and successful heart.

What is our future?

The next section of the ISP focus on responding to the context framed above.

Spatial Plan Principles

We have identified the following seven principles to support growth in Central Hawke's Bay. These principles will contribute to achieving multiple Project Thrive Objectives, helping to deliver on our vision for the future and to 'Bring Thrive Alive'.



1. Contribute to vibrant hearts that create places to live, work, play and learn in our three towns.

Our town centres are important to us, they each play a unique role in our district and have their own characteristics and identities which should be enhanced and supported as the district grows.

Thrive Alignment

✓ Proud District
✓ Prosperous District
✓ Strong Communities
✓ Connected Citizens
Smart Growth
Environmentally Responsible
Durable Infrastructure



2. Connect people to spaces and places, and each other.

Community and feeling connected to each other and the places which are important to us is valued. We want to grow in a way that enhances this connection to both our built and natural environments. This includes young and old people, and all means of connecting including walking, cycling, and driving.

Thrive Alignment

Proud District
Prosperous District
✓ Strong Communities
✓ Connected Citizens
✓ Smart Growth
Environmentally Responsible
Durable Infrastructure



3. Enhance the role of each town within our district and how they function individually and together.

Each of the three towns are unique and have their own point of difference. As our district grows, it should grow in a way which celebrates each town's unique role and identity, and to mutually support each other, and the district as a whole.

Thrive Alignment

✓ Proud District
✓ Prosperous District
✓ Strong Communities
✓ Connected Citizens
✓ Smart Growth
Environmentally Responsible
Durable Infrastructure



4. Optimise how we live, work and play by ensuring growth makes the most of existing and new community facilities, infrastructure, and built and natural resources.

We want to promote 'good' growth which enhances our district. Growth needs to improve the way our towns function by providing areas to live and work which complement each other and have no adverse effects on the natural or built environment.

Thrive Alignment

✓ Proud District
✓ Prosperous District
✓ Strong Communities
✓ Connected Citizens
✓ Smart Growth
✓ Environmentally Responsible
✓ Durable Infrastructure



5. Ensure we leverage maximum value from our investments.

We want to direct growth to areas which best utilise our past and future investment in core infrastructure, as well as community facilities and urban improvements.



6. Support and enhance economic prosperity in turn supporting better community wellbeing outcomes.

Our three towns will be prosperous places with a diverse range of opportunities for people to innovate, be entrepreneurial, learn and create value for themselves, our towns and our district.



7. Lead to an enhanced environment and increased sustainability.

Our natural environment is important to us, and we want to ensure it is looked after so that future generations can enjoy it.

Thrive Alignment

Proud District
✓ Prosperous District
Strong Communities
Connected Citizens
✓ Smart Growth
Environmentally Responsible
✓ Durable Infrastructure

Thrive Alignment

✓ Proud District
✓ Prosperous District
✓ Strong Communities
Connected Citizens
✓ Smart Growth
Environmentally Responsible
Durable Infrastructure

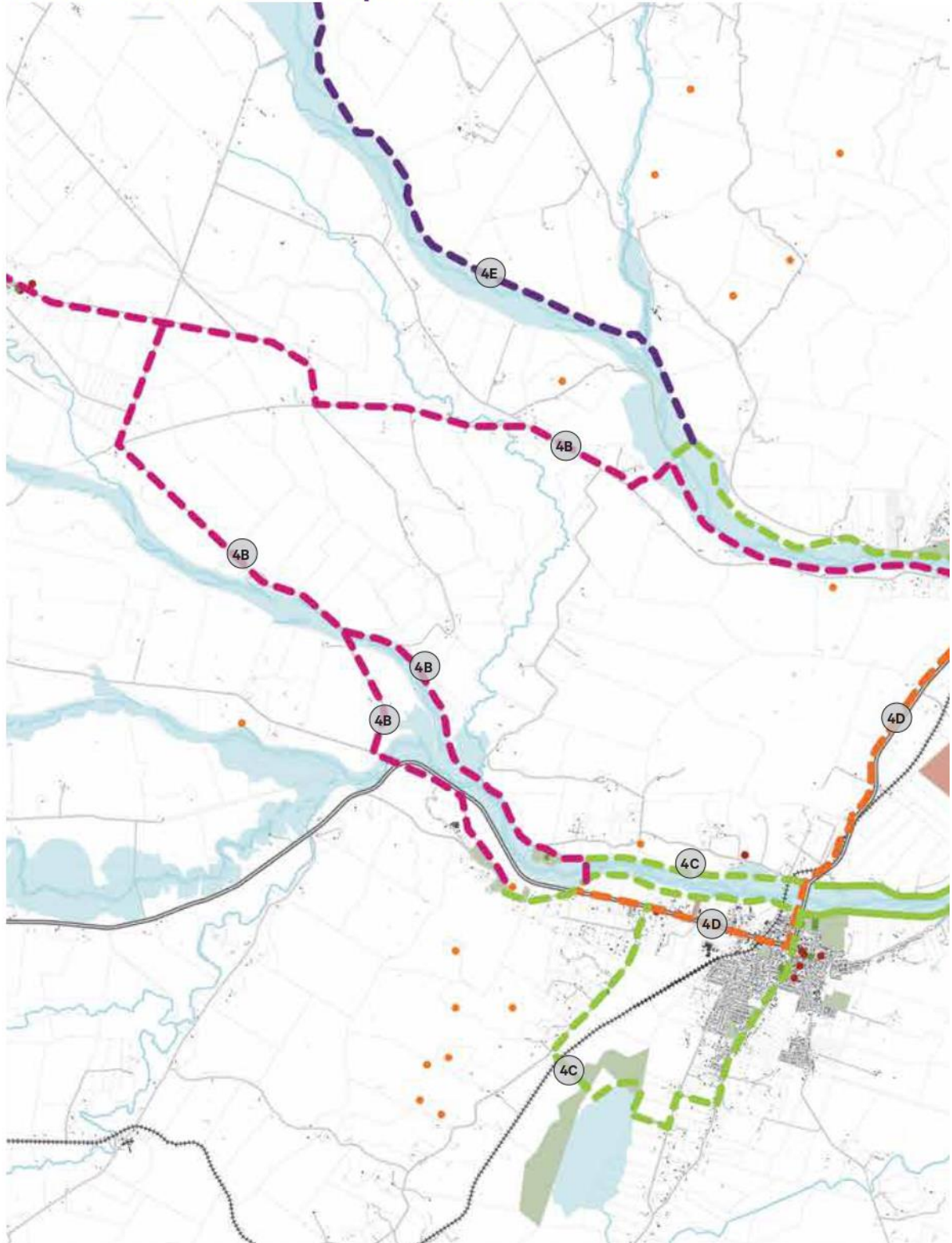
Thrive Alignment

✓ Proud District
Prosperous District
✓ Strong Communities
Connected Citizens
✓ Smart Growth
✓ Environmentally Responsible
✓ Durable Infrastructure

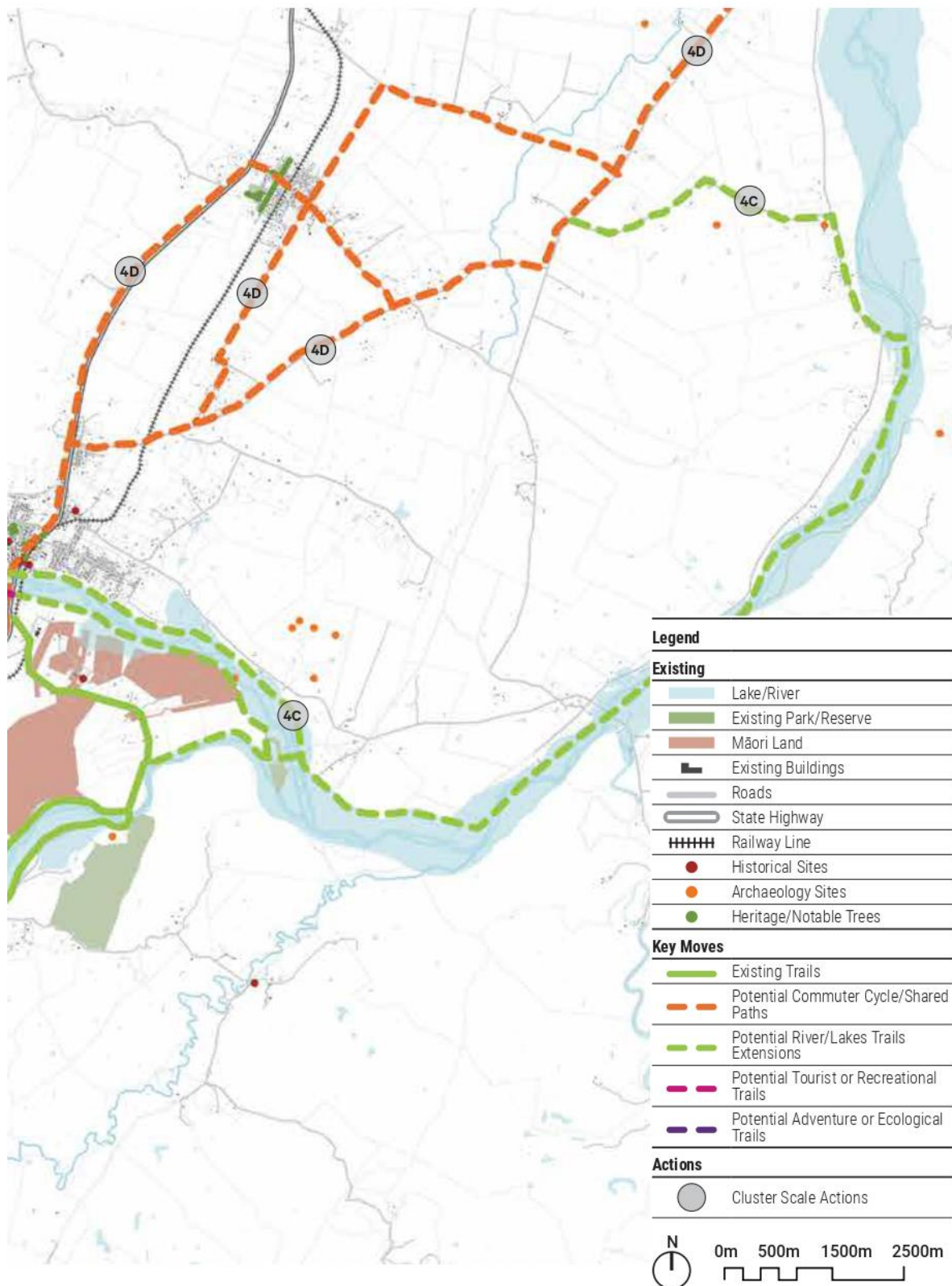


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Three Towns Cluster Spatial Plan



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Three Towns Cluster Action Plan

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
1. PROUD DISTRICT				
1A	Māori Engagement Strategy	District wide	- Continue to build a Māori Engagement Strategy that supports the governance capability and active role of Māori in planning for the future, recognising and valuing the Mana Whenua relationship with land.	
1B	District Tourism Marketing Campaign - Infrastructure needs also to be considered	District wide	- Undertake a regional marketing campaign. - Create a unique and clear identity for the region. - Define the big vision and invest in it. - Promote the district across the region and New Zealand.	
1C	Protect Heritage of the District - Review District Plan Protected Heritage Sites across the District including Wāhi Tapu.	District wide	- Ensure the review of the District Plan to protect historic heritage, include sites of significance for Māori and heritage buildings. - This should also include notable trees and cultural areas of significance.	
1D	District-wide Cultural and Heritage Plan	District wide	- Build on the Ngā Ara Tipuna kaupapa to have a community wide discussion about history and place, storytelling, interpretation, cultural expression and how art and culture can be used to improve economic growth and community cohesion. - Develop and Implement a Heritage Strategy to retain / protect and preserve the district heritage potential - Explore the future opportunities of the Central Hawke's Bay Museum and connections to preserving our Districts oral and other history across the District, including Ongaonga, Library Services and other heritage opportunities.	
1E	Develop an Arts and Creative Industries Action Plan	District wide	- Encourage the creative sector to create an action plan to support the development and recognition of the creative sector and to identify quick win opportunities for creative outcomes.	
1F	District Plan Review - Heritage Precinct and Heritage Buildings and Trees Protection	District wide	- Conduct heritage/character assessment of each of the three towns to confirm heritage builds and notable trees for protection. - This aims to define, protect and support heritage into the future.	
2. A PROSPEROUS DISTRICT				
2A	Central Hawke's Bay Community Local Events Strategy	District wide	- Develop a Central Hawke's Bay Events Strategy, linking to target markets and considering the aspirations and talents of locals. - Organise events to attract wider audiences e.g. local growers markets, food and wine, country retreat, eco tourism, heritage, homesteads etc - These events should encourage both locals and tourists to engage with the community and encourage people to stop, stay and spend. - Seek council and regional organisation assistance to help host and promote events.	

	Timeframe					Delivery
	Delivery Timeframe					Project Champions
	Quick wins (0 - 1 years)	Short Term (1 - 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
	Quick win					Central Hawke's Bay District Council / Te Taiwhenua o Tamatea
	Quick Win	Short Term			Ongoing	Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council / Te Taiwhenua o Tamatea / Ongaonga Historical Society / Central Hawke's Bay Settlers Museum
	Quick Win					Central Hawke's Bay District Council
	Quick Win - Can tie in with DP Review					
		Short Term				Central Hawke's Bay District Council

2B	Town Centre Activation Plans	District wide	<ul style="list-style-type: none"> - Develop town centre activation plans for each of the three towns to: Establish active and vibrant town centres with 7 day trading and eateries open at night. - Support active frontages, well maintained buildings and landscapes. - Identify strong pedestrian and cycling connections throughout the town centre/s. - Introduce effective street lighting for night time trading. 	
2C	Earthquake Prone Buildings Response Plan	District wide	<ul style="list-style-type: none"> - Following the assessment of earthquake prone buildings in town centres, complete a plan to repair, maintain or remove buildings to align with town centre activation and revitalisation. 	
2D	Local Business - Spend Local Campaign	District wide	<ul style="list-style-type: none"> - Support local businesses which will in turn help to support tourism. - Implement a keep it local campaign, to encourage people to spend money locally (locals, commuters and tourists). 	
2E	Business Innovations and Supporting Infrastructure	District wide	<ul style="list-style-type: none"> - Support the set up of new innovative businesses (Linked to town centre activation). - Encourage ownership and development platforms, launching and expanding businesses, encouraging businesses to come back to Central Hawke's Bay. - Support the ability to run global businesses from Central Hawke's Bay through supporting infrastructure like mobile and internet coverage and other tools. - There is potential for a business hub/association that connects new and existing businesses in Central Hawke's Bay to share knowledge and resources. 	
2F	Streamline Consenting Process	District wide	<ul style="list-style-type: none"> - Continue to reduce the barriers and 'red tape' to the consenting process. 	
2G	Destination Plan and Infrastructure Needs Assessment	District wide	<ul style="list-style-type: none"> - Develop a visitor Destination Plan and infrastructure assessment to understand what investment and actions are required to uplift the value of the visitor economy in Central Hawke's Bay. - Create a strategic plan for future tourism infrastructure spending in the district to enable Central Hawke's Bay to be a thriving destination for both domestic and international tourists. 	
2H	Remote Working Facilities and Co-working Spaces	District wide	<ul style="list-style-type: none"> - Undertake and assessment of the feasibility of developing co-working spaces across the three towns, if feasible support the roll out of adequate fibre internet speeds and connection to the Central Hawke's Bay District. - Provide co-working space to support remote working or small start up businesses in the district. - There is potential for co-working spaces to activate library's or existing underused buildings 	
2I	Develop an Employment / Industrial and Commercial Land Prospectus.	District wide	<ul style="list-style-type: none"> - Use the prospectus to attract new opportunities to the District. This should provide more employment choice, security and resilience from future disruptive events. - The prospectus should focus on attracting activities that align with the character and strengths of the district and avoid activities that place unreasonable pressure on infrastructure requirements. 	

	Quick Win					Central Hawke's Bay District Council. Town centre businesses. Property owners
	Quick Win					Property owners and Central Hawke's Bay District Council
	Quick Win					Shop Central Hawke's Bay and Central Hawke's Bay District Council
	Quick Win					
	Quick Win					
	Quick Win					
	Quick Win					
		Short Term				
		Short Term				

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
3. STRONG COMMUNITIES				
3A	Open Space and Community Facilities Plan	District wide	- Establish the scope and deliver a comprehensive open space, including active and passive recreation spaces and facilities and a community facilities plan. This should investigate: current state, demand assessment, location review and an action plan to ensure suitable policy and investment decisions can be made to develop a network that support all ages and communities.	
3B	District Cultural Storytelling Plan	District wide	- Make culture more visible through streetscape design, contemporary arts, public art, signage, wayfinding or murals. - Potential to integrate with māori trails network and Ngā Ara Tipuna, showcasing multicultural and māori craft, making māori history visible in the district. Art, signage, trails can be a platform to share history, knowledge of place, stories, exhibit historic objects of the area, and create a places for community to connect.	
3C	Māori Trails / Experiences	District wide	- Connect Māori trails network linking with Ngā Ara Tipuna sites with the potential to expand the trails to the wider district e.g longest place name and views of significant Māori places. The trail signage should share cultural stories and education on the pre-colonial history of the district.	
3D	Coordination Resources and Collective Knowledge Sharing - Working Together	District wide	- Coordinate initiatives between groups and facilities/clubs so they can work together, sharing collective resources and knowledge.	
3E	Accessibility Assessment and Action Plan	District wide	- Undertake an Accessibility Assessment to identify barriers for access and responses to remove barriers - Improve connectivity within and between the towns for all ages and mobility levels.	
3F	Youth Activation Plan	District wide	- Support youth to create their own activation plan - develop and respond to initiatives, opportunities, entertainment and training. - Assist in accessing tools, services, and support.	
3G	Partnerships - Government	District wide	- Continue to partner with Government Agencies to optimise services and investment across Central Hawke's Bay	
3H	Partnerships	District wide	- Continue to partner with a diverse range of agencies, organisations and individuals to deliver Project Thrive	

	Timeframe					Delivery
	Delivery Timeframe					Project Champions
	Quick wins (0 - 1 years)	Short Term (1- 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Short Term				
		Short Term				
		Short Term				Te Taiwhenua o Tamatea / Central Hawke's Bay District Council
	Quick Win					
	Quick Win					Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council / Government Agencies
		Short Term				Central Hawke's Bay District Council / Agencies

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
4. CONNECTED CITIZENS				
4A	Cycling Trail Strategy	District wide	<ul style="list-style-type: none"> - Develop a Cycling Trail Strategy. - Ensure that investment in cycling is maximised to enhance Central Hawke's Bay as a place to live and visit. - Connect past, current, and future projects to ensure works/improvements are optimised to benefit locals and visitors 	
4B	Tourist/Recreational Trails - Ongaonga Walking and Cycling Trail	From Waipawa Town Centre on High St, across SH2 bridge, along Waipawa River edge, connect back to Ongaonga Rd to Ongaonga (Bridge St), back to Waipukurau via Ongaonga Waipukurau Rd, connecting back to the Tukituki trail along the stop bank.	<ul style="list-style-type: none"> - Depending on outcomes of Cycling Strategy there is the opportunity to establish a separate and continuous cycleway between Waipawa, Ongaonga and Waipukurau; allowing a strong and legible connection into towns centres with supported signage and road markings. - Improve the safety of the cycle connection by minimising road crossing points, connecting to existing trail networks and improving bridge crossing points. 	
4C	River/Lakes Trails - Extend the Tukituki Trail - Walking or Cycling Trail between Ōtane and Waipawa along the Tukituki River and Waipawa River (Tourism/Recreational Trails). Potential Connection to Lake Whatumā	Ōtane town centre, along Elsthorpe Rd past Patangata Tavern, along the Tukituki/ Waipawa River edge/spot bank. Connecting back to High St and potential to connect further along Waipawa River	<ul style="list-style-type: none"> - Depending on outcomes of Cycling Strategy there is the opportunity to build a separate and continuous shared path/trail between Ōtane and Waipawa, along Elsthorpe Rd past Patangata Tavern and along the Tukituki/ Waipawa River edge/spot bank. This will connect back to High St and potentially connect further along Waipawa River. - There is also potential for trails to be both recreational or tourist cycle/walking routes and for them to connect to existing trails such as the Tukituki trail. Also, provide a safer alternative cycle/walking route off SH2. - Improve passive surveillance on stop bank with selected pruning of vegetation where needed to create clear site lines. 	
4D	Commuter Trails - Continuous and Connected Cycle Route between Ōtane, Waipawa and Waipukurau	SH2	<ul style="list-style-type: none"> - Depending on outcomes of Cycling Strategy there is the opportunity to establish a separate and continuous cycleway between Ōtane, Waipawa and Waipukurau, with strong and legible connections into towns centres, with supported signage and road markings. - Improve the safety of the cycle connection by minimising road crossing points, connecting gaps in the networks and improving bridge crossing points. 	
4E	Adventure Trails - Along Waipawa River - Connection to Bush Reserves	District wide	<ul style="list-style-type: none"> - Depending on outcomes of Cycling Strategy there is the opportunity to establish a more comprehensive network of adventure trails along the river with connection to reserves and natural areas. 	
4F	Public Transport Viability/Options Assessment	District wide	<ul style="list-style-type: none"> - Assess the options and viability of public transport for the region e.g. bus or shuttle bus options between towns. 	
4G	Rideshare Promotion - Viability/Options Assessment	District wide	<ul style="list-style-type: none"> - Promote ride sharing for commuting residents. - Investigate ride sharing apps to connect district commuters. 	
4H	Wayfinding Project	District wide	<ul style="list-style-type: none"> - Support the Township and Town Centre wayfinding project that promotes easy access around towns. - Provide information on key connections to destinations and attractions. - Consider cycling, walking, mobility scooters and cars. Respond to any issues identified in the Accessibility Assessment. 	

Timeframe						Delivery
Delivery Timeframe						Project Champions
	Quick wins (0 - 1 years)	Short Term (1 - 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
	Quick Win					
			Medium Term			
			Medium Term			
			Medium Term			
			Medium Term			
		Short Term				
	Quick Win					
		Short Term				

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Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
5. SMART GROWTH				
5A	Integrated Assessment of Capacity for Residential, Commercial and Industrial Growth Demand and Supply	District wide	<ul style="list-style-type: none"> - Undertake an Evidence-based and Integrated Assessment of Capacity for Residential, Commercial and Industrial Growth Demand and Supply that Supports Clear Policy and Investment Decision-making. - Understand the need for additional land for residential, commercial, and industrial land across the three towns. 	
5B	Partnering on Housing	District wide	<ul style="list-style-type: none"> - Working with Central Government, other Agencies and the Private Sector to Ensure the Policy and Delivery of Housing and Development Responds to the Needs of our Community 	
5C	District Plan Review - residential	District wide	<ul style="list-style-type: none"> - Take the opportunity to align growth areas with infrastructure, highly productive soils constraints, community feedback and urban form principles. These growth areas will provide additional choice and capacity in each of the towns for housing. - Creating a defined Urban Form that Supports the Delivery of Housing Options and Future Proofs Central Hawke's Bay 	
5D	Monitoring Framework - Growth, Demand and Impact across the Three Towns	District wide	<ul style="list-style-type: none"> - Establish a monitoring framework that tracks key changes which will enable council to ensure an adequate supply of employment and residential land in the most appropriate locations and respond to any rising issues related to growth and change. 	
5E	Climate Change Mitigation and Adaptation Measures	District wide	<ul style="list-style-type: none"> - Assess the Impact of, and Plan for Climate Change by Ensuring Developments and Projects are Incorporating Climate Change Mitigation and Adaptation Measures 	
5F	Working with Landowners and Developers	District wide	<ul style="list-style-type: none"> - Engage with Major Residential Landowners to Understand Motivation/ Capability to Develop Land and Timing - Development Agreements for Infrastructure Planning 	
5G	District Plan Review - Commercial	District wide	<ul style="list-style-type: none"> - Review Draft District Plan provisions for commercial zone. - Take a three towns approach to strategically locating commercial and industrial activities so that they complement and benefit each other for the good of the Central Hawke's Bay economy. 	
5H	Strategic engagement with Government and NGO Sector	Town Wide	<ul style="list-style-type: none"> - Engage with MHUD, Kāinga Ora and others to ensure the right types of housing are developed in the right places to support the development of strong and connected communities. 	
6. ENVIRONMENTALLY RESPONSIBLE				
6A	Healthy Rivers and Lake - Action Plan	District wide	<ul style="list-style-type: none"> - Develop a plan and implement the rollout of actions in conjunction with the Lake Whatumā management group, to improve the health of rivers and Lake Whatumā, e.g. riparian planting around lake and river edges. - Assess stormwater runoff management and filtration systems where needed most (e.g. rain gardens). - All future development and street scape upgrades need to consider water sensitive urban design principles. 	

	Timeframe					Delivery
	Delivery Timeframe					Project Champions
	Quick wins (0 - 1 years)	Short Term (1- 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
			Medium Term			
					Ongoing	
			Medium Term			
	Quick Win				Ongoing	
		Short Term			Ongoing	
	Quick Win				Ongoing	
	Quick Win as part of DP review					
	Quick Win					
		Short Term				

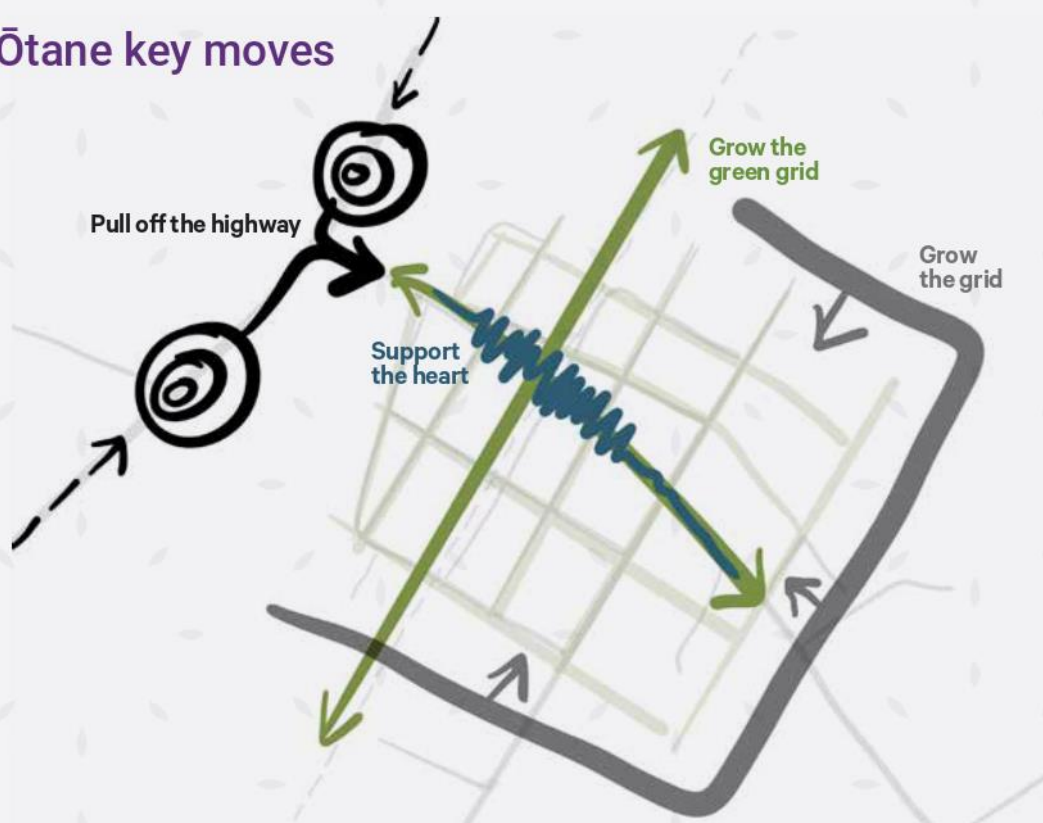
Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
7. DURABLE INFRASTRUCTURE				
7A	Sustainable water management	District wide	- Continue to support Tukituki water security initiatives with and for the community and support a move from water volume to value management	
7B	Update Key Policies and Other Key Infrastructure Documents	District wide	- Periodically revise various documents as required. Out of date examples include the footpaths policy March 2017 and the Stormwater policy May 2017. Other documents are far more up to date - e.g. Asset Management Plans (rolling LTP reviews) and Bylaws.	
7C	Review Development Contributions Model	District wide	- Review opportunity to significantly increase sophistication of Development Contributions policy. The current policy is a baseline model. Intuitively, it seems logical to capture a much greater proportion of development triggered infrastructure costs. However, this will require significant supporting work.	
7D	Demand Management Opportunities Review	District wide	- Review possible non-infrastructure interventions to accomplish reduced demand for any of the 3 waters. This could be via technology, policy, pricing or other measures. The common example is customer owned and managed rain tanks - potentially changing demands upon all 3 of the waters.	
7E	Review Levels of Service and Containment Standards	District wide	- Review levels of service and containment standards for 3 waters. It is important that these are thoroughly thought through and discussed with the community. As an example the Stormwater drainage policy strives to meet a 2% AEP performance standard for the primary system, which is a very high level of service, current achievement being well short of that. Depth times velocity considerations may be more appropriate than nuisance measures. Wastewater containment standards will drive storage and conveyance characteristics for interlinkages between the three towns.	
7F	Develop Preferred Streetscape Toolbox, Palette or Guidance	District wide	- Develop preferred streetscape toolbox, palette or guidance. New roads that are developed and vested by subdividers will have certain characteristics. If these have been considered ahead of time by relevant asset managers then they can be deployed effectively. - Consider network utility operator requirements, parking and access, pedestrian and cycling needs, street lighting, street trees and gardens, road furniture.	
7G	Infrastructure Data Strategy	District wide	- Identify current state of infrastructure and geophysical information. - Identify shortfalls, challenges and opportunities. - Prioritise future data, system gathering and improvement opportunities. - Clarify ownership. Identify linkages and opportunities. - Develop data management strategies. - Treat infrastructure data as an asset.	
7H	Wastewater Network. Inflow and Infiltration Programme.	District wide	- Carry out stocktake of current programme. - Identify successes, challenges and opportunities. - Continually refine programme over time. - Document the programme.	

	Timeframe					Delivery
	Delivery Timeframe					Project Champions
	Quick wins (0 - 1 years)	Short Term (1- 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
			Medium Term			
					Ongoing	
		Short Term			Ongoing	
		Short Term				
	Quick Win					
		Short Term				
		Short Term				
					Ongoing	



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Ōtane key moves



Ōtane Community Voice

What we heard

'Ōtane is a hip place for professionals and families to hang'

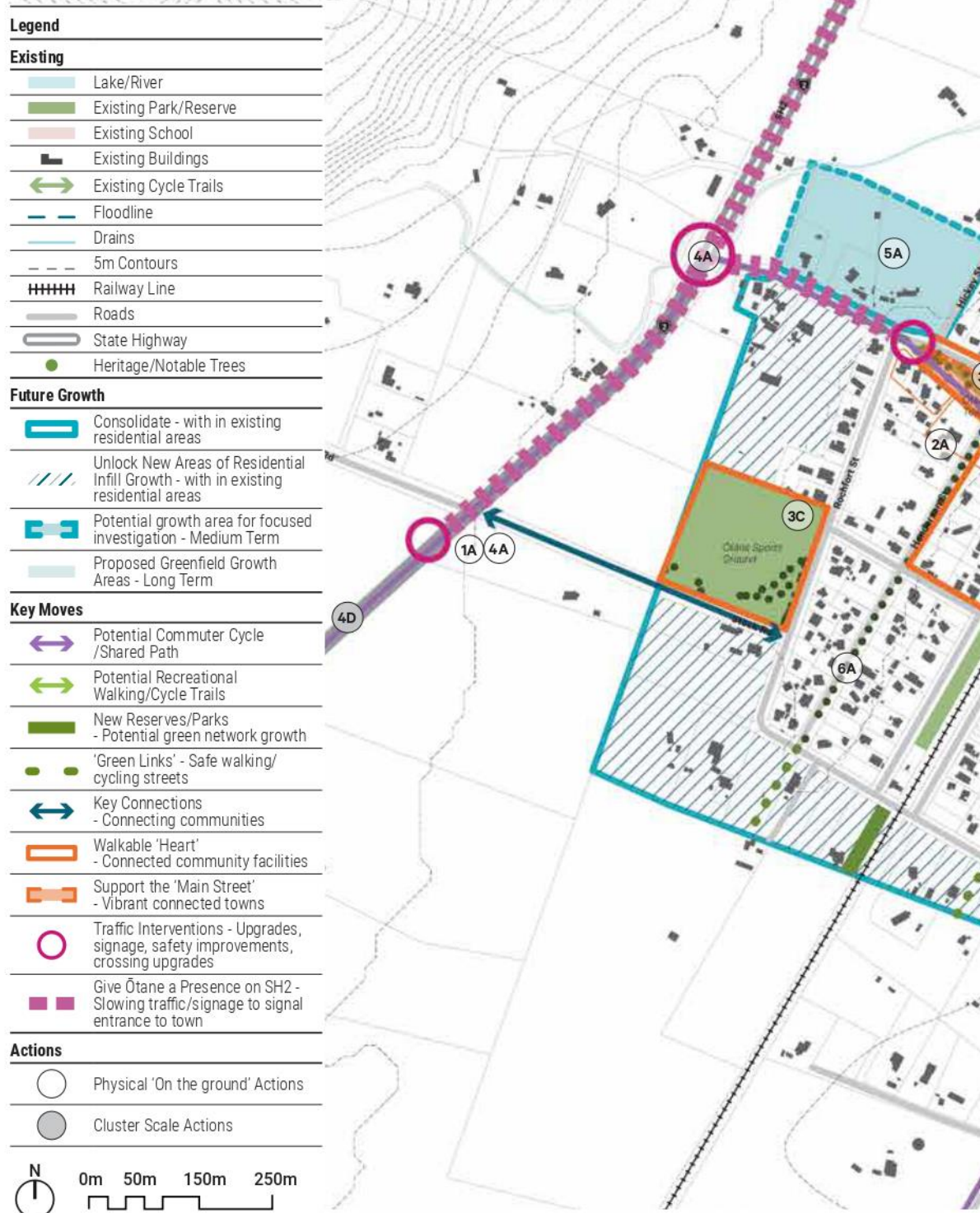
'Embrace commuters'

'A gorgeous green character village'

'Planting to extend big tree character'



Ōtane Township Spatial Plan





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Ōtane Township Action Plan

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
1. PROUD DISTRICT				
1A	Unique Ōtane Welcome Signage	SH2 and Elsthorpe Road	<ul style="list-style-type: none"> - Establish unique Ōtane signage to clearly define and welcome visitors into Ōtane, also encouraging visitors to slow down and turn off the highway into Ōtane. - There is potential for design collaboration with local hapu, community or local artist and an opportunity to express cultural and historical identity. 	
1B	Upgrade Ōtane Main Street	Higginson St, from SH2 to Ōtane School	<ul style="list-style-type: none"> - Upgrade Higginson St with improved footpaths/cycling facilities (connecting cycleways into town), street lighting, street trees, seating, facade painting and improved drop off pick up area outside the school. - Strengthen the connections between facilities on Higginson St and support community infrastructure and cultural heritage of Ōtane. - There is potential for design collaboration with community, local artist and iwi to express cultural and historical identity of Ōtane. 	
1C	Ōtane Cultural/Historical Storytelling	Town Wide	<ul style="list-style-type: none"> - Review and extend the signage/Information/Art trail which highlights Ōtane's cultural heritage. - There is potential for design collaboration with community, local artist and Te Taiwhenua o Tamatea to express cultural and historical identity of Ōtane. - This could also be incorporated into a wider township trail or Central Hawke's Bay trail between Ōtane, Waipawa and Waipukurau. 	
2. A PROSPEROUS DISTRICT				
2A	Define the Village Heart - Define Commercial Zone	Ōtane township - Higginson St	<ul style="list-style-type: none"> - Define a commercial zone in the Ōtane district plan, to ensure future commercial growth supports and strengthens the town centre. - Re-establish a strong, functional village centre to respond to the local desire for a busy and successful heart 	
3. STRONG COMMUNITY				
3A	Upgrade Railway Park	Railway Park, with a focus area at the historical railway site	<ul style="list-style-type: none"> - Upgrade and extend the railway park, with the potential to upgrade the park to integrate the development of the historic railway station into play, community space or community garden. - There is potential for design collaboration with community, local artist and iwi to express cultural and historical identity of Ōtane. - Ensure separation and safety of activity relative to the rail line. 	
3B	Upgrade Town Hall Park	27 Higginson St	<ul style="list-style-type: none"> - Improve facilities to support future growth of the markets, community events and tourist information/rest area. - Provide amenity and connectivity to the rest of Higginson St. - There is potential for design collaboration with community, local artist and local hapu to express identity of Ōtane and draw locals and visitors into the centre. 	
3C	Develop Youth Facilities	Ōtane Sports Field	<ul style="list-style-type: none"> - Support/expand youth facilities at the Ōtane sports field, with potential for skate park, pump track, enhancements to basketball courts. - There is also potential to collaborate with local youth/apprentices to design and build facilities. 	

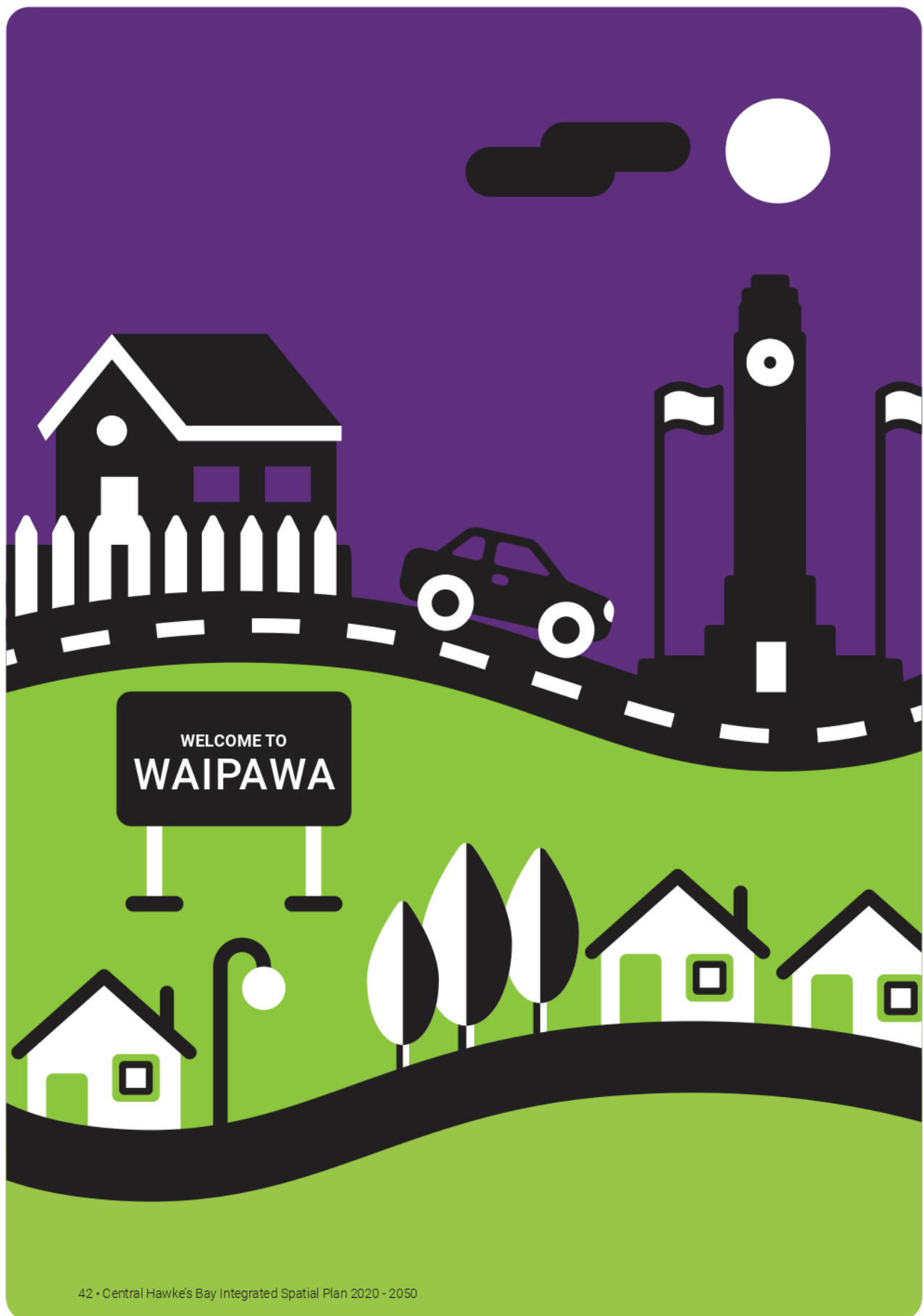
Timeframe						Delivery
Delivery Timeframe						Project Champions
	Quick wins (0 - 1 years)	Short Term (1 - 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Short Term				Central Hawke's Bay District Council
			Medium Term			Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council, Community
	Quick Win					Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
			Medium Term			Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
4. CONNECTED CITIZEN				
4A	Slow and Define the SH2 Turn-off to Ōtane	SH2	<ul style="list-style-type: none"> - Reduce the speed limit on SH2 down to 70 km/hr when approaching the Ōtane turn off. - Reduce the speed before Argyll Rd when heading north and reduce the speed at the bend near the Ōtane Cemetery when travelling south. - There is the potential to have repeat speed signs closer to the Ōtane turn off and clear unique signage to provide drivers advanced warning that the Ōtane turn off is approaching. 	
4B	Walking or Cycling trail - Ōtane	Ōtane and Havelock North on Elsthorpe Road/Te Kura Rd/Middle Rd and between Ōtane and Waipawa on White Rd, Homewood Rd, Ireland Rd, Bibby St, Harker St	<ul style="list-style-type: none"> - Establish a separate and continuous shared path/trail between Ōtane and Havelock North on Elsthorpe Road/Te Kura Rd/Middle Rd and between Ōtane and Waipawa on White Rd, Homewood Rd, Ireland Rd, Bibby St. - There is the potential for trails to be both recreational, tourist or commuter cycle/walking routes and connect to existing trails such as the Tukituki trail. - Provide a safer alternative cycle/walking route off SH2. 	
4C	Traffic Calming and Improved Pedestrian Safety on Higginson St - Safety Improvements for Heavy Vehicle Traffic with a Focus Around Ōtane school	Higginson St	<ul style="list-style-type: none"> - Establish car parking build outs with street trees and planting to narrow the carriageway to two laneways and slow traffic. - There is potential for raised tables pedestrian crossings, frictional surface treatments or repeat speed signage to encourage slower speeds and improve pedestrian safety with the heavy vehicle traffic on Higginson St with a focus around Ōtane School. 	
5. SMART GROWTH				
5A	District Plan Review - Residential Zoning Changes	Town Wide	<ul style="list-style-type: none"> - Undertake a Residential Zoning Change to support growth. - Allow for growth that is reflective of Ōtane, which supports and strengthens the community and character of Ōtane while still accommodating affordability. - Take the opportunity to align growth areas with infrastructure, highly productive soils constraints, community feedback and urban form principles. - These growth areas will provide additional choice and capacity in each of the towns for housing. 	
5B	Examine actions and interventions to support Infill residential	Town Wide	<ul style="list-style-type: none"> - Review District Plan objectives and rules to promote good quality infill and support strategic intensification. - Reviewing infrastructure / engineering standards that may restrict infill development. 	

	Timeframe					Delivery
	Delivery Timeframe					Project Champions
	Quick wins (0 - 1 years)	Short Term (1- 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Short Term				NZTA
				Long Term		
			Medium Term			Central Hawke's Bay District Council
			Medium Term			Central Hawke's Bay District Council
	Quick Win as part of DP review	Short Term				

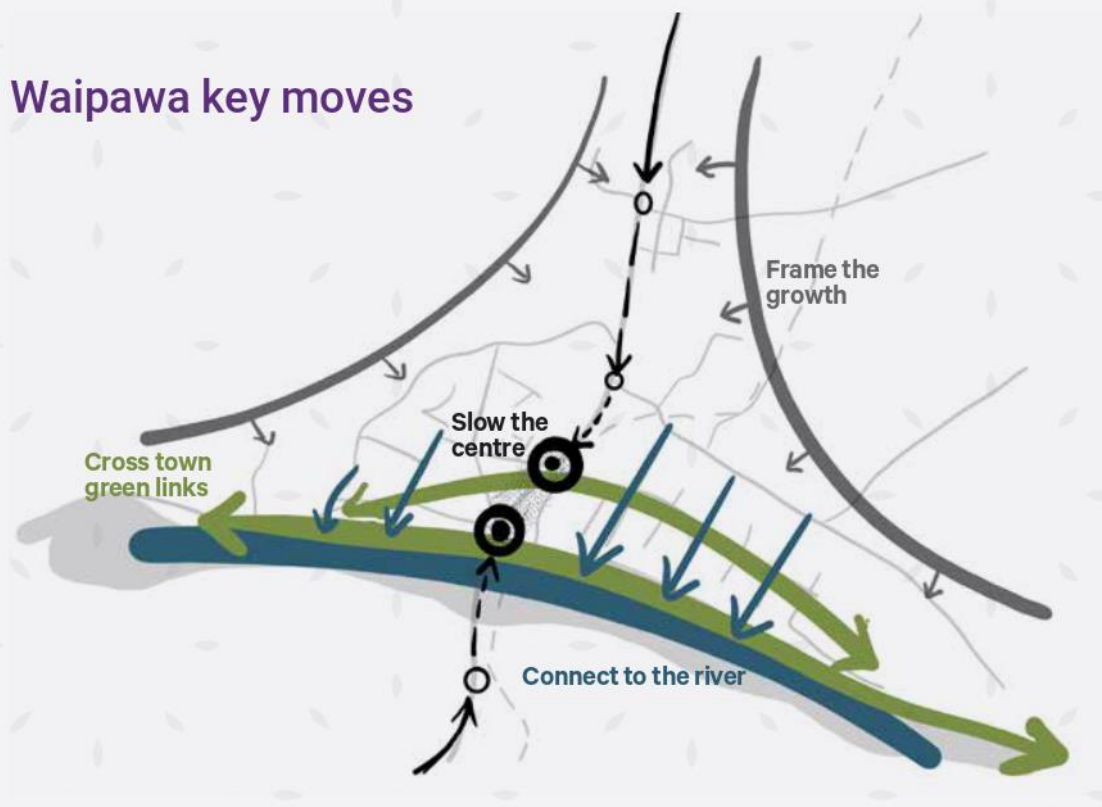
Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
6. ENVIRONMENTALLY RESPONSIBLE				
6A	Green Streets	Higginson St, Campbell St, Brogden St, Rochfort St, Bell St, Russell St, Dee St, Lawrence St and White Rd.	<ul style="list-style-type: none"> - Extend Green street network. - Arrange street tree planting and rain garden berm planting on selective streets to improve stormwater runoff collection. - This will also support the character of Ōtane and help slow traffic on streets which will in turn improve pedestrian walkability and cycling. 	
7. DURABLE INFRASTRUCTURE				
7A	Ōtane Stormwater Drainage System - Ownership and Responsibility Discussion	Town Wide	<ul style="list-style-type: none"> - Facilitate an informed discussion needs with the Ōtane community about responsibility for and ownership of the Ōtane stormwater drainage system. - It is likely that system performance will otherwise deteriorate over time and events will occur with Central Hawke's Bay DC having little opportunity to manage. 	
7B	Structure Planning for Identified Growth Cells - Ōtane	Selected growth cells	<ul style="list-style-type: none"> - Undertake structure planning exercise for each selected growth cell. - Engage and inform community and landowners. 	
7C	Ōtane Stormwater Drainage System - Data Collection	Town Wide - Focus in growth areas	<ul style="list-style-type: none"> - Collect asset data for Ōtane stormwater drainage system. - Update LIDAR (2003) dataset. 	
7D	Ōtane Stormwater Drainage System - Modelling	Town Wide	<ul style="list-style-type: none"> - Utilise learnings from Waipawa stormwater modelling. - Model the Ōtane network, incorporate demand from growth cells and identify system upgrade projects. 	
7E	Ōtane Wastewater System - Modelling	Town Wide	<ul style="list-style-type: none"> - Model Ōtane wastewater system. - Incorporate demand from growth cells and identify system upgrade projects. 	
7F	Review Ōtane Fire Fighting Upgrades	Town Wide	<ul style="list-style-type: none"> - Upgrade watermain network to provide enhanced fire-fighting capability and incorporate demand from growth cells. 	

	Timeframe					Delivery
	Delivery Timeframe					Project Champions
	Quick wins (0 - 1 years)	Short Term (1- 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
	Quick Win		Medium Term			
		Short Term				Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
	Quick Win	Short Term				Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
			Medium Term		Ongoing	Central Hawke's Bay District Council



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Waipawa key moves



Waipawa Community Voice

What we heard

'Pride in our environment and our people'

'Waipawa is a showcase of locally grown food and talent'

'The highway is the hero'

'Waipawa is an affordable and attractive place for families - a place for belonging'

'Waipawa is a place of historical meaning - built on heritage and trees'



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Waipawa Township Spatial Plan

Legend

Existing

	Lake/River
	Existing Park/Reserve
	Existing School
	Existing Buildings
	Existing Cycle Trails
	Drains
	5m Contours
	Railway Line
	Roads
	State Highway
	Heritage/Notable Trees

Future Growth

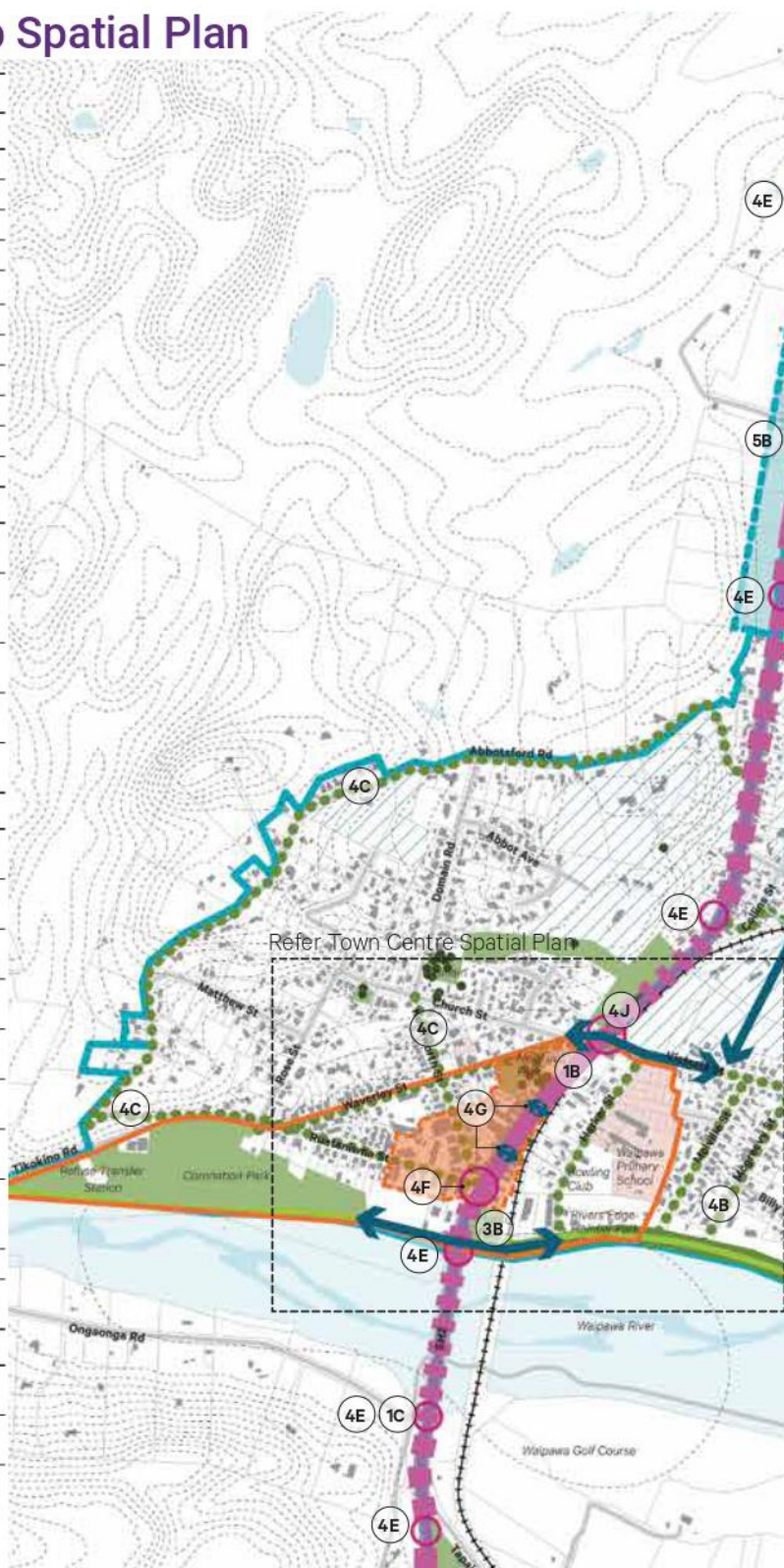
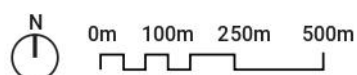
	Consolidate - with in existing residential areas
	Unlock New Areas of Residential Infill Growth - with in existing residential areas
	Potential growth area for focused investigation - Medium Term
	Proposed Greenfield Growth Areas - Long Term
	Proposed Rural Residential Growth Area

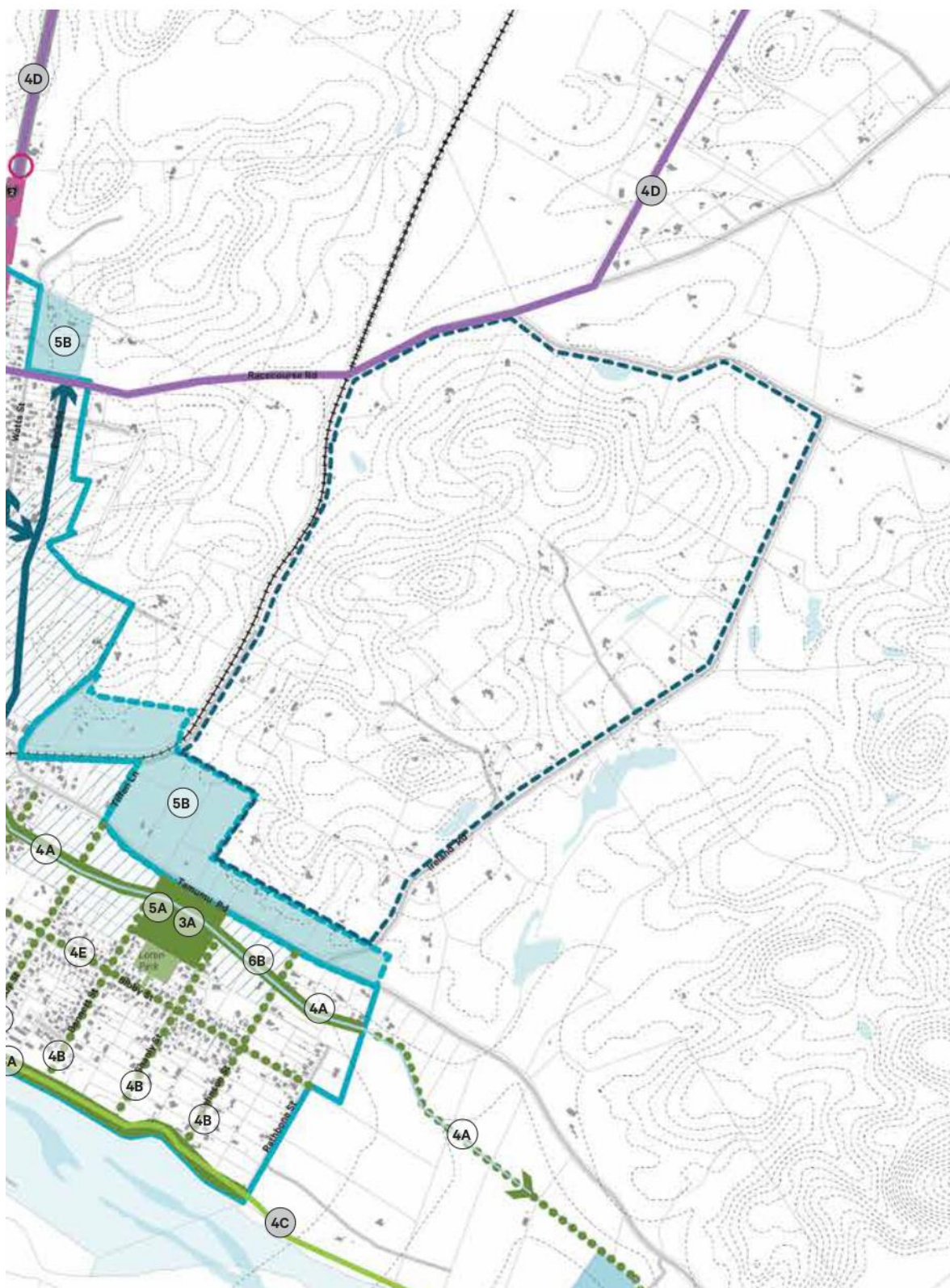
Key Moves

	Potential Commuter Cycle / Shared Path
	Potential Recreational Walking/Cycle Trails
	New Reserves/Parks - Potential green network growth
	'Green Links' - Safe walking/cycling streets
	Key Connections - Connecting communities
	Walkable 'Heart' - Connected community facilities
	Tighten the Town Centre - Vibrant connected town centre
	Traffic Interventions - Upgrades, signage, safety improvements, crossing upgrades
	Vibrant 'Main Street'
	Slowing Traffic on SH2 - Traffic Interventions

Actions

	Physical 'On the ground' Actions
	Cluster Scale Actions





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Waipawa Town Centre Spatial Plan



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Waipawa Township Action Plan

Projects			
Plan reference		Location	Description
Reference Number	Project Name		
1. PROUD DISTRICT			
1A	Central Hawke's Bay Settlers Museum Area Activation	Central Hawke's Bay Museum and Car Park	<ul style="list-style-type: none"> - Upgrade Museum Forecourt Area and Car Park to support increased activity within Waipawa - Explore the future opportunities for the integrated use of the Central Hawke's Bay Museum with other community and Council services - Upgrade the car park/ museum forecourt with more green space/hard stand and plants. - Explore how best to activate the Settlers Museum, creating a modern and strong community activity. - Create a place to rest, play, picnic on the mainstreet and an event space for pop-up activities, like food markets. - Review parking management. There is potential for school buses heading south to stop here or to the rear of the Waipawa, creating a safe spot to wait and cross the road.
1B	Main Street Upgrade - Slow Speed Environment and Improved Pedestrian Safety	High St from North of Victoria St to Waipawa Bridge	<ul style="list-style-type: none"> - Upgrade and enhance High St to encourage a slow speed environment, with strong pedestrian/cycling legality and a safety focus. - Establish a cohesive mainstreet design with strong connections to the river, across the Highway, through to Nelly Jull Park/Rear car parking, review location of school bus stops. - Add painted or textured road surface treatment to define mainstreet and slow traffic, with potential raised table crossing points and car parking buildouts with planting on either side of the road to narrow carriage way and improve pedestrian safety.
1C	Define Entrances into Town	SH2 - North of Watts St and Waipawa Bridge	<ul style="list-style-type: none"> - Establish clear/consistent welcome signage, there is potential for this to involve local cultural storytelling elements. - Arrange traffic calming interventions (vertical and horizontal) e.g raised tables and trees to define the entrance to Waipawa township. - Plant along the railway and screen the wreckers site. - Define southern entry to Waipawa, welcome signage before bridge, there is the opportunity to feature bridge lighting with bridge art.
1D	Waipawa Cultural/ Historical Storytelling - Signage/ Information/Art	Town Wide	<ul style="list-style-type: none"> - Review and extend the signage/Information/Art trail which highlights Waipawa's European heritage. - There is potential for design collaboration with community, local artists and iwi to express the cultural and historical identity of Waipawa. - There is also potential for this to be incorporated into a wider township trail or Central Hawke's Bay trail between Ōtane, Waipawa and Waipukurau

Timeframe						Delivery
Delivery Timeframe						Project Champions
Quick wins (0 - 1 years)	Short Term (1 - 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions		Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
Quick Win - Tactile Pop Up Events		Medium Term				
Quick Win						
	Short Term					
		Medium Term				

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
2. A PROSPEROUS DISTRICT				
2A	Nelly Jull Park	Nelly Jull Park and 62 High St Site	<ul style="list-style-type: none"> - Open up Nelly Jull Park to High Street - Strategically remove building (Current Library Building or adjoining site - Relocate Library on High St) on High St to create a strong laneway/public open space connection through to Nelly Jull Park. - Upgrade Nelly Jull Park and improve connection to Park across Islington Dr. - Make the park visible from High St, inviting locals and visitors to stop, play and picnic. - There is a potential for school buses heading north to stop here, create a safe spot to wait and cross the road. 	
2B	Town Centre Pedestrian Laneways Opening Park and other Parts of Town	High St, potential lane connections include; next to Nola's Cafe, next to 42/46 High St, between 62/68 High St.	<ul style="list-style-type: none"> - Establish pedestrian laneway connections through to the Nelly Jull Park, to the back of house car parking and Kenilworth St. - There is potential for laneways to include, public art, local storytelling, seating or outdoor dining areas to retailers. - Improve safety and wayfinding. 	
2C	Improve and Rationalise Car Parking along Islington Dr and Back of House of High St Shops.	Back of House High St shops, Islington Dr.	<ul style="list-style-type: none"> - Rationalise and upgrade car parking at the back of High St shops to have a high pedestrian focus. - Improve pedestrian connections from Nelly Jull Park and Kenilworth St through to High St. - Investigate the use of the car park to host town events such as festivals and market days. 	
2D	Develop a Waipawa Town Centre Master Plan	Waipawa Town Centre	<ul style="list-style-type: none"> - Establish a vision and pathway to enhance Waipawa's status as oldest inland town, improving the amenity of the mainstreet encouraging people to stop and creating pride - Create a framework that positions Waipawa for further commercial investment. - Identify strengths and opportunities to target markets and encourage further commercial investment in the town centre to compliment and expand on those there at present. - Identify a number of streetscape and connectivity improvements to deliver in tandem. This would align with the goals of the town centre planning. - Undertake Detailed Design Town Centre Master Plan to illustrating strategic projects and actions to undertake to enhance the viability and experience of Waipawa. 	
3. STRONG COMMUNITIES				
3A	Loten Park	Loten Park	<ul style="list-style-type: none"> - Expand Loten Park north towards the 'bush' drain as eastern Waipawa grows. - There is potential for the park to have active/play functions and for the park to double as stormwater overflow management system. - Integrate with 'Bush' drain ecological restoration and walking/cycling trail and examine opportunities to rationalise Loten Park 	
3B	Hunter Park and Youth Hub	Hunter Park and Harker St	<ul style="list-style-type: none"> - Expand youth play or active play at Hunter Park. - Formalise Harker St with strong pedestrian/cycle connections to High St and the river trail network, and rationalise car parking. 	
3C	Waipawa Pool	Waipawa Pool	<ul style="list-style-type: none"> - Maintain the community pool in Waipawa. - Strengthen connection between pool and Skate Park / Riverside Park and town centre. 	
3D	Nelly Jull Park	Nelly Jull Park	<ul style="list-style-type: none"> - Invest in and develop Nelly Jull park to create a unique park / play space that brings together all of the community: young, elderly and families. 	

Timeframe						Delivery
Delivery Timeframe						Project Champions
Quick wins (0 - 1 years)	Short Term (1-3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions		Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Medium Term	Long Term			
		Medium Term				
	Short Term - Tactile Events	Medium Term				
Quick Win						
			Long Term			
		Medium Term				
		Medium Term				
		Medium Term				

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
4. CONNECTED CITIZENS				
4A	Bush Drain Ecological Walking or Cycling Trail	Bush Drain from Tamumu Rd until it enters the Waipawa River	<ul style="list-style-type: none"> - Depending on outcomes of Cycling Strategy there is the opportunity to establish walking and cycling trail along the restored 'Bush' drain, recreational connection from the Waipawa River, Loten Park and through to High St. - There is potential for local ecology education signage, or cultural storytelling elements as well as improving function of the drain. 	
4B	Pedestrian Connections to the River - Green Pedestrian/Cycle Friendly Streets	Stop Bank/Street Interfaces	<ul style="list-style-type: none"> - Arrange selected street upgrades with footpaths, with street trees, on road cycle road markings and improved pedestrian crossing where needed. - There is potential for car parking buildouts or pedestrian refuges where needed. - Where streets connect to Waipawa River stop bank, create pedestrian connection through to stop bank walking and cycling trails. - Improve the passive surveillance on stop bank with selected pruning of vegetation where needed to create clear sight lines. 	
4C	Green Links/ Pedestrian Connection - Town Centre	Town Wide	<ul style="list-style-type: none"> - Create street for improved walking and cycling with safe pedestrian crossing points. There is potential for street trees, lighting and selective berm planting 	
4D	Connections from High St (Waipawa Town Centre) to Waipawa River and Hunter Park	High St (SH2) and Hunter Park	<ul style="list-style-type: none"> - Improve and widen pedestrian connection from town centre along SH2 down to Hunter Park and the river. - Narrow the entrance to Harker St to improve pedestrian access and strengthen the connection to Hunter Park. - Improve and widen pedestrian connection on western side of SH2 to connect to the river. - Improve pedestrian safety and access under the rail and road bridge. 	
4E	SH2 Speed Management	SH2 from Watts St to the Bridge	<ul style="list-style-type: none"> - Use reduce speed signage, repeat speed signs and road surface speed signage upon approach to town centre, as well as potential vertical traffic management tools such as street tree to encourage slower speed from the bend near Tapairu Rd to north of Watts St on SH2. - Implement horizontal traffic management tools such as frictional surface treatments or painted surface treatments, raised tables and car parking build outs with planting on High St from Victoria St to the Waipawa bridge. - There is potential to reduce High St speed to 30 km/hr from Victoria St to the Waipawa bridge. - In partnership with NZTA, examine opportunities to better manage the SH through Waipawa. 	
4F	Safety Improvements at Kenilworth St and High St intersection	<ul style="list-style-type: none"> - Examine options to improve accessibility across Waipawa and support more people to stop in Waipawa. 	<ul style="list-style-type: none"> - Improve the intersection safety and pedestrian crossing, with potential to narrow carriageway widths to shorten pedestrian crossing points and create pedestrian refuge areas. - Create a pedestrian link south down High St across Kenilworth St and connect to extended footpath to River edge. - Improve pedestrian crossing points to Ruataniwha St. 	
4G	Safe Pedestrian Crossing Points on High St	Kenilworth St and High St intersection	<ul style="list-style-type: none"> - Improve the intersection safety and pedestrian crossing, with potential to narrow carriageway widths to shorten pedestrian crossing points and create pedestrian refuge areas. - Create a pedestrian link south down High St across Kenilworth St and connect to extended footpath to River edge. - Improve pedestrian crossing points to Ruataniwha St. 	

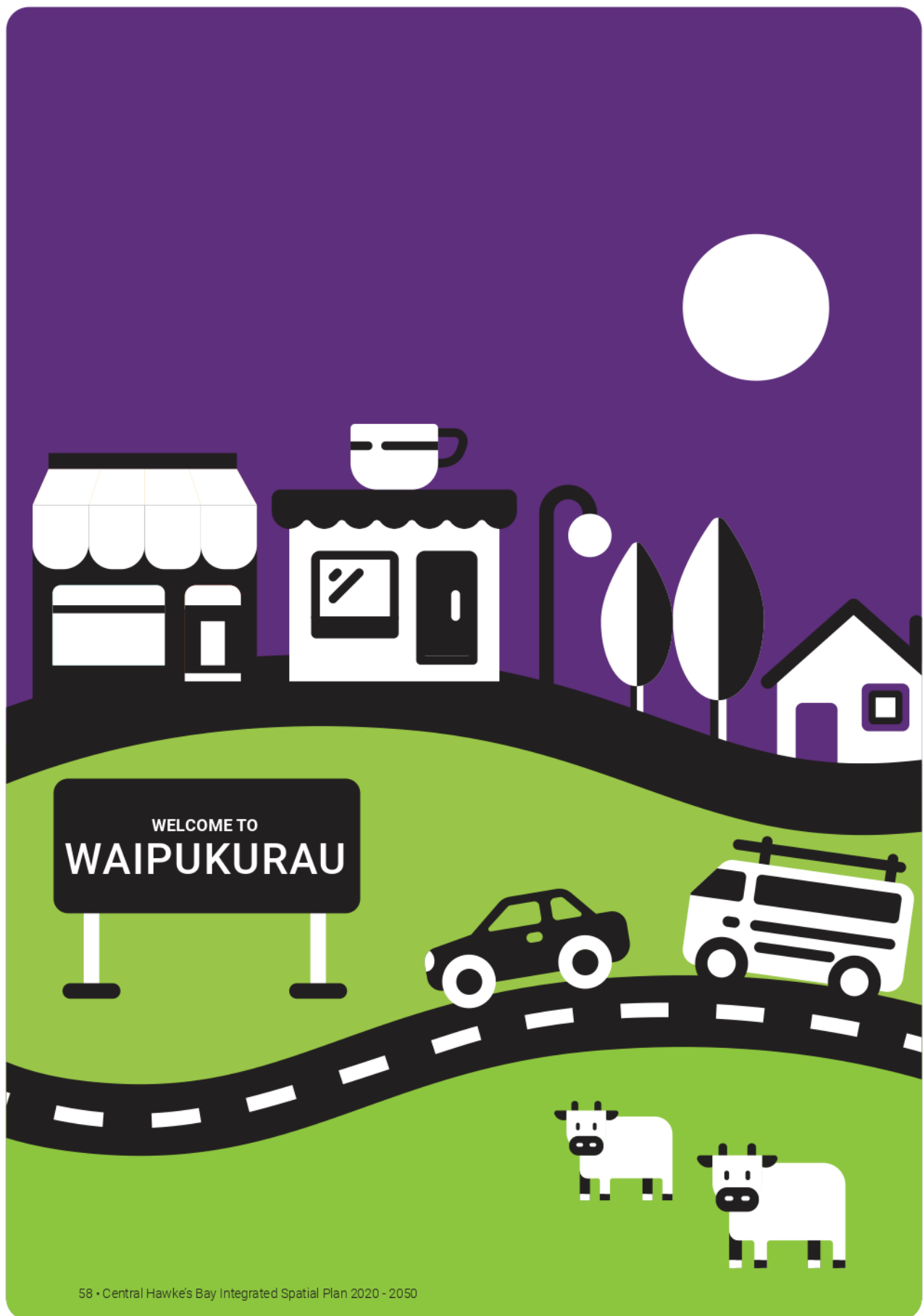
Timeframe						Delivery
Delivery Timeframe						Project Champions
Quick wins (0 - 1 years)	Short Term (1-3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions		Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
			Long Term			
		Medium Term				
		Medium Term				
		Medium Term				
Quick Win	Short Term					
		Medium Term				
Quick Win	Short Term					

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
4. CONNECTED CITIZENS				
4H	School/Intercity Bus Stop Improvements	High St (SH2)	<ul style="list-style-type: none"> - Create new pedestrian zebra crossing point. - There is the potential to make new and existing zebra crossing points, raised table pedestrian crossing points, extending buildouts either side of crossing points with low planting to increase sight lines and safety. - Implement pedestrian refuge build outs in other key pedestrian crossing locations to narrow the width of the carriageway and improve pedestrian sight lines. 	
4I	Improve Pedestrian Connection from High St to Harker St - Pedestrian Lane	High St (SH2)	<ul style="list-style-type: none"> - Investigate new location for school/intercity bus stop location on or off SH2 with safety waiting and crossing points, such as the rear of Islington Drive 	
4J	Improve Safety and Pedestrian Connection at Victoria St, High St, Church St Intersection	Pedestrian Lane between High St and Harker St	<ul style="list-style-type: none"> - Improve the intersection safety and pedestrian crossing points. - There is the potential to narrow carriageway widths, to shorten pedestrian crossing points and create pedestrian refuge areas. - Improve pedestrian rail crossing infrastructure. 	
5. SMART GROWTH				
5A	New Public Open Space as Waipawa's Population Grows	Town Wide	<ul style="list-style-type: none"> - Expand the public open space network as Waipawa grows. - Co-locate public open space with areas of growth, with the potential for new developments to contribute to the funding of public open spaces. - Consider a variety of different public open space uses (play, active and passive recreation) and consider the integration of public open space to manage stormwater events. 	
5B	Residential Zoning Changes	Town Wide	<ul style="list-style-type: none"> - Investigate growth that is reflective of Waipawa, which supports and strengthens the community and character of Waipawa while still accommodating growth and affordability. - Take the opportunity to align growth areas with infrastructure, highly productive soils constraints, community feedback and urban form principles. - Consider how these growth areas will provide additional choice and capacity in each of the towns for housing. 	
5C	Examine the cost benefits of relocating the Council Offices to Waipukurau	Council Offices	<ul style="list-style-type: none"> - Investigate if it is a smart investment to relocate the Council offices from Waipawa to Waipukurau. 	
5D	Examine actions and interventions to support Infill residential	Town Wide	<ul style="list-style-type: none"> - Review District Plan objectives and rules to promote good quality infill and support strategic intensification. - Reviewing infrastructure / engineering standards that may restrict infill development. 	

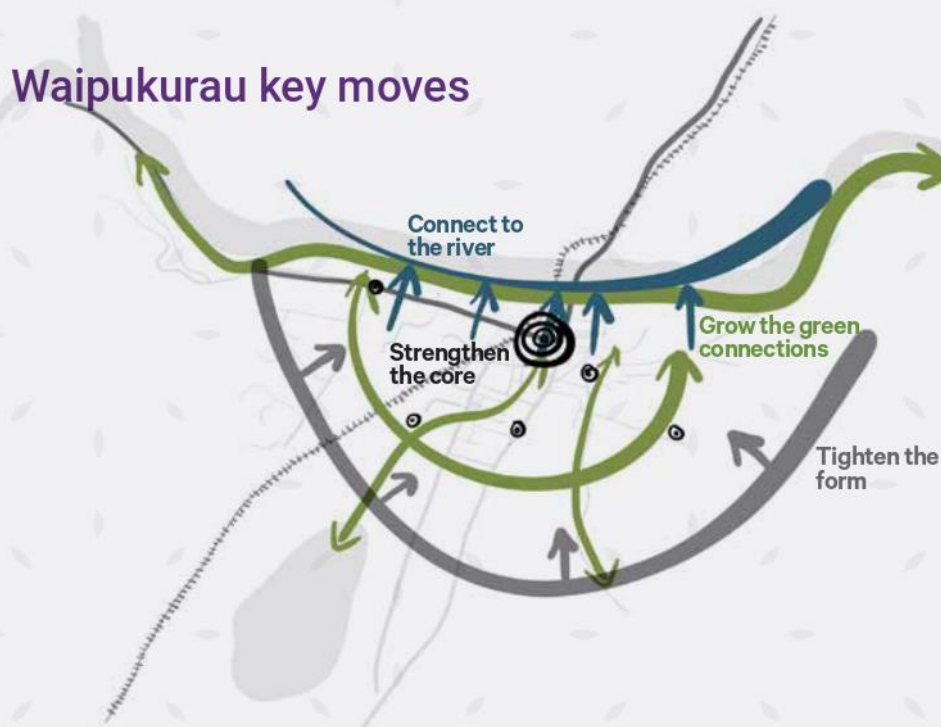
Timeframe						Delivery
Delivery Timeframe						Project Champions
Quick wins (0 - 1 years)	Short Term (1-3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions		Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Medium Term				
		Medium Term				
	Short Term					
			Long Term			Central Hawke's Bay District Council
		Medium Term	Long Term			Central Hawke's Bay District Council
		Medium Term	Long Term			Central Hawke's Bay District Council
Quick Win as part of DP review	Short Term					

Projects			
Plan reference		Location	Description
Reference Number	Project Name		
6. ENVIRONMENTALLY RESPONSIBLE			
6A	River Edge Restoration Planting	Waipawa River Edge	<ul style="list-style-type: none"> - Restore and arrange riparian planting along the river edge. - Arrange selective clearing of pest plants. - Improve sightlines to river and improve passive surveillance. - Implement landscape interventions to aid stormwater management issues at stop bank edge in eastern Waipawa
6B	Bush Drain Restoration Planting	Bush' Drain - Eastern Waipawa	<ul style="list-style-type: none"> - Restore and arrange riparian planting along the drain and surrounding areas
7. DURABLE INFRASTRUCTURE			
7A	Develop a Long-Term Response to Stormwater Management to Enable Resilient Housing Development.	Waipawa - Focus in Eastern Waipawa	<ul style="list-style-type: none"> - Implement a Storm Water Management Plan/Strategy. - Consider water sensitive urban design tools.
7B	Structure Planning for Identified Growth Cells - Waipawa	Selected growth cells	<ul style="list-style-type: none"> - Implement a Storm Water Management Plan/Strategy. - Consider water sensitive urban design tools.
7C	Eastern Waipawa - aka the Bush. Drainage Opportunities.	Eastern Waipawa	<ul style="list-style-type: none"> - Brainstorm regulatory, operations, maintenance or infrastructure opportunities to improve both stormwater and wastewater system performance.
7D	Waipawa Stormwater Drainage System - Modelling, LIM Data and Upgrade Project Analysis	Town Wide	<ul style="list-style-type: none"> - Refine and improve network model. - Share findings with community and attach to LIMs. - Incorporate demand from growth cells and identify system upgrade projects.
7E	Waipawa Wastewater System - Modelling	Town Wide	<ul style="list-style-type: none"> - Review data availability (Current model is dated - December 2009). - Update model. - Incorporate demand from growth cells and identify system upgrade projects.
7F	Waipawa Fire Fighting Upgrades	Town Wide	<ul style="list-style-type: none"> - Upgrade water main network to provide enhanced fire-fighting capability. - Incorporate demand from growth cells.

Timeframe						Delivery
Delivery Timeframe						Project Champions
Quick wins (0 - 1 years)	Short Term (1-3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions		Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Short Term				Central Hawke's Bay District Council / HBRC
		Short Term				Central Hawke's Bay District Council / HBRC
		Short Term				Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
Quick Win						Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
		Short Term				Central Hawke's Bay District Council
			Long Term			Central Hawke's Bay District Council



Waipukurau key moves



Waipukurau Community Voice

What we heard

'Waipukurau – heart of a thriving rural community'

'Increase density first before going out - infrastructure to respond to consolidation'

'Family friendly and accessible for all ages'

'A sense of arrival'

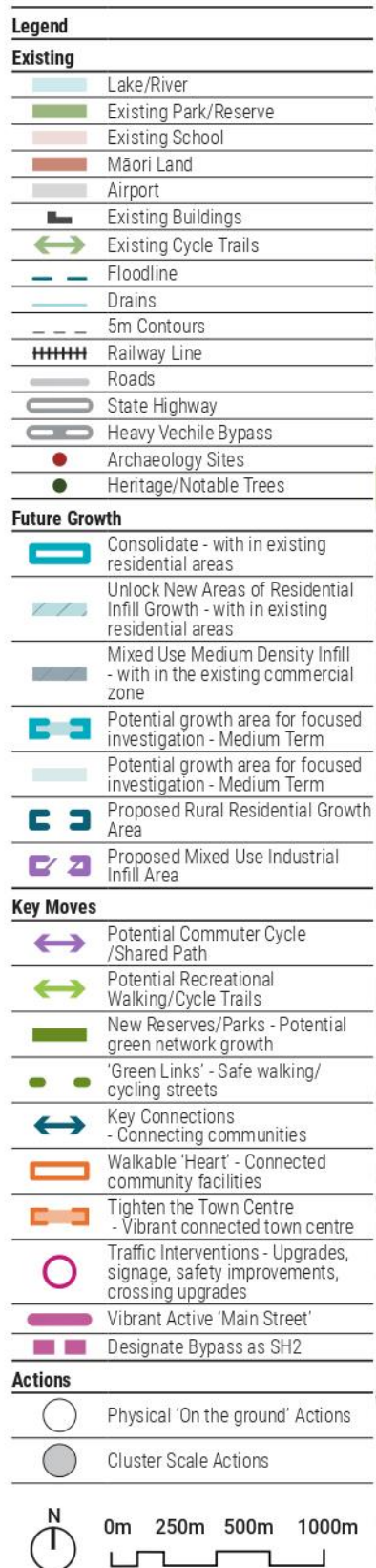
'Waipukurau is well provided with a network of public spaces and areas'

'People feel connected and have everything at their fingertips'

'A cool town where people will want to stop'

'Activated Areas'

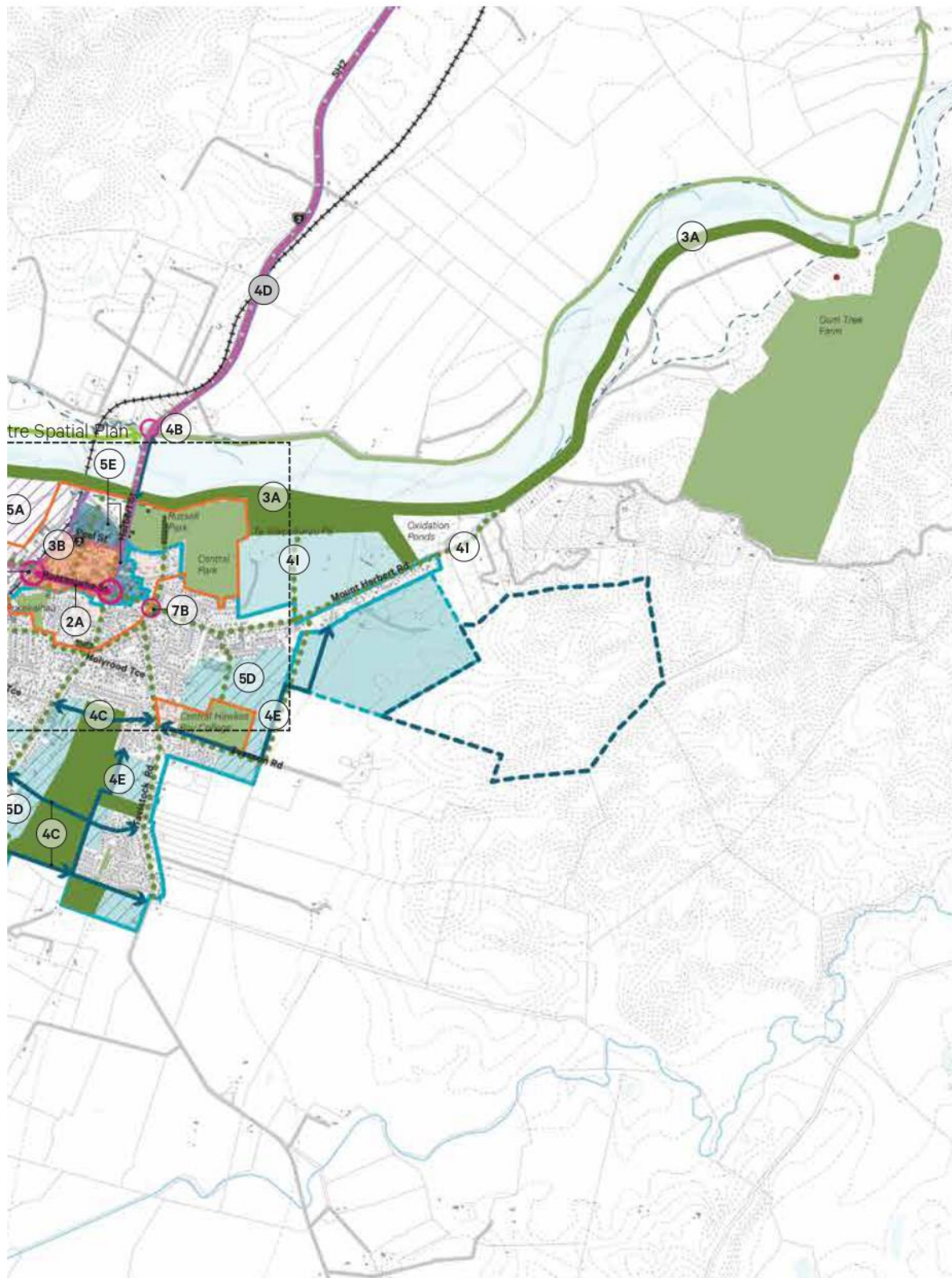




Waipukurau Township Spatial Plan



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Central Hawke's Bay Integrated Spatial Plan 2020 - 2050 • 61

Waipukurau Town Centre Spatial Plan

Legend	
Existing	
	Lake/River
	Existing Park/Reserve
	Existing School
	Airport
	Existing Buildings
	Existing Cycle Trails
	5m Contours
	Railway Line
	Roads
	State Highway
	Heavy Vehicle Bypass
	Heritage/Notable Trees
Key Moves	
	Potential Commuter Cycle / Shared Path
	Potential Recreational Walking/Cycle Trails
	New Reserves/Parks - Potential green network growth
	'Green Links' - Safe walking/cycling streets/connections
	Key Connections - Walkable connections
	Mixed Use/Medium Density Infill - with in existing Commercial/Residential Areas. Retirement/Affordable Housing
	Designate bypass SH2
	Walkable Town Centre - Connected community facilities
	Tighten the Town Centre - Vibrant active town centre
	Traffic Interventions - Upgrades, signage, safety improvements, crossing upgrades
	Vibrant, active 'Main St' accessible and connection streets
	Rationalising Rear Car Parking & Laneways - Creating access through to the 'Main St'
	Temporary/Tactical Community Event Sites - Pop Up Shops/Markets
	Activate the Edge - Activated Plaza/Greenspace
Actions	
	Physical 'On the ground' Actions
	Cluster Scale Actions



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Waipukurau Township Action Plan

Projects			
Plan reference		Location	Description
Reference Number	Project Name		
1. PROUD DISTRICT			
1A	Cultural Story Telling	Town Wide	- Continue to support the implementation of Nga Ara Tipuna and its subsequent stages as a key enabler of cultural identity of Tamatea/ Central Hawke's Bay
1B	Community Programmes and Events Plan	Town Wide	- Implement a Collaborative and Co-Ordinated Community Programme and Event Plan to deliver regular events that enrich community social, cultural and economic wellbeing.
2. A PROSPEROUS DISTRICT			
2A	Ruataniwha St - Activation/Upgrade	Ruataniwha St	- Replace the street trees on Ruataniwha St to improve the streetscape and open space. - Potential to tactical urbanism to trial different 'Main St' activation techniques e.g. Pop up parklets, breakout seating or planter beds
2B	Town Centre Master Plan	Waipukurau Town Centre	- Develop a Town Centre Master Plan to illustrate strategic projects and actions to enhance the viability and experience of the town centre. - Improve town centre amenities, create a central gathering space and establish strong connections within the town centre and between the other town centres. - Ensure the increased pedestrian movement in the town centre maximises the economic benefits of Ngā Ara Tipuna investment.
2C	Ruataniwha St and State Highway 2 corner	Corner of Bogle Brothers Esplanade and Ruataniwha St	- Work to establish a public open space/plaza on the corner of Bogle Brothers Esplanade and Ruataniwha St for community events, pop up shops and markets. Temporary trials to test different activation options with tactical urbanism interventions. - With longer term plans to permanently revitalise the corner into a park/plaza space.
3. STRONG COMMUNITIES			
3A	Tukituki River Edge	Tukituki River Edge	- Enhance the river edges. - Establish a large grass area next to the Tukituki river either between campground and river or below Pukeora scenic reserve. This area could include picnic tables and more planted native trees. - Improve area to cater for overnight campervans.
3B	Remove NZTA Designation of Ruataniwha Street as a State highway	Ruataniwha St	- Decommission Ruataniwha St as State Highway 2. There is potential to negotiate with NZTA to decommission Ruataniwha St as state highway in exchange for upgrading the intersection of Ruataniwha St/Bogle Brothers Esplanade and confirming bypass route as SH. - Decommissioning Ruataniwha St would allow the council and community to more easily close off the street for events.
3C	Community Hub on Ruataniwha St	Ruataniwha St	- Establish a Community Hub on Ruataniwha St, with the potential to include a library, cultural centre, tourist information, community clubs, urban Marae and co-working space.

Timeframe						Delivery
Delivery Timeframe						Project Champions
Quick wins (0 - 1 years)	Short Term (1 - 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community	
	Short Term					
	Short Term					
Quick Win	Short Term					
Quick Win	Short Term					
Quick Win		Medium Term				
	Short Term					
Quick Win						
	Short Term					

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
4. CONNECTED CITIZENS				
4A	Rethink Ruataniwha Street	Ruataniwha St	- As part of NZTA Designation swap, examine improvements/ interventions to enhance urban outcomes and encourage people to stop in Waipukurau	
4B	Slow Traffic Coming into Town	SH2, Porangahau Rd	- Install traffic interventions, signage, surface treatments and tree plantings to slow traffic coming into town along Takapau Rd	
4C	Cross Town Connections between Tavistock Rd and Porangahau Rd	Between Tavistock Rd and Porangahau Rd	- Create key vehicle and walking/cycling connections East West between Tavistock Rd and Porangahau Rd to support infill growth and connect existing communities, such as between Holt Place and Terrace School.	
4D	'Green' Street Network Plan	Town Wide	- Depending on outcomes of Cycling Strategy there is the opportunity to establish a network of walkable, cycle friendly street that connect the community to important facilities and the town centre. - 'Green' Streets have the potential to include cycle paths, improved street lighting, safe crossing points, street trees and planting.	
4E	North/South Town Centre Connections	Kitchener St and Northumberland St	- Establish a key connection north south connections off Ruataniwha St connecting to Pukekaihu (both physical and visual) and down Northumberland St to the Tukituki River. - There is potential for laneways to include, public art, local storytelling, seating or outdoor dining areas to retailers. - Improve safety and wayfinding.	
4F	Connect the Town Centre to Pukekaihu	Kitchener St	- Establish a strong visual and physical connection to Pukekaihu on Kitchener St. - Work with Ngā Ara Tipuna to give Pukekaihu more of a presence in the town.	
4G	Rationalise Car parking off Across the Town Centre and Improve Off 'Main St' Parking Connections to Ruataniwha St	Waipukurau Town Centre	- Encourage people to park off the 'Main St'. - Encourage people to park and walk through to Ruataniwha St - Provide bike racks eg	
4H	Walking and Cycling link from Racecourse Rd to Lake Whatumā	Racecourse Rd to Lake Whatumā	- Utilise the existing road reserve to create a walking and cycling track from Racecourse Rd to Lake Whatumā. - Investigate signage and seating to support the track.	
4I	Walking and cycling links to the Tukituki trails	Town Wide	- Depending on outcomes of Cycling Strategy there is the opportunity to prioritise the acquisition of key connections to the Tukituki trails for walking and cycling from current and proposed residential areas.	

	Timeframe					Delivery
	Delivery Timeframe					Project Champions
	Quick wins (0 - 1 years)	Short Term (1- 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Short Term				
		Short Term				
		Short Term				
		Short Term				
		Short Term				
		Short Term				
		Short Term				
		Short Term				
	Quick Win					
			Medium Term			

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
5. SMART GROWTH				
5A	Support the Intensification/Infill of the Existing Industrial Area	Town Wide	- Understand barriers to redevelopment (infrastructure issues, District Plan Rules, market factors) and work with private sector to remove them or encourage redevelopment	
5B	Establish a Partnership Approach to Growth	Town Wide	- Encourage and support collaboration between agencies and organisations actively delivering services across the town, this will lead to more coordination and focus of effort.	
5C	Consolidate Town Centre Commercial Zone	Town Wide	- Review Draft District Plan provisions for commercial zone.	
5D	Prioritise for the Delivery of Infill Housing Opportunities within the Existing Residential Zone.	Town Wide	- Review Draft District Plan provisions for density within 5 minute and 10 minute walking circles from Town Centre to encourage alternative housing typologies to meet changing demographic needs, including the ageing population. - Examine potential avenues to enable more dense development if it is of a high standard and enhances the area in which it is located.	
5E	Actively Support Aged Care and Elderly Targeted Living in Close Proximity to the Inner City	Town Wide	- Understand most feasible sites for aged care facilities to establish and support them to be developed in those areas to achieve most optimal outcomes.	
5F	Examine actions and interventions to support Infill residential	Town Wide	- Review District Plan objectives and rules to promote good quality infill and support strategic intensification. - Reviewing infrastructure / engineering standards that may restrict infill development.	
6. ENVIRONMENTALLY RESPONSIBLE				
6A	Improve the Health of Lake Whatumā	Lake Whatumā	- Develop a plan and implement the roll out of actions to improve the health of Rivers and Lakes, e.g. riparian planting around lake and river edges. - Implement stormwater runoff management and filtration systems where needed most (e.g rain gardens). - All future development and streetscape upgrades need to consider water sensitive urban design principles. - There is potential for the lake rehabilitation to become an educational tool for the community.	
6B	Open Space Network Plan	Town Wide	- Develop a plan that provides for the delivery of an expanded open space network as the population grows. - Use open space as both an important community facility and aid smart growth in terms of storm water management. - Three strategic sites include; back of the old hospital site, existing of Russell Park along the Tukituki and the Lake side of the Racecourse	

Timeframe						Delivery
Delivery Timeframe						Project Champions
	Quick wins (0 - 1 years)	Short Term (1 - 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
		Short Term				
	Quick Win					
	Quick Win as part of DP review					
	Quick Win as part of DP review					
	Quick Win	Short Term				
	Quick Win as part of DP review	Short Term				
		Short Term	Medium Term			
		Short Term				

Projects				
Plan reference		Location	Description	
Reference Number	Project Name			
7. DURABLE INFRASTRUCTURE				
7A	Improve Bogle Brothers/ Racecourse Road/ Takapau Road/ Ruataniwha St Intersection Upgrade	Bogle Brothers/ Racecourse Road/ Takapau Road/ Ruataniwha St	- Work with NZTA as a priority to make safety improvements to this intersection, reducing traffic speed and connectivity to the railway station.	
7B	Improve Tavistock Rd/Ruataniwha St Intersection/Roundabout	Tavistock Rd/ Ruataniwha St Intersection/ Roundabout	- Upgrade intersection with improved pedestrian crossings and vehicle safety, improving sight lines and reducing vehicle speed.	
7C	Safe crossing across Russell Street to Russell Park	Russell St	- Enable safer crossing and car parking points across SH2 on Russell Street to Russell Park, the Pools and other facilities.	
7D	Peel St Traffic Calming and Pedestrian Crossing Upgrades	Peel St	- Slow the traffic on Peel St and improve the safety of pedestrian crossing points across the heavy vehicle bypass, particularly for elderly residents of Pukeora wanting to access the town centre.	
7E	Structure Planning for Identified Growth Cells - Waipukurau	Selected growth cells	- Select growth cells and undertake structure planning exercise for each cell. - Engage and inform community and landowners.	
7F	Waipukurau Stormwater Drainage System - Data Collection	Town Wide	- Collate and collect asset data for Waipukurau stormwater drainage system. - Update LIDAR (2003) dataset.	
7G	Waipukurau Stormwater Drainage System - Modelling	Town Wide	- Utilise learnings from Waipawa stormwater modelling and model for the Waipukurau network. - Incorporate demand from growth cells and identify system upgrade projects.	
7H	Waipukurau Wastewater System - Modelling	Town Wide	- Review data availability and update model (Current model is dated - December 2009). - Incorporate demand from growth cells and identify system upgrade projects.	
7I	Waipukurau Fire Fighting Upgrades	Town Wide	- Upgrade watermain network to provide enhanced fire-fighting capability. - Incorporate demand from growth cells.	
7J	Strategic Landowner Engagement	Town Wide	- Engage with landowners across the wider hospital site and other larger residentially zoned sites to understand development potential and to strategically plan for infrastructure	

Timeframe						Delivery
Delivery Timeframe						Project Champions
	Quick wins (0 - 1 years)	Short Term (1- 3 years)	Medium Term (3 - 10 years)	Long Term (10 - 30 years)	Key Risks and Assumptions	Central Hawke's Bay Planning Team, Central Hawke's Bay Infrastructure Team, Central Hawke's Bay Tourism Team, NZTA, Community
			Medium Term			
			Medium Term			
			Medium Term			
	Quick Win	Short Term				Central Hawke's Bay Infrastructure and Central Hawke's Bay Planning
		Short Term				Central Hawke's Bay Infrastructure
		Short Term				Central Hawke's Bay Infrastructure
		Short Term				Central Hawke's Bay Infrastructure
					Ongoing	
	Quick Win					



7.6 REVISED WORK PROGRAMME AND BUDGET - DISTRICT PLAN REVIEW**File Number:** COU1-1400**Author:** Helen O'Shaughnessy, Senior Planner**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Proposed work programme DP Review [↓](#)**PURPOSE**

The purpose of this item is to present to Council an update on the District Plan Review work programme and budget. The matter for consideration by the Council is the adoption of revised work programme, including the revised notification date of the Proposed Plan, and budget.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report, and following the recommendation from the District Plan Committee:

- a) That Council endorses the revised work programme of the District Plan Review, providing for Notification of the Proposed Plan in May 2021.**

EXECUTIVE SUMMARY

This report discusses the revised work programme and budget estimate required to complete the remaining phases of the draft District Plan Review and undertake the statutory Resource Management Act (RMA) Schedule 1 review of the District Plan.

The attached report was provided as pre-reading to the Finance and Infrastructure Workshop on 13 August 2020. This report was also presented and discussed at the District Plan Committee Meeting on 25 August where the Committee adopted the following recommendation;

"That the Committee adopts and recommends the report on the District Plan Review revised work programme and budget to Council at the 24 September 2020 Council meeting."

BACKGROUND

The review of the District Plan commenced in 2017 with the preparation of a non-statutory draft District Plan (NSDP).

When the review commenced in 2017 forecasting the work program and budget for the life of the review with certainty and confidence was both difficult and challenging given the diverse range of factors that had the potential to impact on the complex process of a full second generation Plan review.

In November 2018, an updated programme and budget estimate was presented to Council with a number of assumptions noted within the programme, including a programme gateway, following the pre-statutory notification of the plan. Notified in 2019 the NSDP received 100 submissions and the District Plan Committee have worked steadily to consider submissions prior to making formal recommendations to Council on points of submission. We reached the decision gateway in early 2020, with the consideration of recommendations from the District Plan Committee, hearing the submissions received on the draft plan being substantially completed.

While at this gateway in the development of a new programme and budget, work has continued including the substantial completion of the Significant Natural Areas, incorporation of the National Planning Standards, and other bodies of outstanding work.

As the final phases of the NSDP conclude in 2020 the focus of Council now turns to the statutory phase of the review and in particular the work programme, timeframes and budget required to commence the formal RMA Schedule 1 process over the next two to three financial years.

In accordance with the November 2018 programme, a revised work programme and budget has been developed, which is necessary to deliver the remaining phases of the District Plan Review within a realistic and achievable timeframe and budget.

Since 2018, influencing the programme have been a number of external and internal influences that have made the completion of the plan and programming more interconnected and complex. These have included:

- Understanding and preparing for growth not seen for some time in this District
- The Incorporation of the National Planning Standards
- Public Submissions and continuing engagement on the draft plan
- The completion of the Integrated Spatial Plan (ISP) as a key technical document to support the outcomes of the District Plan Review
- Preparing for the incorporation of the National Policy Statements on Indigenous Biodiversity and Highly Productive Lands

While noted in earlier updates, Officers also acknowledge that the programme has slipped, in particular with the timeframes in relation to formalising the balance of the programme.

In preparing the work programme and budget, officers have been supported by the experience of Mr Phillip Percy, Director of Perception Planning, a planning and project management consultancy. This briefing paper now sets out the next steps for the plan review.

DISCUSSION

Amended Timeframes

An update to Council, on 9 April 2020, provided an initial explanation of the change in circumstances influencing the review from the time the review commenced in 2017. The April update began a discussion with the elected members on the value of considering a revised work programme and budget and also noted that a more detailed report, (this report) would be provided to Council, including key recommendations for the statutory review for Councils consideration.

Initial Advice

The updates to the District Plan Committee and Council in April this year also provided detail on the nature and scope of remaining bodies of work to be completed prior to notification.

It is acknowledged that completion of these bodies of work has taken longer than anticipated when the original work programme was presented to Council in 2018. The need to undertake the ISP has also contributed to delay in notification. The findings of this assessment are required to enable completion of the Urban Growth Strategy, through preparation of a technical paper, to provide guidance to the District Plan.

This significant body of work was not anticipated at the time of formulating the original work programme for the review but is an absolutely critical input to positioning Council to respond readily and effectively to growth demands. The findings of the ISP will also enable the District Plan Committee to consider final submissions made on the draft Plan and integrate the resources required to provide for growth through the Infrastructure Strategy and the Long Term Plan.

Complications with the initial consultation with stakeholders with Significant Natural Areas on their property has resulted in a delay to address this issue and has extended timeframes for this part of the review. Ground truthing has also been delayed because we underestimated the scale of the work involved, and more recently Covid-19 and availability of consultants have compounded delays.

The preparation of the Section 32 Report, a mandatory assessment required under the RMA to assess the efficiency and effectiveness of provisions in the Plan, cannot be finalized until the technical paper on urban growth options and the ISP are available. Many of the tasks required to be completed ahead of notification including the integration of national planning standards, legal and planning review of the document are time intensive but critical to ensure a robust and

defendable Proposed Plan is notified. In our 2018 programme we also underestimated that preparation of the Section 32 Report, and the Statutory Timeframes relating to the Schedule 1 notification process.

Elected members may recall that at the time of presentation of the work programme in 2018 Officers did identify that regular placeholders be include in the programme to provide an opportunity for regular review and assessment of the progress with the review. This is a valuable and useful technique in a review programme as timeframes are inevitably fluid and achieving exact milestones increasing difficult as the review progresses.

While a notification date of mid 2020 was originally adopted in 2018, as the review has progressed and evolved, again a number of matters relating to the review have impacted on the notification date.

Again, it is acknowledged that now having passed the mid 2020 timeframe, Officers should have been more articulate earlier that we would not achieve this timeframe and provided more regular updates on the lag in the programme. We have identified steps that will address the overall programme management of the project more robustly for the future.

Officers now have a clearer understanding of the influence of these matters which now make the notification date of mid 2020 void and acknowledge that being unable to achieve delivery of the Proposed Plan in 2020 is a lapse of a significant milestone for Council.

While officers clearly understand and support the intention of the Council to notify the Proposed Plan as soon as possible, the matters raised in this report require careful consideration as part of a way forward for a notification date.

It is therefore recommended that gateways in the project, continue to be included in the work programme to provide an opportunity for review of the timeline and budget to ensure that adequate resources are available for the review as Council moves through the Schedule 1 process.

This next section of the report sets out a programme of work to achieve a notification date for the review.

Revised Work Programme

To assist Committee members with a clear understanding of the contributing factors impacting on the work programme and budget, a revised work programme for notification of the Proposed Plan has been prepared. The work programme is supported by timeframes and budget.

Attachment A to this report includes the detailed work programme for consideration by elected members and will be explained in more detail at the Finance and Infrastructure Workshop on 13 August.

In developing the updated programme, in recommending the proposed programme, Officers have worked to reduce overall project risk, sought to minimise further potential delays in the notification of the review in its entirety (where this can be anticipated) and where possible sought to reduce the financial and reputational risk to Council.

The revised work programme provides for notification of the Proposed Plan in May 2021. No variances on this programme are provided, however options exist for Council to accelerate or delay the notification to incorporate other bodies of work. Some of the options and approaches that have been adopted and are further available to Council are outlined under the following headings:

1. Not integrating the full Integrated Spatial Plan Findings

To achieve a notification date of May 2021 this report recommends that the full incorporation of the Integrated Spatial Plan (ISP) recommendations into the District Plan be delayed until after notification of the Proposed Plan. Only key and achievable bodies of work, as anticipated at the commencement of the ISP project will be included.

The rationale of delaying full integration of the ISP findings is that the ISP recommends new greenfield development for urban activities on the urban zone boundary of Otane, Waipawa and Waipukurau. Based on officers' understanding of the ISP at the time of writing this report, acknowledging that the ISP may be amended following public consultation, to fully integrate the ISP recommendations into the Proposed Plan would involve a delay of several months.

Plan Change 4 of the Hawkes Bay Regional Council Regional Policy Statement requires that any rezoning for the development of urban activities is to be accompanied by a structure plan for inclusion in the District Plan. Council would be taking a significant risk to rezone the identified greenfield areas in the ISP without having undertaken a structure planning assessment of these areas.

The delay of integration of the ISP recommendations until after notification is supported by both the ISP itself. The ISP identifies that the existing capacity within the zoned residential areas can provide for growth needs and that the development of identified greenfield areas is not likely to be required within a 1 – 3 year period.

One of the particularly significant matters addressed as part of the review is the unprecedented growth of the Central Hawkes Bay population and the challenges that this growth presents. The growth demands facing the district in 2018 are significantly different in nature and scale from those now confronting the Council. In 2018 the district population was just over 14,000, however recent population projections indicate that in the next ten year period to 2031 the district population will increase to 18,000.

To accommodate the increase in population just over 1,449 new houses are projected to be built over the same period providing a growth rate of 90 houses every year. While these levels of growth and development provide an exciting and potentially thriving future for the district they also present very real challenges in regard to managing and responding to the demands of growth.

As well as ensuring that regular monitoring provides current and clear information on growth and growth trends, the responsibility to ensure sufficient supply of suitably zoned and serviced land for urban activities is available to meet growth projections is a new and significant challenge addressed as part of the current review.

Providing the co-ordination and linkage between growth projections, when and where growth is forecast to occur and ensuring that the Long Term Plan includes adequate budget to meet these demands in terms of servicing forms one of the mix of issues addressed by the ISP and District Plan review. Resolving these complex issues require careful consideration across a range of council departments to ensure outcomes that support a diverse and thriving population.

There are risks delaying the full integration of the plan, most notably being that growth demand outstrips supply and growth demands trigger the need for development of greenfield areas. This risk relates to the potential for the Proposed Plan to still be working through appeals when the variation to include the ISP findings is required to be lodged. If this were the case provisions of the Operative Plan would also still be relevant, meaning three plans would be in effect. At this time, Officers have assessed that the completion of the generational review, should take priority simply to ensure the base plan and current growth issues are addressed through the review process and notification will support this.

Should elected members wish to delay notification to provide for the structure plan process to enable rezoned areas to be included in the Proposed Plan officers will need to prepare a revised work programme of both timeframes and budget. An additional 12 – 18 months of lag will be added in the programme and additional budget of some \$5-600,000 will be required to enable the structure planning process. Preparing for the new growth areas and the full incorporation of the ISP of the 30 years will be considered as part of the District Plan Activity Management Plan review for the 2021 -2031 Long Term Plan.

It is recommended that Council continues to undertake regular monitoring of population movements and growth to ascertain when new greenfield areas are likely to be required to provide for future urban activities.

2. Review of the Resource Management Act

New Directions for Resource Management in New Zealand, is a comprehensive review of the current resource management system and the RMA. Chair of the Resource Management Review Panel, Honourable Tony Randerson QC, recommends that there should be a mandatory plan for each region combining the Regional Policy Statement and regional and district plans into 14 regional plans.

Timeframes relating to this process are uncertain and a full public consultation process may amend the original recommendation of the steering group. Elected members may consider that there is also merit in delaying integration of the ISP findings as the Central Hawke's Bay District Plan may within this period be captured by the larger regional Plan with potential for a change of growth priorities.

Due to lack of clear detail at this time of how the review timeframes will progress or recommendations from the Review Panel may be amended as a result of public consultation we are continuing to progress the Review as programmed.

3. Timeframes of National Policy Statements

It is likely that a notification date of May 2021 may also allow for the integration of the National Policy Statement on Indigenous Biodiversity (NPS-IB) and the National Policy Statement on Highly Productive Land (NPS-HPL). Both NPSs are expected to be gazetted the first and second quarter of 2021.

At this point we have assumed the incorporation National Policy Statement on Indigenous Biodiversity, however with delays the incorporation of the NPS Highly Productive lands will not be possible if gazetted in June 2020.

4. Accelerating the Programme to further bring further forward the notification date without completing outstanding bodies of work.

Offices have explored the opportunity to accelerate the programme to provide for an earlier notification date.

The notable lags in the programme relate to the Statutory Schedule 1 process. This is significant uncertainty in this process. As noted earlier in the report, we had underestimated the timeframes of our Schedule 1 programme in November 2018.

We have estimated that additional funds of \$190,000 would be required to accelerate the programme and would only achieve 6-8 weeks of efficiency in the programme, with the Schedule 1 process being the significant lag in the notification process.

5. Completing Outstanding Bodies of Work prior to notification

Completion of the outstanding bodies of work is required as part of the preparation for notification of the Proposed Plan. The completion of this work will reduce submissions to the plan in a statutory context, significantly reducing cost and time in the notified process.

These bodies of work include the completion of the Urban Growth Strategy to reflect the recommendations of the ISP. Completion of consultation with Significant Natural Areas (SNAs) stakeholders is also necessary. Additional research and investigation may be required to address decisions made by the District Plan Committee in relation to the proposed rural zones.

An option that is not recommended is not completing these outstanding bodies of work upon the notification of the plan. This is not recommended, but could speed up the notification process, subject to the Schedule 1 process being successful, however exposes Council to the potential of considerable additional risk and cost.

BUDGET

To date the project has cost \$1,094,350.00.

The 2020/21 financial year includes budget of \$851,533 for the review. Further funding of \$54,441 is provided in the financial year 21/22 year. Funding of roughly \$55,000 for the balance of the Long Term Plan is provided for the continuing review of the plan.

The estimated costs for the review in the 2020/21 financial year are \$646,700, to reach the point of Public Notification, forecast for May 2021. This covers fees and costs, including disbursements for the pre-notification phase of the review. This does not however include any contingency or unexpected costs from additional or anticipated bodies of work.

At the time of writing this report budget for the period beyond public notification, hearings and appeals is again being reviewed in preparation of the development of activity management plans for the 2021 -2031 Long Term Plan. We have previously provided a budget to complete the review from the period of notification to being operative of \$610,000 (excluding Environment Court costs) and are further working to confirm the accuracy of this estimate.

Description	Value
Estimate at Completion (excluding Environment Court costs)	\$2,351,050
Actuals to date	\$1,094,350
Estimate to Complete (excluding Environment Court costs)	\$1,256,700
Remaining Available Budget	\$905,974
Budget Shortfall	\$350,726

This provides an estimate at completion for the overall project of \$2,351,050 (excluding Environment Court costs). This leaves an estimated shortfall based on a however the estimate to complete will require additional funding of \$350,726 as shown in the table above.

We anticipate at the point of notification, as we did with our initial pre-engagement process, that a further gateway in the work programme will enable us to reassess budget and programme at the point of the statutory notification process ending.

We are further working on budget requirements for the 2021 Long Term Plan as part of Activity Management Plans, particularly to enable the 'rolling review' of the plan to address areas of work where the initial review has not reached the depth of regulatory scrutiny that could be provided, as well as predicted plan changes to enable growth, such as opening and enabling new growth areas.

RISK ASSESSMENT AND MITIGATION

There is a risk that external influences beyond the control of Council, particularly during the RMA Schedule 1 process, may impact on the notification date of May 2021.

This risk may be able to be mitigated through the investment of additional resources but this approach will be reliant on the nature of the risk.

FOUR WELLBEINGS

The notification of the Proposed Plan in May 2021 provides for the delivery of the four wellbeing's of local government. It is not considered that the delay in notification of the proposed Plan will have a marked impact on the four well beings as many of the provisions in the Operative Plan provide for the well beings.

It is considered that for the purposes of this report the social benefits may not be of particular relevance.

Cultural

The Proposed Plan includes a number of provisions relating to the identification of wahi tapu and wahi taonga as well as archaeological sites and historic buildings and sites. These provisions extend existing provisions and ensure that the Proposed Plan includes best practise in protecting cultural and cultural heritage resources.

Economic

There are potential and sustained economic benefits to the Central Hawkes Bay Community through provisions of the Proposed Plan which are unlikely to be impacted by the delayed notification of the Proposed Plan.

These include the new Plains Production Zone which provides for the identification and protection of the districts most versatile soils.

Environmental

Provisions in the Proposed Plan provide for the sustainable management of natural and physical resources. The Plan also introduces a new policy framework applying to the sustainable development of building and subdivision design.

DELEGATIONS OR AUTHORITY

Council has the delegated authority to make a decision on this matter.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed as having some significance to Council.

OPTIONS ANALYSIS

This report presents the preferred option, option one, which is to notify the Proposed District Plan in May 2021. A number of other options have been assessed in the report but have been rejected as they do not provide for the earliest and most efficient notification date. Accordingly, these options are not assessed as part of the Options Analysis section of this report.

	<u>Option 1</u>	<u>Option 2</u>
	That the Committee adopts Option One detailing the revised work programme and budget for the District Plan Review and providing for Notification of the Proposed Plan in May 2021.	That Council decide to not notify the Proposed Plan in May 2021 and advise officers of an alternate notification date.
Financial and Operational Implications	There are financial and operational implications relating to the notification of the Proposed Plan.	There are financial and operational implications relating to the notification of the Proposed Plan.

Long Term Plan and Annual Plan Implications	The District Plan Review is a key input into the development of the 2021-2031 Long Term Plan.	The District Plan Review is a key input into the development of the 2021-2031 Long Term Plan.
Promotion or Achievement of Community Outcomes	The Proposed District Plan directly supports the achievement of the outcomes of Project Thrive.	The Proposed District Plan directly supports the achievement of the outcomes of Project Thrive.
Statutory Requirements	The notification of the Proposed District Plan is mandated by the Resource Management Act.	The notification of the Proposed District Plan is mandated by the Resource Management Act.
Consistency with Policies and Plans	This decision supports the achievement and completion of other policies and plans, including the Integrated Spatial Plan, Urban Growth Strategy and Infrastructure strategy.	This decision supports the achievement and completion of other policies and plans, including the Integrated Spatial Plan, Urban Growth Strategy and Infrastructure strategy.

Recommended Option

This report recommends option one - that Council adopt this report and recommendation for notification of the Proposed Plan in May 2021 - for addressing the matter. This is aligned with the recommendation from the District Plan Committee.

NEXT STEPS

The immediate challenge for officers is to complete the outstanding bodies of work prior to notification. This includes preparation of a technical document to bridge the Urban Growth Strategy and ISP, (to be presented to both the District Plan Committee and Council for adoption) completion of the Significant Natural Areas stakeholder consultation and finalise District Plan Committee consideration of submissions on the draft Plan and presentation of the Committee recommendations to Council.

In addition, work is progressing on the integration of national planning standards into the Plan content and maps and preparation of the section 32 Report ahead of the formal notification stage.

For Council, confirmation of the direction of programme and budget will be sought from the Elected Council as an update, upon Council intimating any direction of travel or scope change it wishes to adopt.

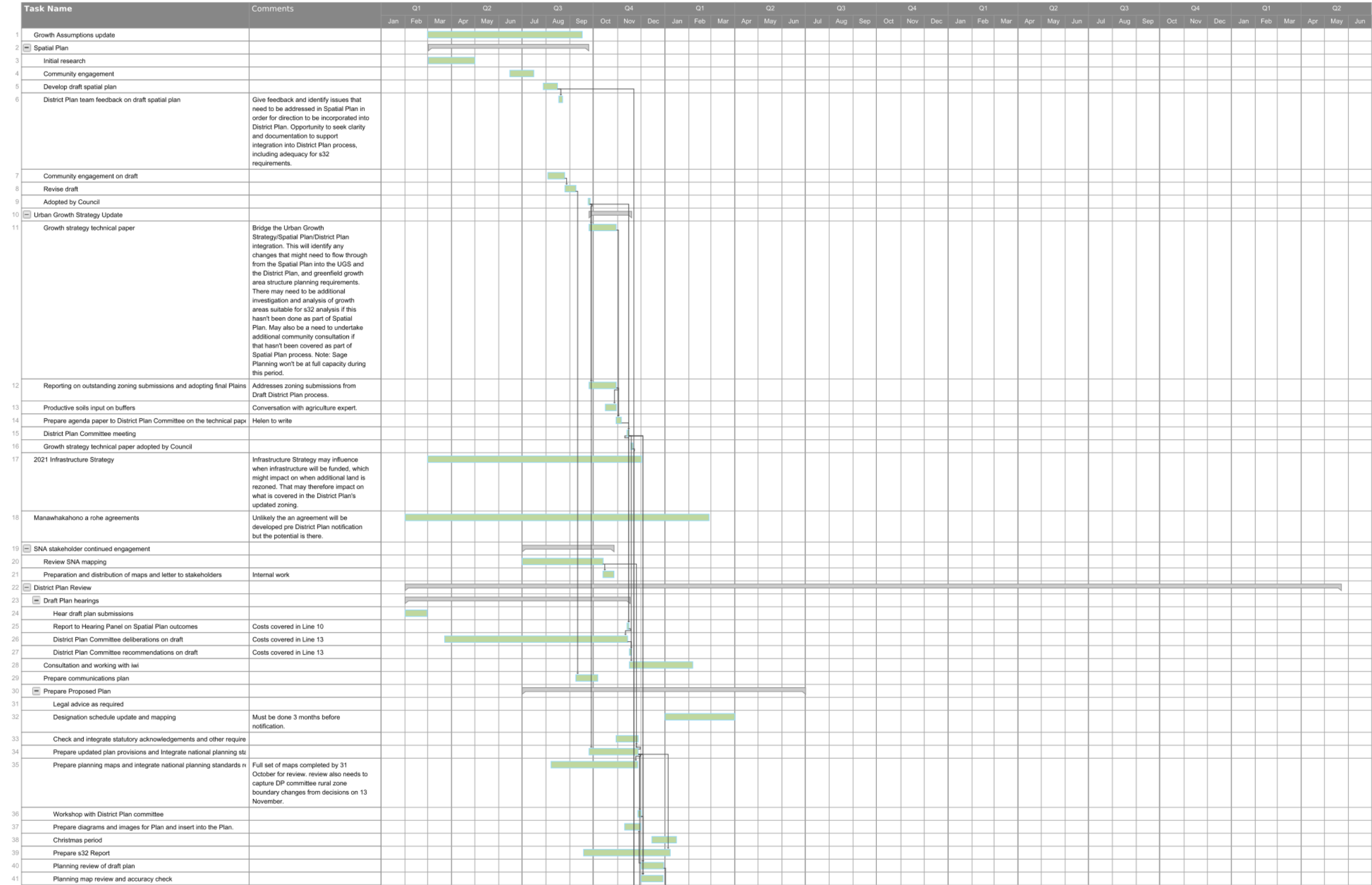
RECOMMENDATION FOR CONSIDERATION

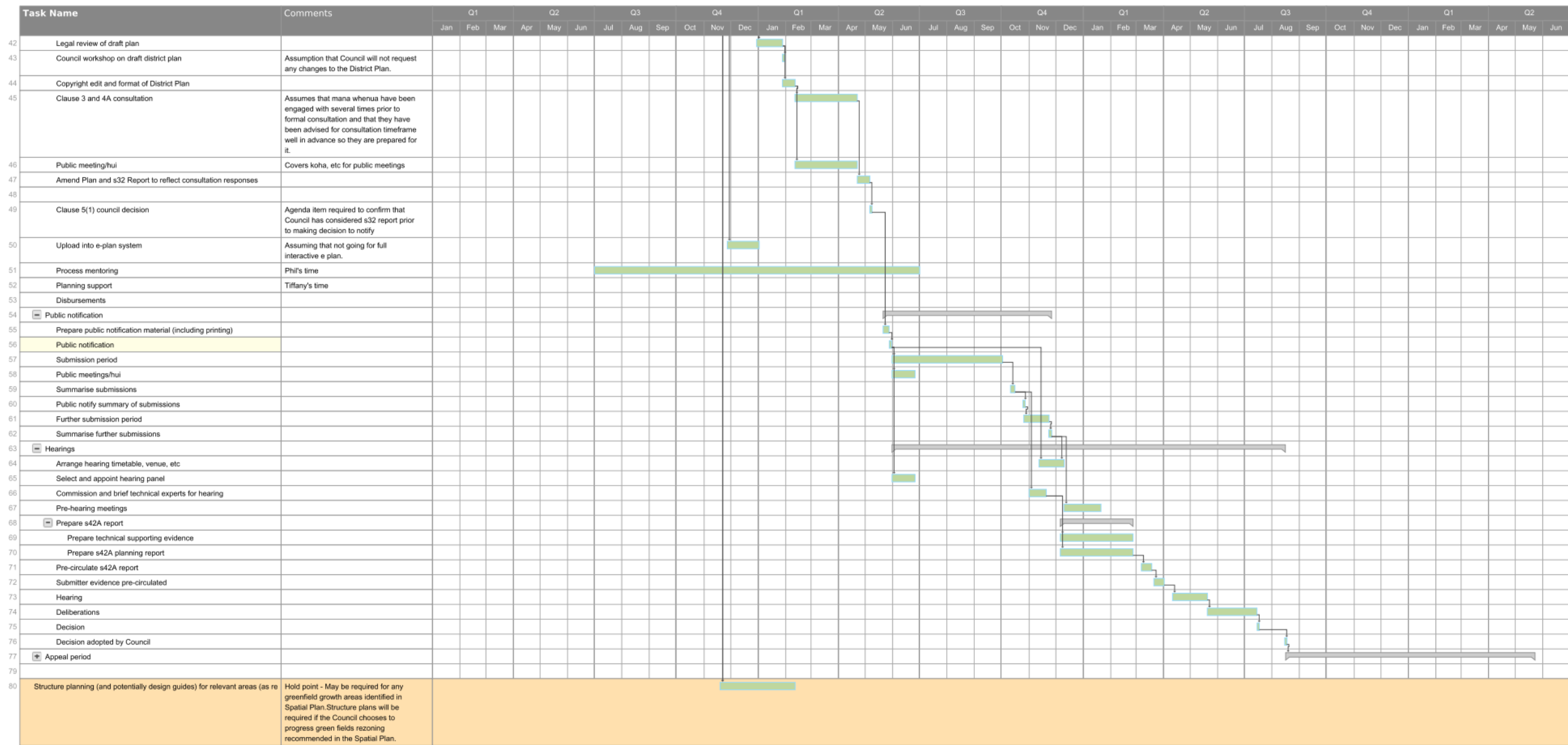
That having considered all matters raised in the report, and following the recommendation from the District Plan Committee:

- b) That Council endorses the revised work programme of the District Plan Review, providing for Notification of the Proposed Plan in May 2021.**

CHBDC District Plan review - Option 1(one phase)

smartsheet





7.7 DISTRICT PLAN KEY PROJECT STATUS REPORT

File Number: COU1-1400

Author: Helen O'Shaughnessy, Senior Planner

Authoriser: Doug Tate, Group Manager Customer and Community Partnerships

Attachments: 1. **September District Plan Project Status Report** [↓](#)

PURPOSE

The purpose of this report is to provide information to Council on the progress and status of the District Plan Review.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some significance.

BACKGROUND

responsibility for Council and began in late 2017. A full review is a complex process and the attached Key Project Status Report provides an update on activities over the last quarter and key updates on the project.

DISCUSSION

- Update on the progress of the review
- Key project update
- Key risks to the review and where appropriate, how these risk might be addressed
- Achievements in the previous quarter
- Financial status of the review

The attached report provides an update to council on the progress of the review.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and

- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

Next Steps

Officers will continue to progress with completion the draft phase of the review before undertaking the formal RMA Schedule 1 process.






RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

PROJECT NAME	Central Hawke's Bay District Plan Review
Key Benefits	<p>Compliance with Section 79 of the Resource Management Act (RMA) requires Council to begin a review of the District Plan 10 years after adoption of the Operative Plan.</p> <p>Pre-statutory consultation provides for engagement with the community and an opportunity to discuss any issues with provisions introduced or amended in the draft prior to notification of the Proposed Plan.</p> <p>Gives effect to the Hawke's Bay Regional Resource Management Plan, Regional Policy Statement and National Planning Standards.</p> <p>Will, through plan changes, give effect to relevant National Policy Statements and National Environmental Standards.</p>
Project Delivery Objectives	<p>To prepare and deliver a second-generation District Plan compliant with the principles and purposes of the Resource Management Act 1991 and amendments within achievable timeframes.</p> <p>To undertake community engagement and consultation of the Draft Plan in accordance with associated legislation that achieves robust and effective community engagement on the key messages in the Plan, with the goal of limiting the number of sustained legal challenges of the Proposed Plan.</p>

Report No.	Report Date	Report Frequency	Project Sponsor	Project Manager
4	24/09/2020	Bi-Monthly	Doug Tate	Helen O'Shaughnessy

Sponsor's Project Delivery Confidence Assessment

 Appears Highly Likely	 Appears Probable	 Appears Feasible	 Appears In Doubt	 Appears Unachievable
<p>The District Plan Review project is a significant project for the Central Hawke's Bay District – both in terms of spend and impact the resulting plan will have for the Central Hawke's Bay Community.</p> <p>It is important to acknowledge upfront that Council have not achieved the District Plan notification date of August/September 2020 anticipated in November 2018. As Officers, we acknowledge that we should have been more articulate earlier that we would not achieve this timeframe and provided more regular updates on the lag in the programme. We have identified and put in place steps that will address the overall programme management of the project more robustly for the future.</p> <p>Subsequent to this paper, Council are also receiving an updated programme and budget for the project review. We have confidence in the programme and budget up until such a point of notification, within the parameters and assumptions that are identified in the paper.</p> <p>The project continues to have unique local and technical complexities as are outlined in the latest budget and programme update. To this end, I am comfortable providing a Sponsors Project Delivery Confidence Assessment of 'appears probable' at this time.</p>				

1. Overall Confidence Assessment

Project Manager's Status Summary				
Key Questions Impacting on Project Objectives		No	Yes	Explanation & Proposed Resolution to Problem
1	Are there <u>Business Case Benefit</u> attainment problems?	✓	<input type="checkbox"/>	
2	Are there <u>Scope Control</u> problems?		✓	<p>Scope control problems are anticipated to be related to likely recommendations for greenfield development for residential activities from the Integrated Spatial Plan (ISP) when presented for adoption by Council in September 2020.</p> <p>However, to provide for notification of the Proposed Plan in May 2021 the District Plan Committee (Committee) has recommended to Council that the full integration of the ISP findings (particularly those recommendations for rezoning and therefore requiring structure planning) be delayed and incorporated into the Plan when demographic growth in the district triggers the need for additional supply of zoned and serviced land.</p> <p>At this time greenfield development on the periphery of Otane, Waipawa and Waipukurau, as recommended in the ISP findings, remain out of scope.</p> <p>Consultation with iwi Māori on the identification and protection of wahi tapu and wahi taonga is progressing. Officers have sought guidance from Dr Maaka on progressing this matter, particularly in regard to the Schedule 1 requirements to provide a copy of the completed Proposed Plan to tangata whenua for comment prior to notification.</p> <p>A more detailed account of engagement with tangata whenua is provided in a later section of this report.</p>
3	Will Target <u>Dates</u> be missed?	<input type="checkbox"/>	✓	<p>The anticipated notification of the Proposed Plan in August 2020 has not been achievable.</p> <p>A report will be presented to Council on 24 September 2020 with a recommendation that the notification of the Proposed Plan is programmed for late May 2021. Notification in May 2021 is</p>

				<p>based on a revised work programme and budget for completion of the remaining bodies of work, integration of the National Planning Standards (standards) and integration of relevant ISP findings into the proposed Plan.</p> <p>To achieve a notification date of May 2021 it will be necessary to delay the integration of the National Policy Statements (NPS) for Indigenous Biodiversity and Highly Productive Land. Full integration of all recommendations from the ISP will also be delayed.</p> <p>Inclusion of the NPSs and ISP in the Plan will be achieved through a Council lead plan change post notification.</p>
4	Will Project <u>Costs</u> be overrun?		✓	<p>The total cost of the District Plan review will not be known until clarity on the extent of notification issues, legal challenge and Councils appetite to defend issues has been worked through.</p> <p>There is additional budget included in the first years of the 2018 – 2028 Long Term Plan to provide for anticipated plan changes to include the full recommendations of the ISP and align provisions of the Plan with the NPS Highly Productive Land and Indigenous Biodiversity. Additional internal planning resource is also being provided for in the 2018 – 2028 LTP in the event that Council may be working across the operational and notified Plans as well as a plan change.</p> <p>Officers will provide an update to Council on the revised budget for the review at the 24 September Council meeting.</p>
5	Are there <u>Quality</u> problems?	✓	<input type="checkbox"/>	<p>The draft plan has been peer reviewed by Sylvia Allan, Allan Planning and Research Ltd, to ensure that it reflects sound planning practise and principles. This review has ensured that the quality outputs are achievable.</p> <p>Prior to notification officers will undertake a full legal and planning review to ensure the proposed plan is legally robust and that the integration of standards has not altered the intent or regulatory</p>

				<p>provisions of the Plan. Officers are currently progressing with appointment of legal counsel and a planning reviewer to ensure the timely completion of these reviews.</p> <p>A full review and scrutiny of the district planning maps to ensure accuracy of the planning maps is also required. The integration of standards will also be reviewed to ensure this has not changed any zones or district wide symbology.</p>
6	Are there <u>Resource</u> problems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>Additional resources are required to address Māori participation in the review, more particularly Mana Whakahono a Rohe (in the event that an application is received from tangata whenua for a Whakahono a Rohe agreement) and tangata whenua consultation, required under the RMA. In particular Clauses 3B and 4A of Schedule 1, will require specific resources.</p> <p>As discussed in Section 2 of this report, Officers are meeting with Dr Maaka to seek his guidance on this matter. A more detailed explanation of how this body of work is progressing is provided there.</p> <p>The pending appointment of the new Pou Whatuia role with Council has the potential to contribute towards cultural engagement and building relationships with tangata whenua.</p> <p>At the time of writing this report however, it is unclear what level of resource this position will provide to the District Plan Review as the Pou Whatuia role is not dedicated to the review but rather will be a Council wide resource.</p> <p>Significant risk to the project relates to the Project Management role of the Senior Planner project managing the project. Additional resource has been provided to give support, however risks such as illness and leave are serious risks to the project. Additionally the range and complexity of key tasks related to the formal Schedule 1 process requires extra resourcing, particularly in the event that as the review evolves Council may need to work across an Operative and Notified Plan as well as a plan change.</p>

7	Are there <u>Risk Management</u> problems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>More robust risk management processes need to be included as part of the overall project, including operating a regularly updated Risk Register as good practice and reporting these risks through to Council. This will support Council in being aware of and able to manage project risks.</p> <p>Officers will undertake to report any future risks in a timely manner to the District Plan Committee and Council through the District Plan Key Project Status Reports.</p>
8	Are there <u>Review and Approval</u> problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Not at this time.
9	Are there <u>Teamwork</u> problems?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No, not at this time.
10	Are there <u>Stakeholder</u> problems?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>An issue has been identified with the Significant Natural Areas (SNA) property owner stakeholder group relating to an incorrect GIS database. This situation is now being addressed and, with the assistance of Council's consultant ecologist, it is anticipated that amendments and correction to the database will be finalised by the end of September 2020.</p> <p>Guidance from the Committee is that, as part of addressing this issue, officers will arrange a mail out to all SNA property owners with revised and correct mapping of SNA areas on their properties including an apology for the standard and legibility of the initial map sent to them.</p> <p>Continued challenges in communication and engagement with iwi Māori have been discussed earlier in this report.</p>
11	Are there <u>Iwi</u> issues?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<p>The continued support of Dr Maaka is again acknowledged. Dr Maaka's knowledge and understanding of tikanga Maori and willingness to assist Council Officers with the assessment and explanation of Cultural issues is highly valued and much appreciated.</p> <p>Officers are currently seeking alternate solutions to address mana whenua engagement with the plan and will report progress to Council at the 24 September meeting.</p>
1	Are there <u>Communication</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	No.

2	problems?			
1	Are there <u>Change Management</u>	✓	<input type="checkbox"/>	No.
3	problems?			
1	Are there <u>Health & Safety</u> issues?	✓	<input type="checkbox"/>	No health and safety issues are apparent.
4				

Project Manager's Progress Summary

Achievements/Activities since last status report

This is Council's fourth key project report addressing the review of the District Plan. Earlier key project status reports focused on preparation and delivery of the draft Plan which was delivered ahead of schedule in April 2019 and released for public consultation in May 2019.

A significant milestone achieved since the last Key project Status Report has been the completion and presentation to the Committee of the interim draft Plan. This version is still an interim and draft document as it reflects responses to submissions which will not be presented to the public until formal notification of the Proposed District Plan in due course.

This report also comments on the issues identified as being significant relating to initial phases of the statutory Schedule One process and resourcing issues relating to the statutory review process through to a potential appeal process and adoption of the Operative Plan.

1. Completion of Interim Draft Plan

The Draft District Plan was released for public consultation on 20 May 2019, with submissions closing 15 July 2019. Hearings on submissions to the Draft District Plan were held in February 2020, with the District Plan Committee (the Committee) deliberating on recommendations in response to submissions during March through to the final deliberation meeting held on 20 July 2020.

The substantially complete District Plan was received and adopted by the Committee at the District Plan Committee meeting held on 25 August. This version is still an interim and draft document as it includes responses to submissions that will not be presented to the public until notification of the proposed Plan.

The Plan presented to the Committee has been amended to include;

- Amendments in response to matters raised by the Committee during the informal hearings and deliberations on submissions;
- Matters raised by Council's Consents, Engineering and Land Transport staff around technical interpretation aspects of the Draft District Plan; and
- National Planning Standards Definitions.

During the informal hearings and deliberations, the Committee asked Council staff and consultants to respond to a number of questions that arose. The following is a broad summary of the types of matters raised:

- matters of clarification around the use of definitions;
- requests to follow up with various submitters where it was considered useful and appropriate e.g. to request additional information from them, site visits for ground truthing purposes, or simply to enable further respectful engagement to occur;
- questions around interpretation of some provisions where there was ambiguity, or questions around consistency and fairness in the application of some provisions; and

- Direction in response to some of the submissions (which were then addressed in subsequent deliberation reports to the Committee) e.g. rural airstrips, consideration of rural zone boundaries, numbers of dwellings provided for on rural properties etc.

Matters Raised by Council Staff

Council's Consents, Engineering and Land Transport staff carried out a review of the Draft District Plan after it was publicly released, and have periodically added to a list of matters around technical interpretation. Discussions with the Consents Team and responses to all these matters have progressed (with just one exception relating to updating the diagrams and figures in the Draft District Plan, which will be progressed in due course for inclusion in the Proposed District Plan).

The following is a broad summary of the matters raised by Council staff: a. seeking clarification around interpretation and application of various definitions;

- spelling/grammar and typographical errors;
- feedback on, and seeking clarification around interpretation and application of rules and standards based on Consents Team experiences with the wording of same or similar provisions in the Operative District Plan; and
- General feedback and suggestions for consideration.

Integration of National Planning Standards Definitions

The National Planning Standards (planning standards) are intended to standardise the content, format and accessibility of District and Regional Plans throughout the country and will progressively take effect over time. Some of the standards are required to be implemented within one year, while others have a 5, 7 or 10 year lead-in time, or in some cases coincide with the relevant local authority's next plan review timeframe.

Central Hawke's Bay District Council has no implementation exemption¹ and is therefore required to notify the upcoming Proposed District Plan in the new National Planning Standards format, including integration of relevant definitions.

In anticipation of converting the Draft District Plan to the new planning standards format in time for formal public notification as a Proposed District Plan, all relevant planning standards definitions have been adopted in the revised Draft District Plan and consequential amendments made accordingly.

The most significant planning standards definitions that have required consequential amendments to the wider provisions in the Draft District Plan are:

- accessory building;
- boundary adjustment;
- building;
- building coverage;
- commercial activity;
- community facility (formerly 'community activity');
- primary production (formerly 'farming activity');
- height;
- height in relation to boundary (formerly 'recession lines');
- setback; and

- Minor residential unit (formerly 'supplementary residential unit').

2. Outstanding Bodies of Work

Elected members will recall that there remain outstanding bodies of work to be completed and included in the draft Plan as preparation for notification of the Proposed Plan. These outstanding bodies of work are;

- A. Adoption of the National Planning Standards format; and
- B. Amendments required to reflect the Integrated Spatial Plan.
- C. Update of The Urban Growth Strategy

A. Integration of National Planning Standards

The integration of the planning standards has been discussed in Section 1 of this report where it was reported that the integration of definitions has been completed.

Suffice to note here that following full integration of the planning standards in the Plan, including the planning maps, a full planning review of the Proposed Plan will be undertaken to ensure that the standards have been correctly and appropriately integrated into the Plan and that the intent of the objectives, policies and rules have not changed through integration of the standards.

B. The Integrated Spatial Plan (ISP).

Consideration and integration of relevant findings of the Integrated Spatial Plan, including any changes to the indicative growth nodes, will need to be considered and deliberated on before notification of the Proposed Plan.

Based on advice from Councils consulting demographer, Mr Pinkerton of Squillions Ltd, relating to projected increases in district population growth not occurring until 1 -3 years after the post Covid -19 period, it will not be necessary for the complete integration of the full recommendations of the ISP prior to notification of the Proposed Plan. Mr Pinkerton's advice is based on projected growth demands for the high growth scenario not expected to occur in the immediate period of notification of the Plan.

Taking this information into account the recommendations from Council officers to elected members is to proceed with notification of the Proposed Plan without any delay to allow for the inclusion of the substantive recommendations from the ISP involving rezoning of land.

It is acknowledged that there may be an expectation by elected members that the Proposed District Plan would incorporate more substantive detail from the ISP. In recommending that the full integration of the ISP findings are delayed and addressed through a Plan change and/or variation post notification, Officers have sought to strike a balance between achieving notification as soon as practicable and integration of the ISP findings as required based on recent population projections provided by Squillions Ltd.

Based on the assumption that population growth tracks as projected, (being that population growth will occur in a 24 month period post Covid 19) the wider recommendations from the ISP to rezone rural land for residential activity can be accommodated and addressed through either a plan change or variation in a three - four year period following notification.

This timeframe has the potential to be very helpful and beneficial to Council in view of the ISP findings which have identified issues relating to the capacity of infrastructure in the existing urban environment. The period between notification of the Proposed Plan and preparing a plan change/variation for rezoning of rural to urban land will enable Council to assess existing and future

capacity of Council's infrastructure. This data will be required to input into the structure plan to ensure any rezoned land is adequately and effectively serviced by the network.

Following adoption of the final ISP by Council on 24 September 2020 a report will be brought to the Committee, and then Council, discussing inclusion of the relevant findings of the ISP into the District Plan. Amendments will be made to the Plan to reflect decisions made in regard to the ISP at this time.

Once the ISP is complete and adopted by Council, recommendations will be presented to the Committee in relation to determining responses to the outstanding rezoning submissions and confirmation of the final defined boundaries for the Plains Production and General Rural Zones.

C. The Urban Growth Strategy

Council's draft Urban Growth Strategy outlines options for managing urban and rural residential growth over a 30-year period, including identifying various potential business, residential, as well as rural residential, and greenfield growth areas.

However, the draft Urban Growth Strategy does not determine the appropriate form or nature of development or prioritise growth areas, nor does it necessarily address all of the issues that will need to be considered prior to formal introduction of any District Plan change to provide for further growth.

When the results of the ISP are available this information will need to be integrated into the Urban Growth Strategy to ensure that it is consistent with the direction for growth adopted in the both the ISP and Proposed Plan prior to notification. A technical report will be prepared to provide an explanation and understanding of the transition between the Urban Growth Strategy and the final provisions for growth included in the District Plan for both brown field and green field areas of growth.

Further refinement and prioritising of some of the growth areas identified in the draft Urban Growth Strategy has occurred through the District Plan Review, Council's 10-year long-term plan process, and through the process of developing a 30-year Long Term Infrastructure Plan for the District.

D. The Significant Natural Areas Review (SNAs).

Completion of the SNA ground truthing and assessment at the time of writing this report have been completed and all the individual property reports have been delivered to Councils consulting ecologist, Mr Kessels of Blue Wattle Ecology, for final review and confirmation and/or amendment.

Mr Kessels presented the final recommendations and findings from his district wide assessment of the SNAs to the District Plan Committee in July 2020. Mr Kessels has sought to align his report with the objectives, policies and definitions in the proposed National Policy Statement on Indigenous Biodiversity, (NPS-IB), expected to now be gazetted in mid-2021.

Due to a discrepancy in the GIS database relating to a complete record of all identified and mapped SNAs it is considered to be prudent to engage with any property owners who may have been excluded from the stakeholder engagement of SNA owners in 2019.

In addition the Committee have agreed with and supported the views of officers in regard to the benefits and value of preparing revised and improved maps of the properties with mapped SNAs and sending these to all property owners in view of the issues relating to the quality and legibility of the original maps sent to property owners in 2019.

3.The Section 32 Report

The RMA Section 32 Report is a significant assessment of the options adopted in the Plan and must also consider the efficiency and effectiveness of all policies and rules adopted in the Plan. The section 32 Report on the complete provisions of the Proposed Plan will be required to be finalized at the time of notification.

Work is currently progressing on the completion of the Section 32 Report. The following list shows the order of topics for completion of the Section 32 Report;

Topic

Network Utilities

Noise

Tangata Whenua

Coastal Environment

Natural Environment

Earthworks

Heritage

Urban Growth

Rural Environment

Overview

4.Revised Work Programme and Budget

A report discussing a number of options and timeframes relating to completion of the remaining phases of the draft Review and undertaking the statutory RMA Schedule 1 process were recently discussed at a workshop following the Finance and Infrastructure Committee Meeting on 13 August 2020. This report was also presented to the Committee on 25 August and is being presented to Council on 24 September with a recommendation from the Committee that Council receive and adopt the report.

In November 2018, an updated programme and budget estimate was presented to Council with a number of assumptions noted within the programme, including a programme gateway, following the pre-statutory notification of the plan. Notified in 2019 the NSDP received 100 submissions and the District Plan Committee have

Since 2018, when the initial work programme and budget estimate was presented to Council, a number of external and internal factors have contributed to the necessity of a delay in notification of the Proposed Plan.

These factors include:

- Understanding and preparing for growth not seen for some time in this District
- The Incorporation of the National Planning Standards
- The number and complexity of public submissions and continuing engagement on the draft plan
- The completion of the Integrated Spatial Plan (ISP) as a key technical document to support the

outcomes of the District Plan Review

- Preparing for the incorporation of the National Policy Statements on Indigenous Biodiversity and Highly Productive Lands

While noted in earlier updates, Officers acknowledge that the programme has slipped, in particular with the timeframes in relation to formalising the balance of the programme. In developing the updated programme, in recommending the proposed programme, Officers have worked to reduce overall project risk, sought to minimise further potential delays in the notification of the review in its entirety (where this can be anticipated) and where possible sought to reduce the financial and reputational risk to Council.

The revised work programme provides for notification of the Proposed Plan in May. To achieve a notification date of May 2021 the full incorporation of the Integrated Spatial Plan (ISP) recommendations into the District Plan be delayed until after notification of the Proposed Plan. Only key and achievable bodies of work, as anticipated at the commencement of the ISP project, will be included.

The rationale of delaying full integration of the ISP findings is that the ISP recommends new greenfield development for urban activities on the urban zone boundary of Otane, Waipawa and Waipukurau. Based on officers understanding of the ISP at the time of writing this report, acknowledging that the ISP may be amended following public consultation, to fully integrate the ISP recommendations into the Proposed Plan would involve a delay of several months.

Plan Change 4 of the Hawkes Bay Regional Council Regional Policy Statement requires that any rezoning for the development of urban activities is to be accompanied by a structure plan for inclusion in the District Plan. Council would be taking a significant risk to rezone the identified greenfield areas in the ISP without having undertaken a structure planning assessment of these areas.

One of the particularly significant matters addressed as part of the review is the unprecedented growth of the Central Hawkes Bay population and the challenges that this growth presents. The growth demands facing the district in 2018 are significantly different in nature and scale from those now confronting the Council. In 2018 the district population was just over 14,000, however recent population projections indicate that in the next ten year period to 2031 the district population will increase to 18,000.

To accommodate the increase in population just over 1,449 new houses are projected to be built over the same period providing a growth rate of 90 houses every year. While these levels of growth and development provide an exciting and potentially thriving future for the district they also present very real challenges in regard to managing and responding to the demands of growth.

As well as ensuring that regular monitoring provides current and clear information on growth and growth trends, the responsibility to ensure sufficient supply of suitably zoned and serviced land for urban activities is available to meet growth projections is a new and significant challenge addressed as part of the current review.

5. Iwi Consultation

At the time of presenting the revised work programme and budget to the Finance and Infrastructure Committee on 13 August, strong guidance from Committee members to Officers was to invest additional

resources and time into achieving meaningful progress with iwi consultation. Iwi consultation at this point of the review includes ongoing consultation with tangata whenua as well as addressing the specific requirements, (Cl 4A) of the RMA Schedule 1 to consult ahead of notification of the Proposed Plan.

Officers have since meet with Dr. Maaka to clarify the consultation requirements of Schedule 1 and now have a stronger understanding of the timeframes required to adequately consult with tangata whenua on the Proposed Plan before notification of this document.

It is the intention of Officers to meet again with Dr Maaka to develop a way forward and finalize options for consultation to ensure that the tests of engagement with Tangata whenua in the RMA are meet by Council. A schedule of iwi engagement is currently being developed which will identify and consider an appropriate level of support to achieve desired outcomes of one or more hui at the Taiwhenua Offices as well as individual Marae visits. It is probable that Marae Funding may also support this project.

Issues that have arisen since the last status report

GIS

The issue of the quality and accuracy of the GIS maps sent to property owners with identified and mapped SNAs has been discussed in the preceding section of this report.

Activities to be started/completed or in progress over the next month

Description	Planned Completion	Forecast Completion	Comments
Integration of the National Planning Standards into the Plan.	<p>Integration of the standards definitions is now complete.</p> <p>Work is progressing on integration of format and layout of chapters and setup of provisions within each chapter.</p>	This body of work is scheduled to be completed by the end of October 2020.	<p>The integration of the standards definitions has been detailed earlier in this report. Officers are now progressing with the rehousing of the Plan content into the format and layout of the standards, noting that in many circumstances the options provided by the standards do not align well with the draft Plan zones.</p> <p>Officers are currently focusing on GIS mapping to ensure that all maps comply with the standards. Officers have developed new symbology where the standards do not provide an option (e.g.,</p>

			SNAs) and these are now been integrated into the maps.
<p>Integration of relevant National Policy Statements (NPS) being;</p> <ul style="list-style-type: none"> • NPS – Highly Productive Land) • NPS- Indigenous Biodiversity • NPS- Freshwater Management 	<p>Based on the timeframes in the new work programme the integration of relevant NPS s will not be completed before notification. This is in part due to the delay of gazettal of these policies until mid-2021 because of Covid-19.</p>	<p>It is envisaged that the integration of NPSs will be addressed as part of a Council initiated plan change after notification of the Proposed Plan.</p>	<p>Integration of the NPSs into the Plan will need to be complete to give legal effect to the NPS when notified.</p> <p>Individual NPSs include different dates for when local authorities must give effect to provisions. Officers will report back to Council in these timeframes in the future.</p>
<p>Completion of the ISP and integration into the proposed Plan.</p>	<p>Currently on track for adoption by Council on 24 September 2020.</p>	<p>Based on the revised work programme, adopted by the Committee on 24 August, the full integration of the ISP will be delayed to align with projected household growth forecast to occur over a 1 – 3 year period post Covid-19.</p>	<p>Officers are working towards presenting a report to the Committee on 13 November discussing the recommendations of the ISP, both in relation to completing the deliberations on submissions and also in considering the level of integration of the ISP into the Proposed Plan.</p>
<p>Ongoing consultation with tangata whenua.</p>	<p>Consultation is ongoing.</p>	<p>Ongoing</p>	<p>A meeting was held with Dr Maaka on Monday 31 August to discuss consultation with tangata whenua. Officers now have a clear direction on approach to this issue and are working closely with Dr Maaka to progress this body of work.</p>

General Comments

The attention of Officers now turns to meeting the timeframes of the revised work programme ahead of undertaking the RMA Schedule 1 process early in 2021 to meet a notification date of May 2021. Scheduled Committee meetings in November will be an opportunity to discuss final ISP recommendations relating to deliberations on submissions relating to rural zone boundaries and also the inclusion of the ISP in the Proposed Plan. Completion of the other areas of outstanding bodies of work

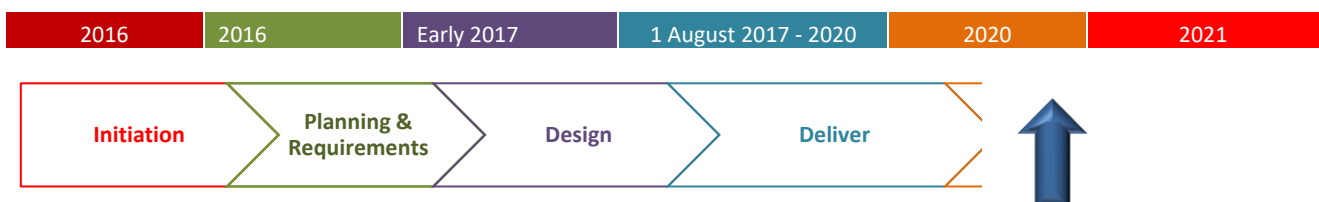
discussed in this and earlier reports provide for 'tools down' by the end of 2020 and focus on the Schedule 1 process in early January 2021.

It should be noted however that there is still a significant portion of work to complete prior to notification with limited ability for the programme to slip.

Key Milestone Achievement Summary				
Key Milestones	Planned Completion Date	Status	Budget Required for Milestone	Comments
Outstanding bodies of work complete	December 2020	In progress	-	The revised work programme has established fresh milestones for completion of this work.
Integration of National Planning Standards	December 2020	In progress	-	The integration of definitions is now complete and work is progressing on the integration into new format and style.
Integration of National Policy Statements	Uncertain at this time.	In progress	-	Awaiting gazettal before integration is possible and also dependent on future plan changes and/or variations to the notification plan to address integration.
Completion of the Urban growth Strategy	Post-delivery of the ISP on 24 September.	In progress	-	Officers are anticipating presenting a report to the Committee on 13 – 16 November addressing this issue.
Potential revisited consultation with SNA property owners	Planned for completion by the end of September 2020.	In progress	-	Following guidance from the Committee, Officers are working to provide revised and correct maps of SNAs to property owners.
Cultural consultation	Ongoing	In Progress	-	Guidance from Dr Maaka on a way forward has provided a focus for this consultation, required as part of the review and under Schedule One

Section 32 Report	Estimated to be complete by the end of December 2020.	In progress	-	Work has commenced on the Section 32 Report at the time of writing this report.
Integration of recommendations from the ISP into the Plan.	Post 24 September 2020.	In Progress		Based on the revised work programme the full integration will be subject to a future plan change and /or variation.
Finalise Proposed Plan	December 2020.	In progress	-	Addressing remaining bodies of work contributes to finalisation of the Proposed Plan.
Presentation by Committee of the recommendations from submissions	2020	In Progress	-	
Council adoption of Proposed Plan	May 2021			
Notification of Proposed Plan	May 2021	In progress	-	Subject to completion of the revised work programme.
Statutory Plan Hearings	Scheduled to commence August 2021	Yet to start	-	
Summary of submissions and preparation of cross summary of submissions	Scheduled for	Yet to start	-	
Section 42 a Reports	Uncertain	Yet to start	-	
Pre-hearing mediation	Uncertain	Yet to start	-	
Appeals	Uncertain	Yet to start	-	

Project Lifecycle Progress








Project Financial Update

Project Statistics 2020/21	Expenditure		Schedule	
	Whole Life (\$)	Current Year (\$)	Total Weeks	Effort (Staff Hrs)
Approved Project Budget (Baseline)	2,000,324	842,583	-	-
Actual Spent to Date (as at 31/07/2020)	1,094,350	21,639	-	-
Estimate to Complete Reminder of Project (ETC)	1,256,700	820,944	-	-
Forecast at Completion (FAC)	2,351,050	842,583	-	-
Forecast Project Variance at Completion	350,726	0	-	-

General Comments

We are still working through the whole life of the project expenses and costs, which will balance the current years finance expenditure, when fully identified. This will be completed for the next project status report.

Project Delivery Confidence Assessment Key

Key	Attention Required	Issues/Risks	Delivery
	Minimal	None	On Time
	Constant	Potential	Delays Probable
	Manage	Exist but resolvable	Delays Likely
	Urgent	Major	Delays
	Critical	Critical	Major delays. Re-scope/Re-assess

7.8 PROCUREMENT STRATEGY - PWPGF PROGRAMME**File Number:** COU-1400**Author:** Darren de Klerk, 3 Waters Programme Manager**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. PWPGF Procurement Strategy [↓](#)**PURPOSE**

The matter for consideration by the Council is to adopt and endorse the attached procurement strategy. The procurement strategy will outline the overarching principles, objectives and success criteria for the Porangahau to Wimbledon Road Provincial Growth Fund (PWPGF) programme.

RECOMMENDATION FOR CONSIDERATION

That having considered all matters raised in the report:

- a) Council adopts option one – To approve the procurement strategy as the overarching framework for procuring and delivering the programme of works.
- b) That the minute relating to this item be released as publicly available information.

EXECUTIVE SUMMARY

The adoption of the strategy will confirm the procurement framework that the individual procurement plans for the three work packages will be built on.

The procurement plans will document the specific requirements for the work package and will in turn provide the framework for the Requests for Tender. It is planned to bring the procurement plans for the bridges, retaining walls and Flaxmill Inundation Remedial project to Council for approval in September to November 2020.

The Requests for Tender will include the principles of the procurement strategy and the contractual requirements to achieve the strategic outcomes. We believe this procurement strategy will enable the project to succeed and the project team to deliver on the contract outcomes and physical improvements required.

The procurement plan and procurement strategy are consistent and compliant with both the current and proposed procurement policies.

BACKGROUND

In June 2019, Council received \$20.1 million in Provincial Growth Funding (PGF) from the Ministry of Business, Innovation and Employment (MBIE) to improve transport infrastructure for communities on the Waipukurau to Porangahau Road.

With growing volumes of freight using the route, reliability and resilience needs to be assured if the regional economy is to be protected and opportunities for productivity are enhanced.

The completion of this project will provide future generations with safe and durable roading infrastructure along what is a key thoroughfare in the district.

The PGF project scope is defined as upgrade and resilience works along a section of Route 52, with specific mention to rectifying the flooding issues at Flaxmill, upgrading bridges along the route for High Productivity Motor Vehicle (HPMV) capacity, and addressing retaining wall risks also for HMPV loading.

DISCUSSION

The purpose of this strategy is to outline the proposed procurement approach for the Porangahau and Wimbledon Road Upgrade Programme.

The strategy aims to be the overarching procurement guideline document for the larger value programme of works ahead, the individual procurement plan(s) for each package should be consistent and deliver on the objectives and outcomes identified within this strategy.

RISK ASSESSMENT AND MITIGATION

Risk is inherent in all procurement activities. Effective risk management is required to ensure that Council and our ratepayers are not exposed to significant unmitigated risk and future liability.

The procurement risks identified include:

- Tendering on limited design.
- Price uncertainty until all designs are completed during the programme.
- Overlapping tender periods. Due to time constraints, contractors will not be informed of success or otherwise on tenders while tendering for other packages.
- Ability for contractors to tender, with the three packages advertised in the November/December 2020 period
- Lack of a collaborative working relationship.
- Poor contractor performance
- Contractor capacity, ability to deliver in the timeframe
- Not achieving the broader outcomes goals for Council (THRIVE) and MBIE
- Not completing the programme
- Poor quality construction
- Potential consenting issues
- Disruption to commercial and private traffic
- Ineffective consultation with stakeholders and partners including iwi
- Poor communication

FOUR WELLBEINGS



These broader outcomes have been included in the Government Procurement Rules and public sector organisations across the country have been gradually considering specific priority outcomes over and above price. Of these broader outcomes, the Government has identified four priority outcomes for local government to focus on:

- Increased access to government procurement contracts with a particular focus on those less able to access opportunities (such as Maori and Pasifika).
- Increasing the size and skill level of the construction sector workforce and provide employment opportunities for targeted groups.

- Improving conditions for New Zealand workers; and
- Reducing emissions and waste.

Along with many other public sector organisations, the Council is currently reviewing its overall procurement strategy to incorporate a broader sustainable outcome model.

In line with this, a key focus within the procurement for the Porangahau and Wimbledon Road Upgrade Programme will be to seize the opportunity to maximise broader sustainable benefits that the Project can offer. Outlined below are examples of how broader outcomes may be achieved that align with the four wellbeing's.

DELEGATIONS OR AUTHORITY

The procurement strategy covers a procurement value of approx. \$15m, but individual procurement plans will be brought for approval for the packages of works that make up the \$15m procurement.

The first being the procurement plan for contract 1096 (C-1096) for the procurement and delivery of the bridge strengthening programme.

SIGNIFICANCE AND ENGAGEMENT

In accordance with the Council's Significance and Engagement Policy, this matter has been assessed of some significance.

OPTIONS ANALYSIS

Option One – To approve the procurement strategy.

Option Two – To reject the procurement strategy and provide feedback.

	<u>Option 1</u>	<u>Option 2</u>
	To approve the procurement strategy	To reject the procurement strategy and provide feedback
Financial and Operational Implications	Within grant funding and this option will allow the operational requirements to proceed	Rejecting the strategy will delay ability to procure what is already a tight timeframe and may risk funding opportunity and delivery
Long Term Plan and Annual Plan Implications	No implications to Long Term Plans or Annual Plans	No implications to Long Term Plans or Annual Plans, although if timeframes are missed, works may need to be funded by council in part.
Promotion or Achievement of Community Outcomes	This strategy will allow community and broader outcomes to be realised	Does not align with community outcomes and aspirations

Statutory Requirements	Aligns with policies, legislation and NZTA requirements	Not applicable.
Consistency with Policies and Plans	Consistent with Council procurement policies	Not consistent with Council procurement policies

Recommended Option

This report recommends **Option One** – To approve the procurement strategy for addressing the matter.

NEXT STEPS

To build the procurement plans specific to the individual packages of work and ensure they align with objectives and aspirations as laid out in this procurement strategy.

RECOMMENDATION

That having considered all matters raised in the report:

- a) Council adopts option one – To approve the procurement strategy as the overarching framework for procuring and delivering the programme of works.
- b) That the minute relating to this item be released as publicly available information.

PGF Programme Porangahau/Wimbleton

Procurement Strategy

SEPTEMBER 2020

Porangahau and
Wimbleton Road
UPGRADE

SUPPORTED BY



PROVINCIAL
GROWTH
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DISTRICT COUNCIL



1. PURPOSE OF THIS STRATEGY

The purpose of this strategy is to outline the proposed procurement approach for the Porangahau and Wimbledon Road Upgrade Programme.

The strategy aims to be the overarching procurement guideline document for the larger value programme of works ahead, the individual procurement plan(s) for each package should be consistent and deliver on the objectives and outcomes identified within this strategy.



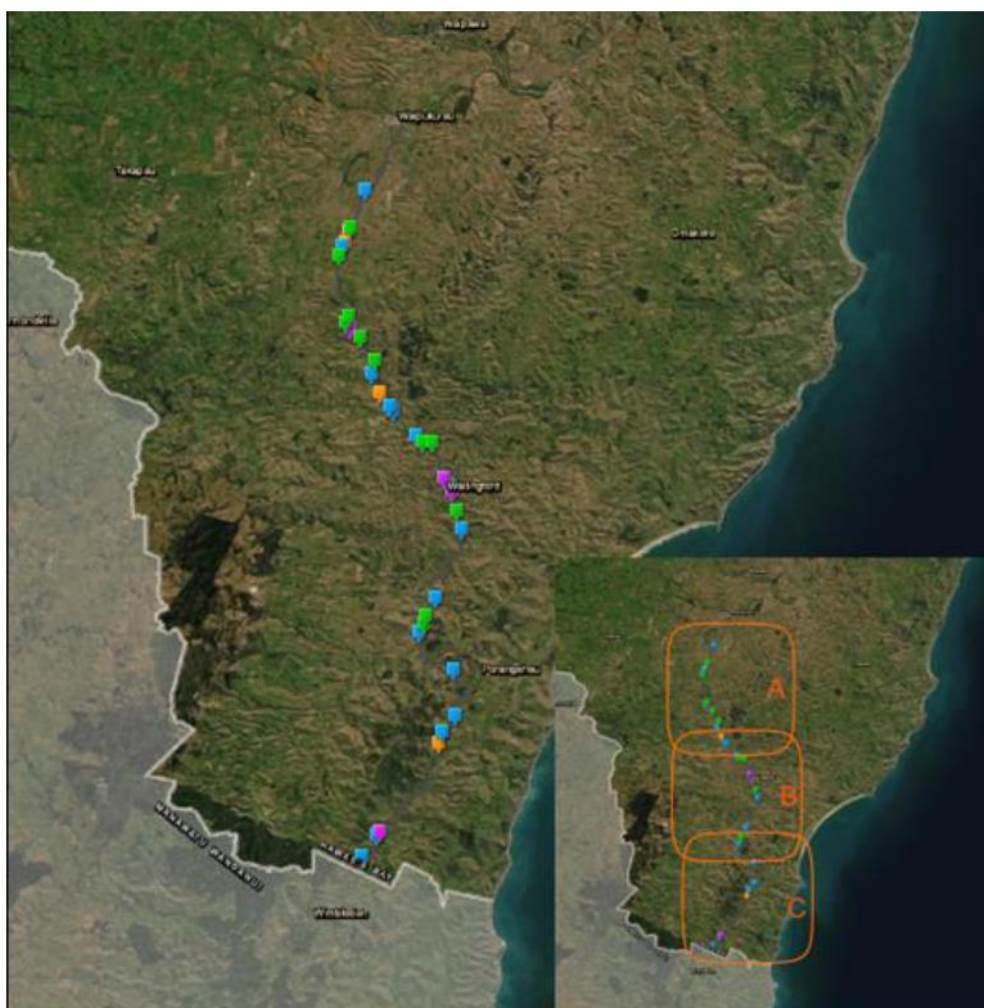
2. BACKGROUND

In June 2019, Council received \$20.1 million in Provincial Growth Funding (PGF) from the Ministry of Business, Innovation and Employment (MBIE) to improve transport infrastructure for communities on the Waipukurau to Porangahau Road.

With growing volumes of freight using the route, reliability and resilience needs to be assured if the regional economy is to be protected and opportunities for productivity are enhanced.

The completion of this project will provide future generations with safe and durable roading infrastructure along what is a key thoroughfare in the district.

The PGF project scope is defined as upgrade and resilience works along a section of Route 52, with specific mention to rectifying the flooding issues at Flaxmill, upgrading bridges along the route for High Productivity Motor Vehicle (HPMV) capacity, and addressing retaining wall risks also for HMPV loading.

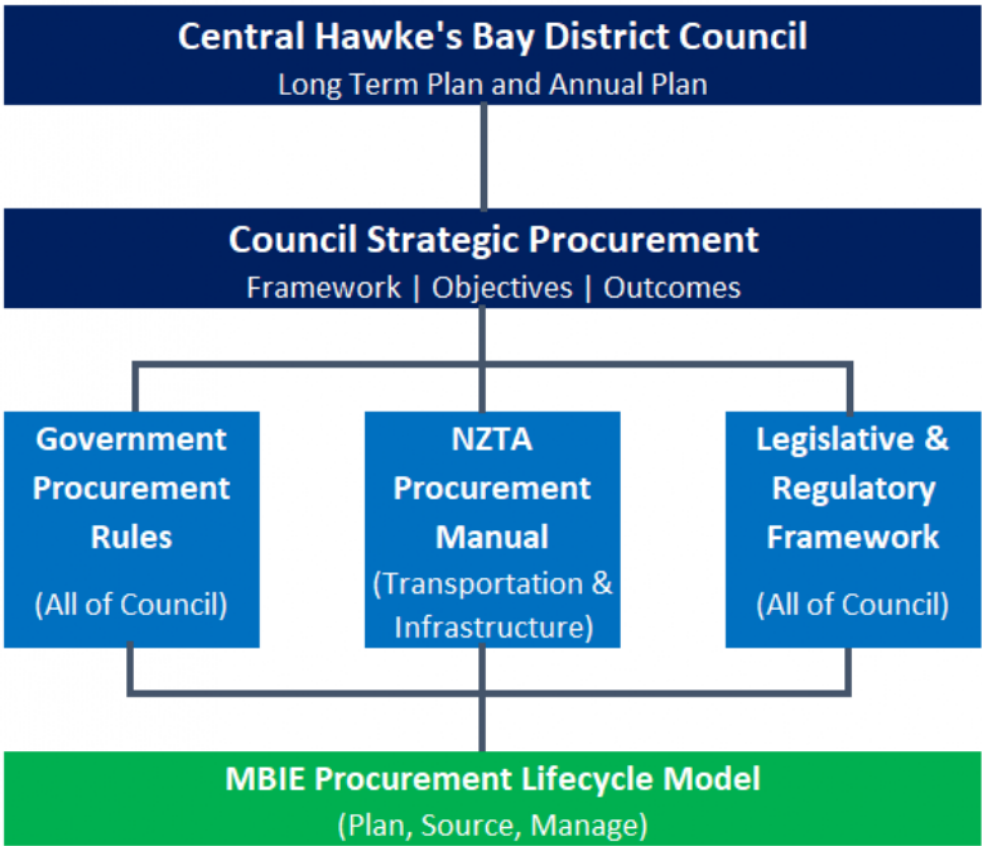


3. POLICY CONTEXT - STRATEGIC OBJECTIVES

In undertaking procurement, Council must operate within a policy framework which includes wider Council objectives and outcomes, MBIE and NZTA procurement rules and a legislative and regulatory framework.

To comply with CHBDC's Procurement Policy activity must be conducted in a manner which ensures the Council maintains a reputation of being fair, transparent and equitable towards suppliers and evidenced through sound and robust record keeping.

Representatives of the Council undertaking procurement activities must declare any perceived or actual conflicts of interest to the procurement group as soon as practicable. Compliance with this policy and the procurement manual is required for all procurement activity undertaken by the council's temporary and permanent employees, consultants and contractors. Any departure from this approach must be approved by the Chief Finance Officer of CHBDC.



When assessing procurement options, Council uses ‘public value’ as a means of determining the best outcome from funds to be spent. The principle of public value is not solely focused on price but is about getting the best possible result over the whole-of-life of the goods, services or works.

This includes using resources effectively, economically, and without waste, and considering the total costs and benefits (total cost of ownership), and its contribution to the results Council is trying to achieve (such as social or environmental outcomes).



Refer to figure 1 below:

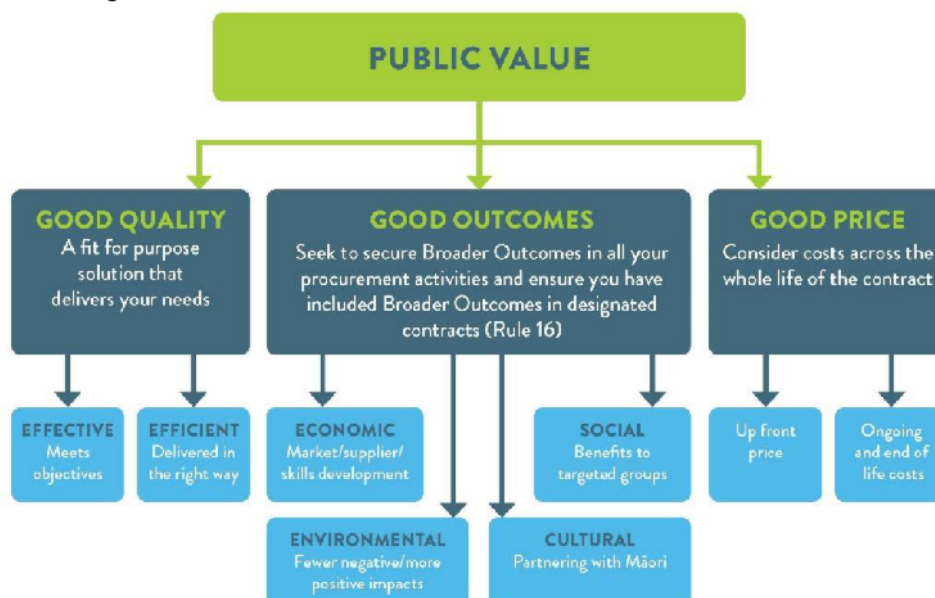


Figure 1 Public Value (Government Procurement Rules (4th Edition) 2019)

The concept of public value does not minimise the importance of achieving a good price (costs across the whole of life of the contract) but encourages employees to consider a broader range of benefits that can be achieved through the procurement of goods, services and works.

MBIE and Council entered a PGF Funding Agreement for this project that is underpinned by the Government and NZTA Procurement Rules incorporating public value.

The expected outcomes of the project which align with the PGF objectives are:

- Improving links between the district and major transport hubs and markets
- Safeguarding and expanding visitor and business access to and within the district
- Improving connectivity and access to communities by providing a resilient route that is fit for purpose
- Increases investments in the region by improving business confidence to invest in the region
- Generates local employment and training opportunities through direct employment on the project and increases investment that create indirect jobs.



4. LEGISLATIVE AND REGULATORY FRAMEWORK

Council procurement is governed by a range of guidance and statutory requirements. Those of most significance and specifically relevant for this programme of works is outlined below.

4.1 GOVERNMENT PROCUREMENT PRINCIPLES, CHARTER AND RULES

The Government procurement policy framework, NZ Government Procurement Rules (4th Edition) 2019, sets the Government's expectations for how government agencies should approach procurement activities. It includes procurement principles, charter, rules, and best practice guidance.

The Government Procurement Rules (4th Edition) states that Council, as a public sector agency, should have policies in place that incorporate the Five Principles of Procurement and the Procurement Charter. Council is also expected or encouraged to apply the rules as good practice.



The Government Procurement Rules have two compliance levels when considering the NZTA Procurement Manual requirements:

1. Council must comply with the rules for NZTA-funded projects.
2. Council should comply with the rules for wider Council applications as they are Government-endorsed as good practice.



4.2 OFFICE OF THE AUDITOR GENERAL (OAG)

Council's procurement policies should be consistent with the principles laid out in Procurement Guidance for Public Entities, published by the OAG. This defines good practice such as legal implications, ethical standards, and accounting for whole of life costs.

4.3 LOCAL GOVERNMENT ACT 2002 (LGA)

Under the Local Government Act 2002, Council must ensure its procurement activities are carried out in an open, transparent, and democratically accountable way. The decisions it makes should be robust and defensible, and ethical and legal considerations must always be considered.

4.4 LAND TRANSPORT MANAGEMENT ACT 2003 (LTMA)

The Land Transport Management Act 2003 sets out the requirements for the NZTA to approve activities for funding (s20) from the NLTF by approved organisations. All expenditure must be made with an approved procurement procedure (s25), unless exempt (by or under s26). Section 25 of the LTMA requires that these procedures be designed to obtain best value for money spent.

4.5 TE TIRITI O WAITANGI/TREATY OF WAITANGI

In undertaking its procurement activities Council will comply with its responsibilities under the Te Tiriti o Waitangi/Treaty of Waitangi.

4.6 OTHER LEGISLATION

Other legislation that may apply to Council procurement activities includes, but is not limited to:

- Commerce Act 1986
- Construction Contracts Act 2002
- Contracts and Commercial Law Act 2017
- Health and Safety at Work Act 2015
- Fair Trading Act 1986
- Local Authorities (Members' Interests) Act 1968
- Local Government Official Information & Meetings Act 1987
- Official Information Act 1982
- Public Audit Act 2001
- Public Bodies Contracts Act 1959
- Public Finance Act 1989
- Public Records Act 2005
- Trade (Anti-dumping and Countervailing Duties) Act 1988



5. BROADER OUTCOMES OBJECTIVES

The New Zealand Government has recognised that its procurement activities offer a unique opportunity to achieve broader cultural, economic, environmental, and social outcomes for New Zealand as set out in the figure below.



These broader outcomes have been included in the Government Procurement Rules and public sector organisations across the country have been gradually considering specific priority outcomes over and above price. Of these broader outcomes, the Government has identified four priority outcomes for local government to focus on:

- Increased access to government procurement contracts with a particular focus on those less able to access opportunities (such as Maori and Pasifika).
- Increasing the size and skill level of the construction sector workforce and provide employment opportunities for targeted groups.
- Improving conditions for New Zealand workers; and
- Reducing emissions and waste.

Along with many other public sector organisations, the Council is currently reviewing its overall procurement strategy to incorporate a broader sustainable outcome model.

In line with this, a key focus within the procurement for the Porangahau and Wimbledon Road Upgrade Programme will be to seize the opportunity to maximise broader sustainable benefits that the Project can offer. Outlined below are examples of how broader outcomes may be achieved that align with the **four wellbeing's**.



ECONOMIC WELLBEING is the state of the economy in terms of employment, efficiency and productivity. It also includes resilience to impacts of change.



ENVIRONMENTAL WELLBEING is the state of the surrounding natural environment in terms of air, land, water, habitats and natural heritage.

We support ethical economic prosperity through employment, upskilling and innovative supply-chain initiatives that encourage a resilient workforce and reduced inequalities.

EMPLOYMENT OF PRIORITY SOCIAL GROUPS*: To support suppliers and partners that leverage a resilient, prosperous workforce by encouraging, and enabling employment opportunities for 'priority social groups'.

UPSKILLING THE LOCAL ECONOMY: To support suppliers who increase the capability of our local workforce (includes small – medium businesses and future generations) through providing upskilling and training opportunities throughout the supply-chain, provide long-term development opportunities for Māori and Pasifika people with a focus on mentoring to encourage on-going, meaningful success.

GENDER EQUALITY: To seek suppliers and partners who demonstrate gender equitable employment practices, by removing barriers for women to take-on non-traditional roles and/or careers.

SUPPLY-CHAIN: To seek suppliers that support ethical, local and sustainable supply-chain decisions as well as diversity through enabling greater market accessibility for small-medium businesses.

INNOVATION: To encourage suppliers to provide innovative, bespoke or sustainable outcome concepts that will increase Auckland's livability and address key government social, sustainable and environmental goals.

We support initiatives and innovations that protect and enhance Auckland's natural environment, and enable the reduction of carbon emissions and waste.

NET ZERO CARBON: To seek suppliers, partners, supply-chain models and innovations which contribute to New Zealand's commitment to the Paris Accord through energy efficiency techniques; renewable energy sources; and reduction or offsetting of carbon emissions.

ENVIRONMENTAL GUARDIANSHIP: To seek suppliers that value and demonstrate Kaitiakitanga (guardianship) of New Zealand's natural environment and take action to enhance and protect it.

WASTE MINIMISATION: To support suppliers and initiatives to adopt a circular economy approach aimed at minimising waste and making the most of sustainably acquired resources. (Recycle, upcycle and reuse).

RESPONSIBLE WATER MANAGEMENT: To support suppliers, partners and methods that demonstrate protection of our marine and freshwater systems from pollution and encourage resourcefulness with water consumption.



SOCIAL WELLBEING is the state of the community in terms of health, safety, accessibility, equity, affordability and liveability



CULTURAL WELLBEING is the state of our identity in terms of heritage, ethnicity, recreation and access to cultural events.

We promote and facilitate opportunities that lead to a healthy, safe, and connected community which fosters positive future sustainability outcomes.

HEALTH AND WELLBEING: Seeking suppliers who provide health and wellbeing initiatives to support employees, their families and our communities.

LOCAL STAKEHOLDER ENGAGEMENT: Seeking suppliers and partners who will empower and enable more engaged and connected communities. Local stakeholders may include mana whenua, iwi, local boards, community groups, local schools or those who may have an interest in a project.

CHARITABLE SUPPORT: Seeking suppliers or partners who improve our city's livability and natural environment through supporting community volunteering, charities, social enterprises or similar organisations that have a positive impact on sustainable outcomes within our communities.

LIVING WAGE: Seeking suppliers that support the payment of living wage salaries throughout the contract supply-chain to support individuals wellbeing.

We encourage initiatives that embrace cultural diversity, inclusivity of all people and revitalisation of our indigenous heritage through Mātauranga Māori (knowledge).

MĀORI CULTURAL HERITAGE: Seeking suppliers who share Council's commitment to strengthening and raising awareness of New Zealand's indigenous cultural heritage through embracing and revitalising Mātauranga Māori (knowledge).

MANA WHENUA ENGAGEMENT: Seeking suppliers who support meaningful engagement and involvement with Māori throughout relevant project and contract life-cycles.

DIVERSITY AND INCLUSION: To support suppliers that value, encourage and celebrate the importance of diversity and inclusion, both internally - within their respective organisations and externally - through raising awareness of Central Hawke's Bay's wide diversity of people, cultures and identities.



As part of the procurement process, Tenderers will be required to provide a Sustainable Procurement Plan outlining how they propose to address themes consistent with the four wellbeing's, further examples of these are outlined in the themes of **Environment, Health & Safety, Economy** and **People** as set out below.

Across the programme, the Council is looking to leverage this opportunity and seek Tenderers who will maximise the opportunities this Project has the capacity to deliver, Tenderers who have the competitive edge and who will lead the way in delivering the above sustainable themes over and beyond those outlined within the contract specifications.

- **THEME 1: ENVIRONMENT**
 - o Protect and enhance the environment
- **THEME 2: HEALTH AND SAFETY**
 - o Raise health and safety performance and awareness
- **THEME 3: ECONOMY**
 - o Improve the prosperity and competitiveness of Central Hawke's Bay
 - o Supporting local business with a focus on Maori business
 - o Improve the knowledge and skill base in Central Hawke's Bay
- **THEME 4: PEOPLE**
 - o Increase prosperity and employment, particularly locally
 - o Inspire and up skill a new generation in Central Hawke's Bay
 - o Improve health and wellbeing in Central Hawke's Bay
 - o Support the training and sustainable employment of Maori and Pasifika

The Council has previously developed a number of aspirational sustainable outcomes and measures through its PGF Worker Redeployment Programme and these are set out in the table below as an example.

Similar to that of the PGF Worker Redeployment Programme, it is expected that the Tenderers Sustainable Procurement Plan should include the Tenderers proposed outcomes and measures associated with the sustainable themes above.



Table: Aspirational Sustainable Procurement Outcomes

Outcome	Measure
Creating local jobs;	<ul style="list-style-type: none"> [75]% of the workers will be local to Central Hawke's Bay [50]% of the workers will be Maori or Pasifika
Supporting local businesses;	<ul style="list-style-type: none"> [75]% of the work packages will be delivered by local businesses located in Central Hawke's Bay (definition of local is having a local depot and a significant amount of local expenditure).
Delivery of skills and training for workers;	<ul style="list-style-type: none"> [75]% of training will be delivered by training providers local to Central Hawke's Bay [100%] of all redeployed workers (with the exception of the Project Manager) will have access to the relevant pre and in—work training. [100%] of all redeployed workers (with the exception of the Project Manager) will have access to pastoral care support including career development and personal well-being plans which will enhance the opportunity for them to achieve sustainable employment
Improving conditions for workers	<ul style="list-style-type: none"> [100]% of employees will have access to suitable health and safety training, including mental health and wellness, as part of their induction, and ongoing throughout the term of employment, relevant to the work undertaken [100]% of employees will be paid as a minimum the New Zealand Living Wage rate.
Supporting the transition to net zero emissions economy and helping the government meet its goal of significant waste reduction by 2050	<ul style="list-style-type: none"> All contractors and sub-contractors will actively seek to minimise the carbon impact of project delivery, to support the transition to a net zero emissions economy, and demonstrate this through the provision of policies and processes.

Tenderers will be reminded that the outcomes and measures in the table above are aspirational and Tenderers have the opportunity and are encouraged to tailor these aspirational outcomes and measures within their own Sustainable Procurement Plan.

The Sustainable Procurement Plan will form part of the contractual documentation if the Tenderer is successful.

During the delivery phase a programme will be put in place (as part of the Contract Management Plan) to audit and validate all data provided by the Contractor to ensure the high level of standards proposed at Tender stage are met and make sure the statistics communicated hold a true and accurate reflection of the current sustainable procurement status.

To support the implementation of broader outcomes through the procurement process into the delivery of contracts, some support by Council and our agencies will be available, below is an example of the MSD support.

**MSD Support**

Collaboration is key when working to fill the significant employment opportunities that will result from investment into the district. Working in partnership with MSD is an opportunity to curb rising unemployment numbers and to advance the skills development, employment, and the wellbeing of the local community.

MSD will partner with the Central Hawkes Bay District Council and their contractors to support:

The recruitment of talent

MSD will screen displaced workers, unemployed and underemployed people and identify candidates for the job.

The provision of pastoral care

Pastoral care is client centric and stays with the talent to support the development of a career pathway and sustainable employment.

Training

A range of training can be co-ordinated and funded by MSD to support the upskilling of candidates.

Apprenticeship funding

Apprentice and cadetship funding packages for employers include; Mana in mahi extension, Apprenticeship boost, Te Puni Kokiri cadetships, The Regional Apprenticeships Initiative (RAI) & Maori Trades and Training Fund and Targeted Training and Apprenticeship Fund. MSD work brokers can work directly with employers and partner agencies to offer a no wrong door approach to assisting employers.

MSD Flexi wage funding

Flexi wage subsidies are paid to an employer on behalf of an eligible client assessed to be at risk of long-term benefit dependency. The subsidy amount and duration offered to employers will reflect the level of assistance required to support the client to develop the skills required to obtain or retain unsubsidised employment.

MSD have added 2 more wage subsidy products to support employers. Flexi wage next step and Flexi wage retention. Flexi wage retention helps employers to move staff out of roles at risk of redundancy and into more stable parts of their business.

Flexi-Wage Next Step will support people in temporary employment to secure sustainable work so that they do not need to go onto a benefit. It is available when people are finishing their temporary redeployment opportunity to support people into their next sustainable job. This product supports our shifting focus towards preventing job loss and reducing the need for people to engage with income support mechanisms.



6. PROGRAMME SCOPE

The PGF project has already included a number of 'early wins' and simple construction activities. These have been scoped and are being delivered currently. The remaining programme scope is split into three packages;

Flaxmill Inundation Remediation Project

The area at Flaxmill/Wanstead recently had 20+ days of road closures over a short period of time, creating large disruption to the residents and road users. This led to increased resilience of the road in this area being the primary pillar of the PGF project.

The flooding issue is a complex combination involving the channelised Taurekaitai Stream, the Wanstead swamp/wetland, constrained drainage opening and the low lying sections of the road through the area.

The recommended option for construction includes focussing on 'in-line' works (within the road corridor) to increase the Level of Service of the road from <2yr ARI currently to 15-25yr ARI. This will include raising sections of road between the Wanstead Bridge and Ugly Hill Corner (total project length of 4.5km) and improving the channel cross-section at Flaxmill Bridge.

The estimated budget range for the online improvement option is \$7-10m and there will need to be additional funding required for offline improvements in the channel

The December 2020 tender document will include the preliminary design for proposed construction works, allowing for contractor engagement while detailed design elements are being completed.

A higher level of service could be achieved if additional funding is identified, allowing collaboration with other stakeholders (e.g. HBRC) to regenerate the wetlands and improve the 'off-line' elements that impact flooding in the area.

Bridge Strengthening

Strengthening works are proposed to increase the capacity of bridges and large culverts along the route to HPMV loading requirements. The inspections and evaluations phase resulted in identifying four bridges and seven culverts requiring strengthening to meet the HPMV requirements. The works will include activities such as:

- New deck overlays
- Carbon fibre wrapping of elements
- Abutment replacements/strengthening
- Guard rail improvements/replacements



The estimated cost range of the strengthening works is \$5-7m.

There are likely to be opportunities to improve safety at some bridge sites by replacing/upgrading road-side barriers if funding allows.

The November 2020 tender document will include one bridge ready for construction. Additional bridge/culvert works will be added as detailed design activities are completed.

Retaining Wall Improvements

A preliminary assessment of geotechnical risks associated with the retaining wall assets and pavement failures has been carried to define possible scope and priorities with the project.

The intent is to strengthen existing retaining walls where possible and build new retaining structures where the existing structure is unable to be strengthened. Additionally, where embankments and slopes below carriageways show pavement distress due to geotechnical issues, we are looking to undertake works to extend the life of these assets by carrying out slope stabilization measures.

The estimated cost of retaining wall improvements to fit within the PGF project budget is \$2-3m. If additional funding is made available additional scope will be added to this package.

The November 2020 tender document will include two retaining walls ready for construction. Additional retaining walls and slope strengthening works will be added as detailed design activities are completed.

Other Elements

Additional elements are desirable for inclusion in the resilience and safety improvement of the project route. While there is no funding allocated for construction works, the intent is to carry out sufficient assessments, investigations, and concept designs on identified priorities to be either included in additionally sought funding or linked back into future Land Transport AMP activities. This could include:

- Site Specific Safety improvements (turning bays, guard rails, widening, signage etc)
- Additional new retaining walls
- Additional slope strengthening to prevent land slumping below the road
- Pavement rehabilitation/reconstruction
- Active transport improvements (allowing for future cycleways)

It is worth noting that two projects have been identified in association with the Longest Place Name on Wimbledon Road. These could offer broader cultural, community and economic outcomes.



7. PROGRAMME PROCUREMENT

The MBIE funding agreement determines that construction works are completed by **30 June 2022**.

Various milestones are outlined with early wins construction (achieved), simple construction (requiring commencement **30 Sept 2020**) and complex construction (commencing **31 Jan 2021**).

CHBDC successfully requested to have these dates extended by three months to account for delays caused by the Covid Lockdown in early 2020 (the dates above are the newly approved adjusted dates).

The simple construction milestone will be achieved with an Area Wide Pavement Treatment project that will commence soon. Complex construction will include the three large works packages.

The following programme of larger package works is outlined below:

Works Package	Value	Procurement Plan Approval	Tender Release	Tender/ Contract Award	Construction Completion
Flaxmill Inundation	\$7-10m	18 Nov 2020	11 Dec 2020	Feb 2021	June 2022
Bridges	\$5-7m	24 Sep 2020	10 Nov 2020	Jan 2021	June 2022
Retaining Walls	\$2-3m	18 Nov 2020	23 Nov 2020	Mar 2021	June 2022
TOTAL	CAP \$15m				

8. PROCUREMENT AND MARKET ENVIRONMENT

An ongoing challenge for Council in delivering capital works programmes is that there are competing procurement demands for the local contractor resources from the four other Territorial Local Authorities (TLA's) and NZTA in the region.

This can limit the number of tenders and increase costs depending on when the Requests for Tenders are advertised, construction periods and the contractors forward work programmes and the scope of work. The scope of work in the programme does match the capability, skills and experience of the local contractors and they can also employ specialist subcontractors locally or from out of the region, as necessary. It is anticipated that this may be the case for some of the bridge work or specialist contractors from outside of the region will tender directly.



Recent contracts for Council have seen an encouraging number of tenderers. The two retaining wall contracts currently under construction in this programme had 5 tenders for each, with the contract prices being below the engineer's estimate.

Recent contracts for the Hastings District Council has seen a similar contractor response.

This may be influenced by the impact of COVID-19 and the need for contractors to rebuild their forward work programmes.

The current environment may change as further government stimulus funding packages are made available within the region and the other TLA's and NZTA continue to advertise their projects.

By Council engaging early with the contracting market through the Expression of Interest (EOI) process providing the opportunity for contractors to participate in the procurement process, and getting the work programme out to market as soon as possible, the risk of a low level of interest in the programme is minimised.

A further consideration is the potential impact of this programme on other Council works programmes. The road maintenance programme on the route has been coordinated to ensure there are no clashes and duplication of work.

Council has also recently procured long term contracts for reseals, AWPT and bridge strengthening this will ensure that contractors who hold these can factor this into their existing programmes. Some strict guidance will be built into the tender documentation that if an incumbent maintenance / BAU contractor was successful that their existing work programmes should not suffer and vice versa for the project delivery.

Regionally a pipeline of work is being built, and all councils in Hawkes' Bay have fed their work programmes in to allow an overarching regional pipeline to be built, this risk will need to be managed. But, some limitations with contractual timeframes existing.

9. APPROACH TO DELIVERING THE PROGRAMME

Council uses a range of models to deliver goods, services and works in the achievement of outcomes across the organisation. In selecting the appropriate service delivery model, Council will assess the activity against:

- | | |
|--|----------------------------|
| • Complexity | • Risk profile |
| • Innovation potential | • Timing and urgency |
| • Outcome alignment | |
| • Scale | • Size of supplier market |
| • Uncertainty | • Stakeholder requirements |
| • Level of Council involvement (including capability and capacity) | • Contract value |



9.1 DELIVERY MODELS

The delivery model options are:

1. **STAGED.**

This model is most commonly used whereby activities are delivered through a series of separate contracts (e.g. investigate, design or construct only, sequential staged where full design is completed before construction commences, and accelerated staged where construction starts with design is partially completed. This is the **recommended** delivery option which is discussed further below.

2. **DESIGN AND CONSTRUCT.**

This model uses a single contract to complete the detailed design and construction phases.

3. **SHARED RISK.**

This model uses an integrated team comprising the Council, consultants, contractors, and material suppliers. For this model, all parties share the risk, no party can win at the expense of another. An Alliance is an example of a shared risk delivery model. This model requires specific NZTA approval to be used.

4. **SUPPLIER PANEL.**

A supplier panel delivery model appoints a group of suppliers that, as a panel, offer the best combination of skills and experience required to deliver a specific group of projects. Again, this model requires specific NZTA approval to be used.

5. **COLLABORATIVE.**

Under a collaborative delivery model, activities are delivered by leveraging agreements already in place by other organisations, such as All of Government Contracts (AOG). This is not relevant for this programme of works.

6. **EXISTING CONTRACTS.**

This delivery model involves using existing contracts such as, in this case, the transportation maintenance contracts. The risk associated with this approach is that the delivery of the existing contracts can be negatively impacted and therefore this option is not recommended.

It is recommended that the **staged delivery model** is adopted due to the time constraint of needing to deliver the programme before June 2022 and therefore the need to accelerate the procurement process and commence construction before all of the designs are complete. This provides the flexibility needed to be able to complete investigations and design while maximising the available construction windows.

This model also provides the opportunity for early contractor involvement on the projects where the designs are not complete at the time of tender.

The shared risk and supplier panel models require significant input to establish and, as noted, NZTA approval. The programme constraints do not allow these models to be considered.



9.2 APPROACHING THE MARKET

Currently two retaining wall contracts are under construction and an area wide pavement treatment contract is in the tender phase. These works were investigated designed and procured in advance of the balance of the programme to achieve some quick wins to get the construction programme underway.

Broadly there are two methods of approaching the market, direct and competitive. Due to the size of the programme and to comply with NZTA procurement rules, directly appointing contractors is not an option.

There are three competitive approaches that can be considered:

1. Open tender which is an invitation for all interested contractors to tender
2. Closed tender which is an invitation to suitable contractors to tender
3. Multi-stage approach which involves initially an open invitation for all interested contractors to respond (using a Registration of Interest(EOI)) followed by Council assessing all responses and either inviting all contractors that responded to tender or a short list of contractors.

The multi-stage approach is recommended, and this approach has been initiated and an EOI was undertaken and Council received 11 responses. The EOI indicated that respondents had to have the appropriate NZTA prequalification level for the scope of work.

The EOI was followed by a Procurement Planning Workshop held on Monday 17 August 2020 to share with the contractors the scope and programme of work, the opportunities and challenges, what Council wants to achieve and what is important, and to socialise Councils thinking on achieving broader outcomes.

9.2.1 CONTRACTORS FEEDBACK

The Procurement Planning Workshop provided contractors an opportunity to provide input into the procurement strategy.

This early contractor involvement is critical to the success in delivering the programme.

The feedback was supportive of the strategy, including the concept of three work packages and tendering periods prior to the end of the year so that construction can start early next year. Contractors also understood the need to tender on limited design.

Contractors expressed their willingness to work with the design teams through an early contractor involvement process to develop the best solutions. This opportunity will be available on the projects where the designs have not been completed at time of tender.



Contractors also commented that they had the capability and capacity to carry out the work in the proposed programme.

A contractor also raised the issue of how best to implement the temporary traffic management along the route. There will be multiple sites under construction at the same time and it is important that there is a coordinated approach to minimise the disruption to road users.

This will be considered in the preparation of the contract documents. As a minimum there will be a requirement for all contractors to communicate and coordinate their respective traffic management activities.

During the recent tender of Contract 1077 for the AWPT, council requested tenderers write a sustainable procurement plan – varying levels of maturity and awareness to align with council and contractual vision. Council will need to take a leadership and guiding role to ensure the outcomes are realised and we maximise and leverage the opportunities these projects present.

9.2.2 TENDER AND CONTRACT STRUCTURE

The tender programme has been established to:

1. Get the work packages to the market as soon as possible to maximise the available construction periods, making much use of the February 2021 to June 2021 period before the winter period. This will reduce the risk of unfavourable weather conditions impacting the programme.
2. Tender the work packages prior to the end of the 2020 to be able to achieve an early February 2021 start. This means that the tender periods for the three work packages will overlap. Contractors who want to tender for more than one package will not know of the outcome of the other packages as they tender. To stagger the tender periods to allow this to occur will significantly reduce the use of the February to June 2021 construction period.
3. Provide the opportunity to best manage the programme restrictions such as when work can be carried out in rivers and streams.
4. Package the work to a scale that optimises the opportunity to achieve the broader outcomes required by Council and MBIE.
5. Package the work to suit contractor's capability and skills.
6. Avoid having a series of smaller packages of work which would increase tendering and administration costs and time.
7. Create the opportunity to establish and develop a collaborative working relationship with the selected contractors.



The Request for Tender (RFT) structure to align with the tendering approach will:

1. Include the need for the contractors to respond to what is important to Council:
 - a. A smart partner that understands the methodology
 - b. A partner that is invested in the region
 - c. Keeps the customer and the community at the heart of the project
 - d. A partner that understands that this is a win-win opportunity
 - e. A partner who communicates and brings innovations
 - f. A partner who looks for opportunities
 - g. A partner who prioritises the health, safety, and wellbeing of their team and those affected by their activities.
 - h. Ability to bring the broader and contractual outcomes to life
2. Emphasise the need to engage a contractor willing to work in a collaborative manner
3. Incorporate the opportunity for contractor's involvement in the design of packages.
4. For bridges, the requirement to price one bridge and the remaining bridge programme to be priced as the designs are completed.
5. For retaining walls, the requirement to price 2 retaining walls and the remaining retaining wall programme to be priced as designs are complete.
6. Include site or structure specific performance based separable portions for the bridging and retaining wall work packages.
7. For the Flaxmill Inundation Remedial Project be priced as a separate package. It is intended that the tender will be advertised based on the preliminary design and the contractor be involved in the detailed design.
8. Include construction windows where possible

9.3 SUPPLIER SELECTION

In determining the supplier selection method Council must consider the relative importance of price and quality. Quality outcomes will also include the broader outcomes of environmental, social, economic, and cultural.

The options range from selecting a contractor based on the lowest price through to quality alone where a supplier is chosen, and price is negotiated.

It is recommended that a Price/Quality evaluation method is used where the preferred tenderer is selected by balancing price and quality.

Council has an objective to deliver broader outcomes from the programme and this cannot be achieved if the emphasis is on price.

It is proposed that the quality (non-price attribute) criteria will be relevant experience, track record, relevant skills, resources, methodology and achieving broader outcomes.

This method requires weightings to be assigned to the non-price attributes and the price. The weightings need to be considered specifically to the scope of work being procured.



In general terms, and depending on the value of the contract, weightings of 60% price and 40% non-price tend to result in the tender price determining the outcome. This trend changes as the price weighting is reduced and the supplier premium applied to the non-price attributes has a greater impact.

It is standard practice when using the price /quality method to consider weightings ranging from 60% price/40% non-price through to 30% price/70% non-price.

A recent Council example of when a 30% price/70% non-price weighting ratio was used was the four transportation term maintenance contracts. These weightings were chosen as a high importance was placed on the community outcomes Council were wanting to achieve through the contracts.

The weightings assigned for the three work packages will be recommended in the specific procurement plans.

10. PROJECT GOVERNANCE AND DECISION MAKING

The Council aims to achieve the highest standards of governance and to operate in a way that is transparent and collaborative for the benefit of all its stakeholders.

The day to day corporate governance and organisational structure of the Council does not generally provide the necessary framework to deliver projects. Accordingly, a project governance structure is necessary to provide a framework identifying who has responsibility and authority to make decisions within a project and to manage the day-to-day operation of the project.

On that basis, the following structure has been endorsed by the Council to ensure effective governance and control of the Porangahau and Wimbledon Road Upgrade Programme:

- **Project Governance Group (PGG)** – sets a firm framework which guides project success, creates transparency and confidence in essential project decision making and clarity on roles and responsibility.
- **Project Control Group (PCG)** – the primary working group that coordinates the management of the project on a day-to-day basis from start to completion.

The Terms of Reference for the PGG and PCG have been tailored to the needs of the Porangahau and Wimbledon Road Upgrade Programme and have taken into account guidance from the NZ Infrastructure Commission (Te Waihanga) which provides support to local authorities through the provision of best practice guidance on major infrastructure procurement and delivery.



11. RISK MANAGEMENT

Risk is inherent in all procurement activities. Effective risk management is required to ensure that Council and its ratepayers are not exposed to significant unmitigated risk and future liability.

The project team shall proactively identify, evaluate and manage any risks, opportunities and issues at all stages of the procurement process in accordance with Councils' [Risk Management Framework](#).

To deliver the programme to the required quality, cost and time and meeting the broader outcome goals for Council and MBIE it is necessary to take a risk based assessment approach to procurement.

The procurement risks identified include:

- Tendering on limited design.
- Price uncertainty until all designs are completed during the programme.
- Overlapping tender periods. Due to time constraints, contractors will not be informed of success or otherwise on tenders while tendering for other packages.
- Ability for contractors to tender, with the three packages advertised in the November/ December 2020 period
- Lack of a collaborative working relationship.
- Poor contractor performance
- Contractor capacity, ability to deliver in the timeframe
- Not achieving the broader outcomes goals for Council (THRIVE) and MBIE
- Not completing the programme
- Poor quality construction
- Potential consenting issues
- Disruption to commercial and private traffic
- Ineffective consultation with stakeholders and partners including iwi
- Poor communication

The tendering and programme risks have been shared with the contractors as part of the early contractor engagement to date. Contractors have provided feedback from the Procurement Planning Workshop that they can respond to the programme constraints.

A risk management plan to address these risks will be implemented and be an integral component in managing the procurement planning, sourcing, and construction phases of the programme.

Site specific risks will also be included in the Requests for Tender which the contractors will be required to manage.



12. COMMUNITY ENGAGEMENT AND COMMUNICATIONS

A project communications and engagement plan has been created to support the delivery of the programme with a specific guidance document created to add to tender documentation to assist contractors to understand the communications outcomes Council is looking to achieve through these projects.

13. IMPLEMENTATION OF STRATEGY TO DELIVER PROJECT

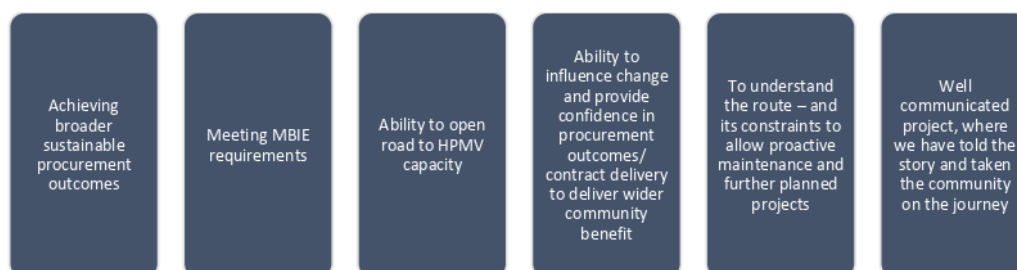
The adoption of the strategy will confirm the procurement framework that the individual procurement plans for the three work packages will be built on.

The procurement plans will document the specific requirements for the work package and will in turn provide the framework for the Requests for Tender. It is planned to bring the procurement plans for the bridges, retaining walls and Flaxmill Inundation Remedial project to Council for approval in September to November 2020.

The Requests for Tender will include the principles of the procurement strategy and the contractual requirements to achieve the strategic outcomes. We believe this procurement strategy will enable the project to succeed and the project team to deliver on the contract outcomes and physical improvements required.

14. WHAT DOES SUCCESS LOOK LIKE?

A wider benefits realisation framework is being developed, but in the short term, success can be measured on the programmes ability to meet outcomes as outlined below;



DOCUMENT REVISION HISTORY

A document control and revision history;

Version	Approved by	Comment	Date
01	Council Workshop	Endorsed with some minor feedback	10/09/2020
01	Finance and Infrastructure Committee	Draft for adoption	24/09/2020

7.9 DISTRICT LICENSING ANNUAL REPORT 2019/2020**File Number:** COU1-1400**Author:** Lisa Harrison, Customer Relationships and Experience Manager**Authoriser:** Doug Tate, Group Manager Customer and Community Partnerships**Attachments:** 1. District Licensing Annual Report 2019/2020 [↓](#)**PURPOSE**

The Council is required to report annually on the proceedings and operations of the District Licensing Committee under section 199 of the Sale and Supply of Alcohol Act 2012.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

The Sale and Supply of Alcohol Act 2012 ("The Act") requires all District Licensing Authorities to report annually on their proceedings and operations. This report includes statistics around On/Off licences and manager's certificates.

This report is provided to you for your information. The report is also sent to the Alcohol Regulatory and Licensing Authority (ARLA).

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

This report will be noted as being publicly available as required under Section 199 of the Sale and Supply of Alcohol Act 2012.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.



DISTRICT LICENSING ANNUAL REPORT

2019 - 2020



DISTRICT LICENSING ANNUAL REPORT 2018 - 2019

1

DISTRICT LICENSING ANNUAL REPORT

**Together
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ANNUAL REPORT 1 JULY 2019 -30 JUNE 2020

Introduction

The Central Hawke's Bay District Council, as a territorial authority, is required to report annually on the proceedings and operations of the District Licensing Committee.

Section 199 of the Sale and Supply of Alcohol Act 2012 requires all District Licensing Authorities to report annually on their proceedings and operations. This report fulfils this statutory requirement for the financial year: 1 July 2019 to 30 June 2020.

Trends

We have not noticed any significant change in the numbers of applications or application types that we have received this financial year. However, there have been some notable trends:

- There has been an increase in managers' certificate renewals and new applications received. The total received in the 19/20 year is 58 compared to 44 received in the 18/19 year.
- We have issued 8 Temporary Authority Applications in the 19/20 year, compared with 0 in the 18/19 year. Temporary Authorities are issued where a premise has changed hands and is so the business can continue to run until their On/Off Licence has been granted under the new ownership.

Upcoming DLC Hearing

Last year we received an application for an On and Off Licence for the OngaOnga General Store. The application was opposed by the Liquor Licensing Inspector and agencies involved, being the NZ Police and the Hawke's Bay District Health Board.

A Hearing date has been set for the 23rd September. The purpose of a hearing is to provide the opportunity for each side of a dispute, and especially a person who may be deprived of his or her rights, to present its position.

Improvements

Proactive Monitoring of licensed premises

The Environmental Health Team, alongside the Hawke's Bay District Health Board and NZ Police undertook a Controlled Purchase Operation (CPO) in the Waipukurau and Waipawa townships late last year.

Controlled Purchase Operations (CPOS) are planned operations designed to monitor and enforce the provisions relating to the sale of alcohol to minors in the Sale and Supply of Alcohol Act 2012 (SSAA). They involve supervised volunteers aged under 18 years attempting to buy alcohol from licensed premises.

The businesses targeted for this CPO were supermarkets, restaurants and bottle stores. Three premises failed the CPO. Two of the businesses appealed to the Alcohol Regulatory &

Licensing Authority (ARLA). On 1ST September a telephone Hearing was held between ALRA, the applicant and the NZ Police. As a result of the Hearing the Judge made an order of suspension of both licensed premises for a period of 48 hours. The duty manager at one of the premises was also given a 14 day stand down period of their duty certificate.

As an additional step we have planned to complete a Controlled Food Operation (CFO) in our district. A CFO is similar to a CPO. It is designed to ensure that licensed premises are offering substantial food while selling alcohol.

Seamless Delivery

We are continuing to focus on how we can streamline our services to our customers. We had planned to have an online application platform completed by end of June 2019, however there have been delays due to the pandemic as Business Connect, who we are working with, were assisting central government with the COVID-19 response.

Communication

Council has met its obligations under the Act regarding public notices (which requires public notices be published in a local newspaper and a timeframe is put in place for any objections to be raised).

Preparing for the Future

Central Hawke's Bay economic growth projections still provide some cause for optimism concerning future growth in the district. This includes increased population growth and localised pockets of high growth in the district. However due to the pandemic, we are not certain of the long-term sustainability of some businesses which may be affected by the effect of the pandemic.

We have planned to take a much more proactive approach to environmental health services in the 2020/21 year with a focus on education and communication around what services we can provide.

We will also be continuing to focus on additional monitoring of our premises, with a focus on the wider district, to ensure that we are meeting the object of the Sale and Supply of Alcohol Act which is that—

- a) the sale, supply, and consumption of alcohol should be undertaken safely and responsibly; and
- b) the harm caused by the excessive or inappropriate consumption of alcohol should be minimised.

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DISTRICT LICENSING STATISTICS

Number of On-Licence, Off-Licence and Club Licence Applications received:

Application Type	Number received in fee category: Very Low	Number received in fee category: Low	Number received in fee category: Medium	Number received in fee category: High	Number received in fee category: Very High
ON Licence new		1	6		
ON Licence variation					
ON Licence renewal		2	6		
OFF Licence new			2		
OFF Licence variation					
OFF Licence renewal	2		4	1	
CLUB Licence new	1				
CLUB Licence variation					
CLUB Licence renewal	4				
TOTALS	7	3	18	1	0
Total fee payable to ARLA (GST incl)	\$120.75	\$103.50	\$931.50	\$86.25	-

Annual Fees for Existing Licences received:

Licence Type	Number received in fee category: Very Low	Number received in fee category: Low	Number received in fee category: Medium	Number received in fee category: High	Number received in fee category: Very High
ON Licence		7	6		
OFF Licence		1	3	1	
CLUB Licence	11				
TOTALS	11	8	9	1	0
Total fee payable to ARLA (GST incl)	\$189.75	\$276.00	\$465.75	\$86.25	-

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Managers' Certificate Applications received:

Certificate Type	Number received
Managers Certificate NEW	27
Managers Certificate RENEWAL	31
TOTALS	58
Total fee payable to ARLA (GST incl)	\$,1667.50

Special Licence Applications received:

Licence Type	Number received in fee category: Class 1	Number received in fee category: Class 2	Number received in fee category: Class 3
Special Licence	5	10	7
TOTALS	5	10	7

Temporary Authority Applications received:

Certificate Type	Number received
Temporary Authority	8
TOTAL	8

Permanent Club Charter Payments received:

Certificate Type	Number received
Permanent Club Charter Payments	0
TOTAL	0

7.10 ANNUAL DOG CONTROL POLICY AND PRACTICES REPORT**File Number:** COU1-1400**Author:** Lisa Harrison, Customer Relationships and Experience Manager**Authoriser:** Doug Tate, Group Manager Customer and Community Partnerships**Attachments:** 1. Dog Control Policy and Practices Report 2019/2020 [↓](#)**PURPOSE**

Each year Council reports on the effectiveness of the Central Hawke's Bay District Council's dog policy and control practices. This report is required under the Dog Control Act 1996.

The report includes statistics for registrations and complaint investigation, as well as key achievements for the reporting period.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

The Dog Control Act 1996 ("The Act") requires all territorial authorities to report annually on their dog control policy and procedures. The legislation sets out specific statistics that are required to be reported on, including the number of registered dogs, dogs classified as menacing or dangerous, and the number of complaints in the year.

This report is provided to you for your information. The report is also sent to the Department of Internal Affairs and will be published on our website. It is important that the public are able to access this information, via our website so that they can see the work Council is doing to support dog control and public safety.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

This report will be provided to the Department of Internal Affairs and placed on our website for the public to view.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.



DOG CONTROL POLICY AND PRACTICES REPORT

ANNUAL REPORT 2019 - 2020

DOG CONTROL POLICY AND PRACTICES

**Together
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ANNUAL REPORT 1 JULY 2019 -30 JUNE 2020

Introduction

The Central Hawke's Bay District Council, as a territorial authority, is required to manage and enforce provisions pursuant to the Dog Control Act 1996 (the Act) and subsequent amendments in 2003, 2004, 2006 and 2010.

S10A of the Act requires the Council to report annually to the Secretary of Local Government on its Dog Control Policy and practices. This report fulfils this statutory requirement for the dog registration year: 1st July 2018 to 30 June 2019.

The Council's Dog Policy and Practices

The Council adopted its Dog Control Policy in June 2017. The objectives of the policy are to:

1. Provide a practical framework for the care and control of dogs throughout the District while minimising any danger, distress and nuisance to the community in general.
2. Integrate control measures passed through the Dog Control Act and Council's Dog Control Bylaws together with targeted education to modify the behaviour of both dogs and their owners to avoid nuisance situations.
3. Encourage owners to make better provision for the control and care of their dogs and to clarify why Council undertakes Dog Control functions, the way those functions are undertaken and how Council intends to make changes to continually improve the service

Fees

The dog control fees increased in the 2019/20 year. There was an early bird discount of \$10.00 per dog available to those customers who paid their registration by 1 July.

We also offer a Responsible Dog Owner (RDO) status for owners who have lived in the area for one registration year. This status qualifies you for a discounted registration rate as noted below.

Category	Fees
Urban	\$110.00
Rural	\$54.00
Responsible Dog Owner (RDO)	\$75.00
Gold Card Holders (Pensioners)	\$37.00

Key Achievements

Community engagement

This year we continue to have a focus on proactive communication around what our animal services and compliance team provide to the Community.

This year we have continued to improve our overall engagement with the community, including holding our first 'Doggie Day Out' event. The 'Doggie Day Out' was a great chance for the community to come and see what animal services is all about and for us to provide key messages about safety and the responsibility of being a good dog owner. We had a number of stalls set up on the day, which included a range of animal services. Due to the success of last year's event we are hosting another 'Doggie Day Out' in November.

We also were a main attraction at the 'Children's Day' event held at Russell Park where we had a fun and interactive stall where kids could come and learn about dog safety and how to safely approach a dog with key messaging around "check its sweet before you meet".

We got out into the community around dog registration time and offered 'pop-ups' in the community to come and register your dog as well as offering microchipping services.

Education

We completed our first ever 'All Ears Programme' at the Waipawa Library, working with students from the Waipawa Primary School to gain confidence in their reading by reading to a dog in the library on a weekly basis. We are looking at how we can offer this to other schools in the district over the coming year.

We have recently rolled out our 'Dog Safety' messaging to our in-house contractors and have also provided dog safety training at our local Waipukurau Health Centre. We have received positive feedback on the quality of the presentation and key messages provided. We are now offering this community wide to organisations that are out and about in our community where they may encounter dogs on properties.

Our next step is to work with other local providers like vet services to ensure that we are not duplicating services offered in regards to dog safety in schools. We are also looking at focusing on pre-school providers to see what additional safety messages we can provide around keeping yourself around dogs.

DOG CONTROL STATISTICS

Number of Dogs Registered

2019/2020	2018/2019	2017/2018	2016/2017
5224	5211	5117	5047

Dangerous and Menacing

The number of dogs classified as dangerous (under section 31 Dog Control Act 1996)

Category	2019/2020
Dangerous by owner conviction S31(1)(a)	0
Dangerous by sworn evidence S31(1)(b)	4
Dangerous by owner admitting in writing S31(1)(C)	3
Total number of dogs classified in 2019/20 year	7
Total dangerous dogs in the District	5

The number of dogs classified as menacing (under section 33A or section 33C Dog Control Act 1996)

Category	2019/2020
Menacing by behaviour S33A(1)(b)(i)	9
Menacing by breed characteristics S33A(1)(b)(ii)	0
Menacing by Schedule 4 breed S33C(1)	1
Total number of dogs classified in 2019/20 year	10
Total menacing dogs in the District	26

Number of infringement notices issued

2019/2020	2018/2019	2017/2018	2017/2016
75	85	24	72

Probationary owners and disqualified owners

Probationary	Disqualified
0	0

Number of dog owners prosecuted by Central Hawke's Bay District Council

1. Council versus McIntyre

Dog-related complaints

Category	2019/2020	2018/2019	2017/2018*	2016/2017
Attacks on people	14	8	3	6
Attacks on dogs/animals	17	11	7	16
Barking dogs	97	85	172	81
Uncontrolled dogs i.e rushing	33	10		27
Miscellaneous / Bylaw breach i.e. wandering, not on lead, fouling	309	237		136
Wandering and/or Impounded	211	142	68	105
Total	681	493	250	371

7.11 SPORT HAWKE'S BAY ANNUAL REPORT 2019/2020**File Number:** COU1-1400**Author:** Christine Renata, Social Services Lead**Authoriser:** Doug Tate, Group Manager Customer and Community Partnerships**Attachments:**
1. Sport HB Council Report July - Dec 2019 .pdf [↓](#)
2. Sport HB Council Report January - June 2020 [↓](#)**PURPOSE**

The purpose of this report is to present to Council for its receipt, the Sport Hawke's Bay Annual Report covering the period 1 July 2019 – 30 June 2020.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

BACKGROUND

The Central Hawke's Bay District Council has a service agreement with Sport Hawke's Bay for the provision of sport and active recreation services.

The contract for service is for a six year term, ending 30 June 2024, assessed annually against agreed performance standards. The annual cost of the contract for service is \$33,725 plus GST. The contract for service is managed by the Central Hawke's Bay District Council Community Development Lead.

DISCUSSION

The key obligations of Sport Hawke's Bay in the service agreement are:

- Active Lifestyles – working collaboratively with Central Hawke's Bay District Council to help inspire the community into Sport and Active Recreations, achieving the Council strategic aspirations.
- Community Support – assist the development of coaches, officials, teachers and administrators in order to provide quality recreational and sporting experiences.
- Regional Leadership – develop and increase cooperation and communications across the Sport and Active Recreation Sector

Sport Hawke's Bay have had another successful year despite the disruption of COVID-19 in the district.

Highlights include the delivery of the cycling skills programme at St Joseph's school, the Physical Activity Leaders (PALs) programme and the Disability and Inclusion Community Information Event held in Waipukurau to understand the communities' thoughts in relation to opportunities available in play, sport and active recreation in CHB.

Introduction of the Community Resilience Fund and Kiwisport Kickstarter Fund enabled many Central Hawke's Bay sports and recreation organisations to access funding to provide relief post COVID19.

Nicola Heremaia, CHB Sport Coordinator for Sport HB will be in attendance to present the report.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted

MORE
PEOPLE
MORE
ACTIVE
MORE
OFTEN



Central Hawke's Bay

July - December 2019 Report

COMMUNITY WELLBEING

Inspiring the community into Sport and Active Recreation.

1.0 ACTIVE LIFESTYLES

ACTIVE KIWIS

Sport Hawke's Bay continues to provide opportunities for older adults to keep active through the Kiwi Seniors exercise programme which is captured under the Active 4 Life brand. Led by Judy Stuart this social group of older adults are taken through their paces in a fun group exercise to music programme. This programme is also a subsidised option for Green Prescription clients.

The class structure includes large components of strength and balance exercises important in reducing the risk of falls in older adults. The classes are developed to meet the needs of the group and incorporates music, dance, aerobics, stretching and the use of light weights to engage the whole body and engage the stabilising muscles. Classes are varied and low impact with participants able to work within their capabilities.

With our experienced team of local instructors – Judy Stuart and Sherry Majors, we are ensuring that programmes such as the Kiwi Seniors remain sustainable while at the same time being able to deliver to the needs of the community.

PAUL HUNTER CENTRE



Sport Hawke's Bay also facilitates an exercise programme 'Keep Fit' in partnership with Aqua Management and delivered by one of its trainers, Daniel DrePaul.

Each week Daniel works with a group of approx. 8 participants keeping them moving and achieving their ongoing health and fitness goals – whether this involves strength and balance based activities in the gym setting or outside activities.

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ACTIVE KIWIS BY THE #'S

845
CHB VISITS

SINCE JULY 2019

15471
KIWI SENIORS
VISITS HB
WIDE

SINCE JULY 2019

69

TOTAL MEMBERS

9% INCREASE



PROFESSIONAL DEVELOPMENT

Active Living Advisor, Rachel Gunson is currently studying to gain her New Zealand Certificate in Exercise which will enable her to branch out to offer full exercise prescription classes herself, both in and out of the gym and pool.



GREEN PRESCRIPTION

The end of 2019 had been very busy in the Green Prescription (GRx) sector with more and more people engaging in the programme and trying out ways to be more active. A shift in the focus from always using equipment and facilities to acknowledging any kind of movement has helped with the encouragement and motivation as clients appreciate their daily efforts no matter what they do.

GRx continues to be a kickstart pathway to developing a longer term routine to improve overall health and wellbeing. Working collaboratively with CHB referrers such as GP's, nurses, mental health workers and physiotherapists, the more information we have about the client gives us better tools from a starting point and securing that important first contact which establishes a connection.

During this time there was a noticeable increase in GRx men coming forward in talking and acknowledging the connection between their mental and physical health. Having found that once they had initiated the programme and engaged in more physical activity how much better they felt and realising there was an issue which they had previously ignored or dismissed. Respective spouses and partners have also come forward to let GRx know how the positive impact it has made overall to them as individuals and as couples.

Whether it is rehabilitation from accident, injury or long term illness (none of which have a cure) they are learning to live with that and make improvements to ensure they are not controlled or held back by it.

Having the pool and gym facilities with the concession rate continues to prove invaluable for our clients, often opening up a world they thought they were long since past or had never had any interest in previously.

THE #'S

BETWEEN JULY 2019
- DEC 2019

96

REFERRALS

ETHNICITY OF REFERRALS

- 33 MAORI
- 55 NZ EUROPEAN
- 3 PACIFIC ISLAND
- 5 OTHER

68:28

FEMALE:MALE

STATUS

- 66 ACTIVE
- 25 COMPLETED
- 5 DID NOT START
- 0 CONTACT NEEDED

LIVEWELL

- NANAKIA KAUMATUA O TAKAPAU



PARTICIPANTS

COMPLETED COURSE

Our Nanakia Kaumatua o Takapau have come a long way from the first session just over 2 years ago. There has been many positive changes in their day to day business, empowering them to have a 'Quality of Life'. Using the tools and techniques of the Live Well Programme they know the importance of self-managing and encourage youth and young adults to be given an opportunity to attend this programme. This is still work in progress. Special mention to Makere Nepe-Apatu Thornstensen for her manaakitanga and arohatanga ki nga Kaumatua. She works tirelessly to bring collaboration and networking of the many services in the community to her whānau.

Some Highlights are:

- The self-management of their health – 'Being In control of their Health'
- Active walkers
 - Identifying hazards and issues in their Takapau Community and making these aware to CHB Council.
- Kaumatua have participated in a number of social activities internally and externally To mention a few: Te Taiwhenua o Heretaunga Kaumatua ki Heretaunga, Lions Pakeke and Haerenga ki Poneke – visit to Parliament with Meka Whaitiri, Brian Morris
- They have also been involved with a roopu project. Collaborating a draft 'Living Well with Nanakia Kaumatua o Takapau' - An inspirational book that brings together favourite recipes and active pastime as design by them.

COMMUNITY EVENT SUPPORT

- 40TH Anniversary of the Hatuma Half Marathon

Definitely an event not to be missed, the Hatuma Half Marathon has built a reputation for being a well organised event and continues to attract old and new participants a like. With 356 competitors taking part in the iconic Central Hawke's Bay event in 2019 which marked it's 40th anniversary.

Runners and walkers enjoyed a sunny spring day as they ran and walked around Lake Whatumā. Entries came from all over the North Island for the event with entries received from as far away as Wellington and Gisborne.

After much progress having been made in the last two years of building the event's capability, a key focus for 2019 was to better attract and engage with youth and social participants which had been identified at the end of 2018 as an area for improvement. The committee worked closely with event's partners Epic Ministries and Hawke's Bay Tourism drawing on their knowledge and expertise to promote and deliver a FUN, and high quality event with great rural hospitality.

Through insights gained from participant and volunteer feedback, enhancements were made to pre-event communications to participants and public promotion. Entertainment and hospitality was re-vamped to include a dedicated 'Kids Zone' with more food vendors and a 'pop-up' market showcasing local products and produce. Out on course distance markers, colourful water stations, the increased amount of portaloos and waste bins, friendly & knowledgeable marshals and an entertaining 10km startline with 'pump-up' crew and music at the located just past the halfway point all added to an improved participant experience.

"I thought the transitions for the teams event was much better than it has been in the past, much clearer. There seemed to be great support from people (sport HB cars) cruising the course which was awesome to see."

"Loved that the course was really well marked out!!"

"Having signs saying 5km to go, 4km to go etc was awesome."

"The van at half way with music and someone on the mic - loved it!!"

"so grateful having the water, bananas and toilet stations..."

"Very handy and lovely volunteers. Overall, fabulous event!"

"The vast majority was excellent - a great event, I will be back next year. Thank you."



INCREASE
IN 10-19 AGE
GROUP



INCREASE IN
OF TEAMS.
2018:19
2019:20



INCREASE IN
OVERALL
PARTICIPATION

WORKFORCE DEVELOPMENT

Supporting the community to provide quality recreational and sporting experiences

2.0 COMMUNITY SUPPORT

GROWING COACHES



Central Hawke's Bay College had 9 girls who participated in the Growing Coaches programme during 2019. The programme gives the students resources, tools, skills, and teaching pointers to support them in their journey as a coach. In addition to coaching skills it also provides opportunity for students to develop their leadership skills, building confidence within themselves but also to be able to stand up in front of people, hold attention and give direction.

The final session of the program was held at Waipukurau primary in Term 4 as part of their final assessment. The students delivered a coaching session with a full class to showcase what they had learnt throughout the year.

The students rose to the challenge, displaying an increased level of confidence in comparison to the beginning of the programme and demonstrated a good knowledge and skill base throughout the class session.

FEMALES ON THE MOVE

During July-December Sport Hawke's Bay's extended it's support of the Central Hawke's Bay College Student Council by facilitate planning sessions for a female focus group from within it's wider members to create and develop a female only activity timetable delivered during lunchtimes. During this process the focus group identified archery as an interest with Sport Hawke's Bay linking with an external provider - Youthtown to deliver an girls only archery session.

By creating a focus group with the student council girls at the school it gave them the opportunity to build confidence and feel empowered to be involved in the decision-making process. By allowing the girls to make decisions it helped them to find their way and take ownership of the girl's programme within their school.

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FUNDAMENTAL MOVEMENT SKILLS

Four teachers from both Waipukurau and Onga Onga School attended the Fundamental Skills Workshop in 2019 run by Sport Hawke's Bay. The workshop consists of a mixture of skills, activities and games along with relevant up to date information to support movement development.

In addition to the workshop, several follow up sessions were delivered in the second half of the year to help build the capability and confidence of participants. The sessions helped to build student confidence, develop motor skills and create a solid continuance in their students Physical Literacy journey. All teachers were able to take away free resources from the workshop to support them back in their schools settings supporting a sustainable pathway for curriculum delivery.

With support from Sport Hawke's Bay, both schools also applied for and were successful in receiving funding through our KiwiSport initiative to purchase a large amount of movement equipment for their schools with the hope that this can further support the needs of their students in their Movement journey.



YEAR 10/12 DEVELOPMENT DAY

Students from around the region including Central Hawke's Bay and Te Aute College, got the opportunity to attend a day focused on Holistic wellbeing. Workshops included – drug free sport, smart training, first aid, guest speakers (Shea McAleese and Emma Twigg) and food/nutrition. The afternoon was then spent playing sports.

The purpose of this day was to expose the students to a holistic approach to physical activity. From this day students gained knowledge about how to plan out their training, what to eat, how to train "SMART", how to set goals and how to manage their body through injuries. It was also a great opportunity for students to mix and mingle with other like-minded secondary school kids.



REGIONAL LEADERSHIP

Communication and collaboration across the region.

3.0 LEADING AND CELEBRATION

LEADING - DISABILITY AND INCLUSION

Seeking to improve the wellbeing of disabled New Zealanders by addressing inequalities in play, active recreation and sport, Sport New Zealand released their Disability Plan in October 2019. Focus has been given to addressing these inequalities here locally with the appointment of Katie Owen, Sport Hawke's Bay's new Disability and Inclusion Advisor.

The initial attention of the role has been dedicated to gaining a deeper understanding of how we can best adopt the commitments of the Disability Plan in Hawkes Bay, making sure we are engaging and connecting with our community and councils to ensure synergy across the board.



An exciting upcoming project which combines the initial focuses will be coming to CHB in March this year, with a local Community Info Gathering event planned to present the commitments in the Disability Plan and to provide an opportunity for the local CHB community to tell us directly how we can improve the access to quality opportunities in play, active recreation and sport by anyone who is currently missing out in our region.



2019 CHB SPORTS AWARDS



The CHB Sports Awards evening continues to be a successful night for sport in Central Hawke's Bay with an almost full house of just under 400 people including finalists, sponsors and supporters turning out to celebrate our local champions on the first Friday in November at the AW Parsons Indoor Stadium in Waipukurau.

"Great to not only appreciate the sporty people in CHB but also a great chance to see some of our college children's talents also."

"Terrific night out in CHB."

"... absolutely amazing Thanks so much, value for money, great entertainment, all the while celebrating the successes of our sporting community".

100% of post survey respondents would recommend the awards evening to others.

100% satisfaction rating of OVERALL experience

**CDP PRINT
HALL OF FAME INDUCTEE**
Westley Gough, Cycling

**CROWE HORWATH
ADMINISTRATOR OF THE YEAR**
Odette Oliver, Tennis

**HB TODAY
OFFICIAL OF THE YEAR**
Graeme Ward, Surf Life Saving

**AQUA MANAGEMENT
CLUB OF THE YEAR**
Waipukurau Lawn Tennis & Squash Rackets Club

**AMP LEITH MACKIE
MASTERS SPORTSPERSON OF THE YEAR**
Ross Clayton, Tennis

**CENTRAL FM
COACH OF THE YEAR**
Annemarie Kupa, Netball

**SLOANS SADDLERY
SERVICE TO SPORT**
Stuart Ashby, Hockey
Allen Forrest, Golf, Cricket, Rugby
Wayne Marsh, Trampolining
Odette Oliver, Tennis
Margaret Grover, Motorsport

- **CALTEX WAIPUKURAU**
- **JUNIOR TEAM OF THE YEAR**
- CHB College Senior Premier Netball, Netball
- **CHB PLUS REHAB**
- **SENIOR TEAM OF THE YEAR**
- Central Hawke's Bay Senior Mens Cricket, Cricket
- **NEW WORLD WAIPUKURAU**
- **EMERGING TALENT AWARD**
- Lachie Kirk, Trampolining
- **WRIGHT WOOL LTD**
- **JUNIOR MALE SPORTSPERSON OF THE YEAR**
- Bevan Jacobs, Swimming
- **UNICHEM PHARMACY**
- **JUNIOR FEMALE SPORTSPERSON OF THE YEAR**
- Parris Petera, Netball
- **DAC LEGAL**
- **SENIOR FEMALE SPORTSPERSON OF THE YEAR**
- Emma Jensen, Rugby
- **FORSYTH BARR**
- **COMMUNITY IMPACT AWARD**
- Central Hawke's Bay District Community Trust
- **RUAHINE MOTORS FORD**
- **SENIOR MALE SPORTSPERSON OF THE YEAR**
- Blair Tickner, Cricket

**CHB MAIL
SPORTSPERSON OF THE YEAR**
Blair Tickner, Cricket



The event is well supported by the community with many groups and organisations volunteering their time and/or services to ensure the successful running of the event. Special mention goes to: Ruahine Cadet Unit, CHB Kiwi Seniors, Central Sports Netball Club, CHB Community Patrol and the Central Hawke's Bay College. It is a true community event with talent from across the district not just in sport but also culture and performing arts with the inclusion of the Pukekaihou Kapahaka Group and our talented CHB College music students providing entertainment for the evening.



NEW COMMUNITY IMPACT AWARD INTRODUCED



This category recognises the work that an individual, group, school, sports organisation or club who has identified, celebrated and encouraged a collaborative project which has positively impacted children, young people and their whānau. Sport Hawke's Bay receive 3 nominations for this category with the inaugural winner of this award the Central Hawke's Bay District Community Trust for the establishment of the Centralines Sports Park in Nov 2018. A culmination of a 9 year journey of community and stakeholder consultation, design & future planning, engaging local support and the fundraising of \$1.8million to ensure the community received a sports park to be proud of.

MORE PEOPLE
MORE ACTIVE
MORE OFTEN



Central Hawke's Bay
www.sporthbchb.co.nz

MORE
PEOPLE
MORE
ACTIVE
MORE
OFTEN



Central Hawke's Bay

January - July 2020 Report

COMMUNITY WELLBEING

Inspiring the community into Sport and Active Recreation.

1.0 ACTIVE LIFESTYLES

ACTIVE KIWIS

Sport Hawke's Bay continues to provide opportunities for older adults to keep active through the Kiwi Seniors exercise programme which is captured under the Active 4 Life brand. Led by Judy Stuart this social group of older adults are taken through their paces of a fun group exercise to music programme. This programme is also open to Green Prescription clients.

Delivery of this programme was ceased for 12 weeks from 19 March until the 15 June. However the instructors stayed in contact with all their clients, checking in to see if they had support to access essential services and even just to say 'hi' made a major impact in keeping peoples spirits up during lock down. A lot of the Kiwi Seniors managed to engage in other forms of physical activity such as walking, cycling and gardening and by the time they came to returning – they were rearing to go again.

With the re-introduction of programmes across the organisation, Health & Safety was a major priority with many of the Kiwi Seniors Waipukurau group at or

around the 70years+ age group. Following training on a comprehensive Covid-19 Return to work plan Sport Hawke's Bay adopted a staggered reintroduction of programmes which saw the Waipukurau Kiwi Seniors programme recommencing on Tuesday 30 June with systems implemented for continued contract tracing and updated health & safety practices ensuring the safety of both clients and instructors involved with the delivery of programmes.

This along with following Sport NZ sport sector guidelines, is part of our commitment to not only inspiring and keeping people active but keeping members of our staff and all participants safe that come through our doors.



WORKFIT

Sport Hawke's Bay's WorkFit programme is a corporate wellbeing programme aimed to get Hawke's Bay employees living a more active, healthy lifestyle. Post Covid-19 lockdown, Sport Hawke's Bay has begun to engage with a range of Central Hawke's Bay businesses.

From discussions with local businesses it is evident that now more than ever wellbeing is at the top of the list for employers. All organisations are different and that is how WorkFit can seamlessly work alongside any business. The needs and wants for clients are entirely different, and a WorkFit programme can cater to this by tailoring programmes to what local businesses are looking for. Bringing WorkFit into organisations sets a steppingstone for the future and creates an incredible culture. Our focus by implementing wellbeing is to create a healthy, happy, and positive workplace.

Sport Hawke's Bay is extremely excited to expand into Central Hawke's Bay businesses and have recently met with a range of businesses. To encourage participation in a local event, WorkFit is proud to be associated with the iconic Hatuma Half Marathon in 2020.

Wellbeing is one of the most important aspects in our lives, we need to be looking after ourselves from the inside out. Sport Hawke's Bay and the WorkFit programme are here to implement wellness into businesses and create a healthier Hawke's Bay.



GREEN PRESCRIPTION

With Alert Level 4 lockdown all Sport Hawke's Bay delivered programs and classes were cancelled. However Green Prescription continued its 'contactless' delivery with email and phone support a welcome to many clients who had more time to focus on health & wellbeing.

All GRx clients were checked on during lockdown – mental health issues raised in greater numbers and detail. No one needed to be referred to other services formally, however many expressed the need to get out of their houses to get fresh air and feel ok about things. This resulted in an increase of people walking regularly within their bubbles. Also an opportunity to put meal planning suggestions into practice with no takeaway options.

Post lockdown – This was a slow return to the pool for people but a lot returning to the gym and asking about other exercise options available within CHB. We have also received an increase in the number of enquiries from the general public as well. Re-highlighting that general awareness or access to information is a barrier to participation.

Exploration is underway into the development of an activity directory including exercise, sport, active recreation opportunities and social interaction options for people.

SELF
AWARENESS

LIFESTYLE
CHANGES

PRACTICING
STRATEGIES



CLIENT A: During lockdown he replaced the gym with walking and now he and his wife walk everyday. Also didn't miss not having takeaways and when he had it after lockdown, he didn't enjoy it so is now limiting them.

CLIENT B: Determined to not go backwards with his activity and progress he had made during lockdown so he did a lot of home based activities and has maintained these activities even after returning to the gym.

CLIENT C: Did not rely on one concept in case that was not an option (eg: gym or pool) and she walked a 2km circuit every day and focused on increasing her pace over time.

CYCLING PROGRAMME - ST JOSEPH'S

The Sport Hawke's Bay iWay cycling team has been working with St Joseph's School in Waipukurau to deliver cycle skills training to all its 132 students after the school became part of the Bikes In Schools initiative, with the construction of a cycle skills/pump track and purchasing of a fleet of bikes and helmets for its students. To date cycle skills sessions have been delivered to all but one class which was rained off but will be rebooked in Term 3.

These fun and engaging cycle skills sessions are designed to be age & stage appropriate. Training and education is provided bike and helmet safety and general cycle skills, with students then able to engage their newly learnt knowledge and skills by participating in fun games and a long distance ride along the Tuki Tuki Trail which even included some mountain biking aspects for the older and more experienced children. For the senior classes (Years 5-8) 41 students so far have participated in on-road cycle skills instruction which also included blindspot training made possible with thanks to Bruns Charter Services for providing a bus free of charge.

Initially the iWay team identified 8 children (Years 1-2) that were unable to ride, however at the completion of the session only 2 children remained in the learning phase. In general, the skill level of students on a bike was extremely high although their knowledge and skill on the road (Year 5&6 especially) was low with many of the students providing feedback that they did not have much experience with riding on the road and that some lived on farms where they had 100km roads carrying trucks and fast moving vehicles which created barriers for them to cycle 'at home'.

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GRADE 1

18

GRADE 2

STUDENTS



Following on from these student sessions Sport Hawke's Bay will return to St Joseph's School to complete Teacher training to enable the school to continue to support its students to be safe and confident when riding a bike. Three other Central Hawke's Bay schools have also been identified as looking at incorporating Bikes in Schools at their respective locations which would see a dramatic rise in the amount of cycling activity in the district. With this increase comes a need to ensure that schools are capable to provide or have access to appropriate cycle skills, road safety programmes and safe school travel plans.

WORKFORCE DEVELOPMENT

Supporting the community to provide quality recreational and sporting experiences

2.0 COMMUNITY SUPPORT

COMMUNITY RESILIENCE FUND

The first round Community Resilience Fund (CRF) was designed to offer short-term relief for organisations at all levels of play and closed on 19 June. It provided support to more than 1,600 local and 300 regional organisations – for fixed operating costs in the period immediately impacted by Covid-19 (i.e. April to June) eventually totaling \$6.5 million.

Specifically targeting organisations affiliated to Sport NZ partners and Māori organisations whose main purpose is the delivery of sport and recreation to help ensure that organisations were able to continue critical functions during the period of Covid-19 levels.

Sport Hawke's Bay distributed \$329,000 of an available \$595,000 to a wide range of sport organisations and clubs across the region including Central Hawke's Bay.

A second round of Sport Recovery Funding has been announced and takes into account feedback and insights from Round one allowing a wider range of local and regional organisations to apply for wider range of costs for the period July-September 2020, including partial replacement for the wage subsidy once it expires.



KIWISPORT KICKSTARTER FUND

In response to the return of sport & physical activity for many around the country, Sport NZ released a proportion of Kiwisport funding to help with sport sector recovery. With this available funding and also feedback from a range of organisations, Sport Hawke's Bay set up a KiwiSport Kickstarter fund, focused on supporting tamariki and rangatahi to access quality physical activity and sport opportunities post Covid-19.

With a total of \$40,000.00 to distribute, of which Sport Hawke's Bay has currently distributed \$22,853.50. A total of 22 applications have been received (including 5 in total for Central Hawke's Bay) with 13 strong applications having been successful (1 x CHB).

The round closed Tuesday 21st July with another 2 known applications in progress.

SCHOOL SUPPORT

Sport Hawke's Bay continued to support the Primary School sector in a number of ways during Alert Level 4 lockdown.

"We want to use sport and physical activity as a vehicle to get students excited and back into school"
- Te Aute College

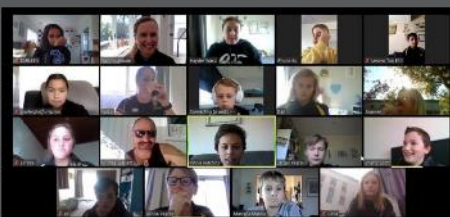
Communication flow was critical with the rapidly changing Covid-19 response environment. We created an online School Sport forum group with CHB representation to help gather insights in this space with a view to supporting schools both during lockdown and the phasing back to work. All schools were kept up to date and provided clarity and assurance of national guidelines and the resulting response at a regional and local level for sport and physical activity and were highly appreciative of the information that was delivered.

This was also replicated at a Secondary School level with a Secondary School Reference group formed (including participation from CHB and Te Aute Colleges) to better understand the expected impact, lockdown was going to have on secondary school participation.

PALS - PHYSICAL ACTIVITY LEADERS

Nine schools and nearly 100 students attended the PAL's at AW Parsons Stadium in March. The Physical Activity Leaders programme allows senior students to put their leadership skills to good use by taking games and activities for younger students – this aligning well with the tuakana/teina concept. The training day involved a variety of leadership style activities including communication, leadership, problem solving and games. We could not have delivered this training day successfully without the wonderful support of our CHB College leadership students who helped to run the activities and showcase their own leadership skills.

The PAL's team at Sport HB created an online video to support the PAL's training completed earlier in the year which students could participate in at their own pace after the idea was proposed at one of the online Primary School Sport forum meetings. It was a great opportunity for Sport Hawke's Bay to investigate the use of new online platforms for teaching and learning purposes. Additionally, a live Q and A session then took place with some of our keenest PAL's along with some supportive teachers. Follow up is planned for Term 3 to see how these PAL's got on.



"Honestly, it was just fantastic and they certainly put us through our paces with the questions they asked! We also set them a challenge for lockdown... create a game with no equipment but also adheres to the distancing guidelines before they head back to 'normal' school."

- Kate Benny | Young People Advisor, Sport Hawke's Bay



STUDENT FEEDBACK

I've learnt a lot and have communicated with a lot of people.

It was fun and we were encouraged to play.

I made new friends.

ADULT FEEDBACK

Our students now have the interest, confidence and enthusiasm for leading and helping their peers.



CLUB SUPPORT

- Support provided to Central Hawke's Bay Clubs with general advice, leadership and support on challenges they are facing.

Some insights as a result of the Club support work completed:

Ruahine Smallbore Rifle Shooting Club

The club initially approached Sport Hawke's Bay to find out about where to apply for funding for new equipment, as their rifles were old and they had been unsuccessful in previous funding applications. Through discussions it was discovered the club were keen to develop a junior program to engage new members but not sure on where to start.

Strengthening connections with its parent body was identified as a key starting point in growing awareness around any existing national youth strategy for target shooting and access sport specific support and guidance.

At a local level building on existing relationships with other local clubs who were seen to have successful junior programs, to find out about their experiences and their learnings.

Internally the club looked to do a general stocktake of current systems and see where improvement could be made in particular around the club's online profile and accessibility to new members.

Prior to lock-down the club had reported to have progressed in establishing online admin and accounting systems and the development of improved communications with their governing body Target Shooting NZ.

They had also linked with neighbouring Dannevirke Smallbore Rifle Shooting Club to co-ordinate the timing of their Junior competition seasons enabling them to come together and complete their junior season and inter-club competition.



Ricochet Trampolining Club

Support was given in the form of providing general advice on a 'return to sport' and navigating the preparation phase. Clarity provided on national Sport Season Transition guidelines and regional structures along with information for available funding support (CR Fund) post lock-down.

This enabled the club to make an informed decision to delay the start of its recreational classes until Term 3 to align with other junior sporting codes and give the club time to revise its hygiene and sanitation processes.

With progress also having been made by the club in developing online training resources for its members during lockdown the club was keen to explore and utilise other online systems to support its administrators.

Training support provided for website and online registration development, with the Club introducing an online registration process for Term 3 2020 and IDMe contact tracing at its venue.

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REGIONAL LEADERSHIP

Communication and collaboration across the region.

3.0 LEADING AND CELEBRATION

DISABILITY AND INCLUSION INFORMATION GATHERING

Due to the COVID-19 cancellation of our previous event, Sport Hawke's Bay were thrilled to finally host the CHB Community Info Event at the beginning of July, in Waipukurau.

Joined by 13 members of the CHB Community, including deliverers of sport and recreation opportunities, Council staff, representatives from the disability sector and disabled people, Sport New Zealand's Disability Plan was presented and captured the thoughts of the community in relation to the opportunities available in play, sport and active recreation in CHB.

Sport Hawke's Bay now has a much greater understanding of what's currently happening in Central Hawke's Bay to add to the regional picture of how they can collectively increase the opportunities available for disabled people.

From here, voices of Young People and the Wairoa Community are to be gathered to be represented in the insights gathering process before then sharing a summary of these insights back out to the community for re-consultation, to guide the development of a Regional Strategy.



COMMUNICATION AND COLLABORATION

With a presence on all three of the Council Disability Reference/Advisory groups in Hawke's Bay (CHB, Hastings and Napier), Sport Hawke's Bay are working hard to ensure a regional approach to the outcomes that arise from these meetings, with specific reference to Play, Active Recreation and Sport. Examples of this include the sharing of ideas between Hastings and CHB regarding walkway accessibility and the sharing of accessible drinking fountain designs for open spaces, as well as the planning of future collaborative projects, such as improving swimming pool facility accessibility in the region.

REGIONAL COVID-19 RESPONSE

The sport and active recreation sector faces a number of difficulties as a result of Covid-19. This has particularly hit major winter codes hard (Netball, Basketball, Hockey, Rugby and Football) as the shift to Alert Level 4 coincided with the scheduled start of their season. Their revenues – which at a local level are mainly from subscriptions, Gaming Trusts and sponsors – have been impacted severely and in many cases the ability of their national body to support them has been dramatically reduced. This pressure at the regional sports organisation level flows through to additional pressure for our clubs and local associations.

During the lockdown period Sport Hawke's Bay worked closely with the General Managers and CE's of the Top 6 regional sporting codes to resolve a clash of seasons with the winter season needing to be pushed back as a result of the lockdown period. This also provided us with better understanding of the impact for these partners and advocate for the region at a national level and continue to support their people.

"As a volunteer based Assn it (Lockdown) will not hurt us too much financially at this stage, our biggest upset will be losing the momentum we had leading into our Winter Hockey season from the end of the Summer league. The children are really looking at getting back to the Fields to enjoy the sport again"

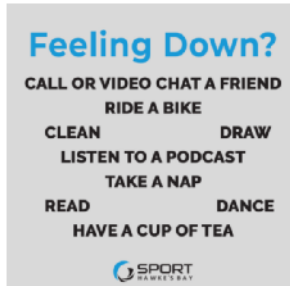
- CHB Hockey

Sport and active recreation remain vitally important to our community, arguably more so than ever at this point. Sport Hawke's Bay continue to work with codes and key stakeholders to maintain the high level of support for these activities – both in terms of funding services and developing and maintaining fields, reserves, cycle paths and other recreation related spaces and places.

Sport Hawke's Bay has prioritised a Spaces and Places Lead, focussing on supporting and developing natural and man-made facilities to support the play, active recreation and sport sector. This is as a result of working closely with council officers who continue to prioritise the development of spaces and places for the communities we work in.

ONLINE PRESENCE DURING COVID-19

During Covid-19 Sport Hawke's Bay increased their online presence on multiple platforms. Through three Instagram pages and eight Facebook pages, there was plenty of information available to the region regarding keeping active and healthy while staying safe in their bubbles. Posts ranged from Mental Health Foundation tips, Wednesday Whakatauki, At home workouts, activities and cooking sessions, TikTok Challenges, staff profiles and Sport New Zealand #FitForFour daily tasks.



2,226 people reached on facebook during Covid-19

820 engagements on facebook during Covid-19

13,831 people reached on facebook over the past 6 months

2,113 engagements on facebook over the past 6 months

Insights from the Sport Hawke's Bay - Central HB page

MORE PEOPLE
MORE ACTIVE
MORE OFTEN



Central Hawke's Bay
www.sporthbchb.co.nz

7.12 EPIC YOUTH DEVELOPMENT ANNUAL REPORT**File Number:** COU1-1400**Author:** Christine Renata, Social Services Lead**Authoriser:** Doug Tate, Group Manager Customer and Community Partnerships**Attachments:** 1. Youth Development Annual Report 2019/2020 [↓](#)**PURPOSE**

The purpose of this report is to present to Council for its receipt, the EPIC Ministries Annual Report – 2019/20.

RECOMMENDATION

That, having considered all matters raised in the report, the report be received.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

BACKGROUND

EPIC Ministries holds the Central Hawke's Bay Youth Development Contract for Service. This report covers the Youth Development outcomes delivered to the Central Hawke's Bay community by EPIC Ministries during the period of 1 July 2019 – 30 June 2020.

The contract for service is for a three year term ending 30 June 2021, assessed annually against agreed performance standards. The annual cost of this contract for service is \$13,000 plus GST. The contract for service is managed by the Central Hawke's Bay Community Development Lead.

DISCUSSION

The key obligations of EPIC Ministries in the service agreement are to deliver a variety of youth services and programmes to the Central Hawke's Bay community, focussing on three core areas:

- Presence amongst the Youth Community – delivering youth events and partnering with relevant community initiatives.
- Team – development of the Inspire Youth team and gathering the youth voice.
- Communication – promotion of positive messages, youth opportunities and the advocacy and enabling the youth voice to be heard.

Highlights of the year include:

- Establishment of a new INSPIRE team leader and development of the INSPIRE team
- Establishment of the Youth Hub at Central Hawke's Bay College
- Youth Week activities

COVID-19 severely affected the ability to deliver programmes and activities and adjustments and adaptations were made during the lockdown periods. Connection to the Network of Networks provided the platform to prepare for responding and providing support to local schools.

Tama Bucknell of EPIC Ministries will be in attendance to present the report.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

RECOMMENDATION

That having considered all matters raised in the report, the report be received.



INSPIRE YOUTH COUNCIL 2020™



2020 was going to be a new season for the Inspire youth development contract as we introduced new leadership and developed a new team, then Covid-19!!

We established a new leader at the start of the year Lydia Bucknell who has been a team member for a number of years and through Gateway programme at Central Hawkes Bay College was able to dedicate a day a week to the inspire youth development role. A new team was then established (profiles included) and with the support of Christine Renata we had a new plan to introduce them to more of what council does.

Due to Covid most of the initial planning went on hold and we have then had to adjust and adapt as we have moved in and out of levels and lock down. Being connected to the network of networks provided the platform to prepare for responding and be ready to provide support in local schools.

This has meant that the following has been achieved:

- Established the **Youth Hub** at Central Hawkes Bay College. This has been well received by youth and was a great support mechanism coming out of lock down and has seen youth workers based out of there three days a week. The youth Hub is providing direct contact with youth on a weekly basis and is now providing a base for:
 - Driver license initiative.
 - Breakfast Club.
 - Mentoring initiatives.
 - Lunch time activities.
 - Youth engagement day around spatial planning.
- **Youth weeks:** Have been able to do two this year and these continue to be a great platform for engaging youth over a dedicated week.

We have had limited use of Ivan this year with Covid and not as many large community gatherings taking place. The youth hub has been a great addition as it created a safe environment to be able to support and be available to young people in unsettled time. We continue to advocate for healthy hubs for young people to engage in throughout our community and how we can naturally engage with young people. We have found it important to be able to adapt and be responsive to the needs of young people throughout this year.

All the work we have done over the years has meant we were positioned well to do this and it has helped to continue to put the youth strategy into action:

Central Hawkes Bay young people are supported by being heard and given opportunities within a safe and healthy community.

It is important that youth workers are present in and around our community working across the networks and advocating for this type of community.

Nga Mihi Nui
Tama Bucknell



Director
Epic Ministries

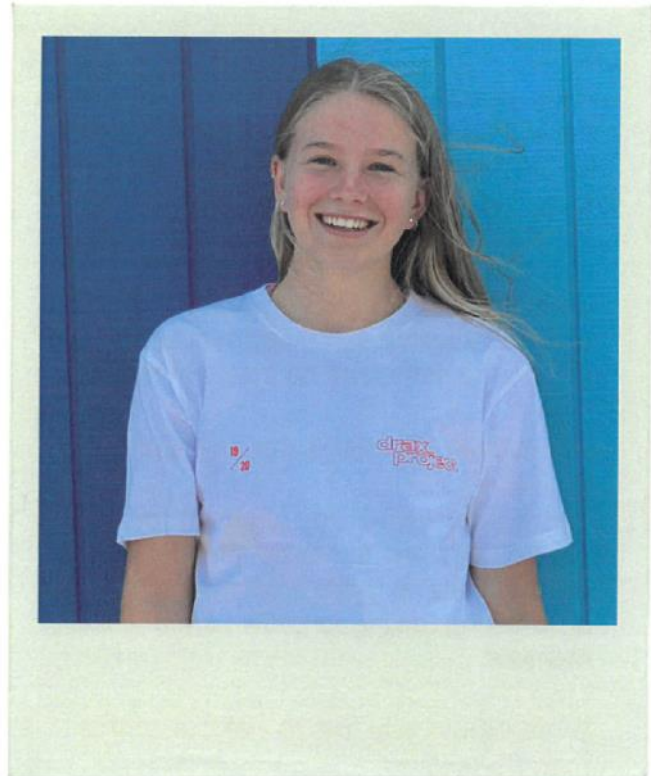
Lydia Bucknell

Who are you?

My name is Lydia Bucknell I am 17 years old and a year 12 student at Central Hawkes Bay College. I have been involved in Epic for as long as I can remember, and it plays a massive role in my journey. I enjoy playing sports spending time with family and friends, speaking into people's lives and making a difference.

What does it mean to be an inspire member?

I have been an inspire member for around 7 years and now have the pleasure of being the youth council co-ordinator. For me being an inspire member means getting out in the community and making a difference. It means bringing fun into the community and the schools. Getting out and about and being a familiar and regular face within the community.



What would you like to get out of this experience?

I have already got so much out of this experience but there is still more I can get. I would like to impact others' lives and the community. I want to get back the feeling of accomplishment and knowing that I have impacted the people around me. That I have created a welcoming place where others feel they belong.

What do you want to see happen in our community?

I want to see our community really come together as one where they can all come together and belong. I want to see one big family where everyone is equal and loved. I want to see others making a difference and getting involved in community events and the community in general.

Ihipera Rua

Who are you?

Kia ora ko Ihipera ahau I am 13 years old Turing 14 in June and I got into Epic things when I was involved in travellers. While in travellers I noticed that it was a group that was really helpful to me last year. When I was introduced to youth council this year, I was very excited as I thought now this is my time to shine and be involved more.

What does it mean to be an inspire member?

This is actually a pretty big thing for me I have always wanted to be a helper to the community and make a difference. It is just an amazing feeling to know I am a member.

What would you like to get out of this experience?

I want the chance to be a helper in the community to get out and about and have fun but also create the fun for other people. Just experiencing this new experience that I am now a part of.

What do you want to see happen in our community?

Just to see a difference in the community, for people to be more positive and to see smiles on everyone's faces.



Isaac Marshall

Who are you?

My name is Isaac Marshall I am a 15-year-old who goes to Central Hawkes Bay College and participates in as many Epic programs and events as possible.

What does it mean to be an inspire member?

This is my second year as an inspire member and to me it means to help out at events and around the community doing what we can to help others and meet new people. It means being there and being a regular face within the community.

What would you like to get out of this experience?

I would like to see a change in the community and bring people together. I want to be able to look out and see what I have done to contribute.

What do you want to see happen in our community?

I would like to see more people helping each other and being less selfish and give to others. The skate park was once a good place now there are people who won't go down there because people are being bullied and it needs to stop. So, I want to see big changes to our community changing it back to the loving place that everyone knows and loves.



Erina Sciascia

Who are you?

My name is Erina Sciascia I am from Porangahau I am 16 years old and a year 12 at Central Hawkes Bay College. I'm also involved with other things at Epic such as dance, ignite, a leader at Amp*d and more. I like playing netball and hanging out with friends and family.

What does it mean to be an inspire member?

I have been a youth council member for 2 years going on 3 and for me it means a lot of responsibility. Not only responsibility but it also means you are the person that others will look up to and listen to which I think is really cool.



What would you like to get out of this experience?

I'd like to feel like I belong somewhere or to something. I'd like to feel like this group could be a family type group for me. Where I can feel as though I belong and can speak up without being put down. I also think it can help develop my leadership skills which interests me as I want to work on being a leader more.

What do you want to see happen in our community?

I'm not too sure but whatever it is it needs to be positive and something helpful and uplifting towards everyone.

Meadow Wiki

Who are you?

My name is Meadow Wiki I am 14 years old and a year 10 student at Central Hawkes Bay College. I enjoy playing netball and watching tiktoks.

What does it mean to be an inspire member?

This is my first year on the inspire team and for me being a member means someone who others can rely on. Showing respect and the Epic values 24/7 and being a role model within the community.

What would you like to get out of this experience?

I would like to be able to gain a better understanding on what it is like to be someone who has an impact on the community. Also see what goes on and the work put into making an event happen.

What do you want to see happen in our community?

I'd like to see more people put effort into helping one another. I would like to see more "hangout spots" like the skatepark/Russell park where people can go after school with friends instead of just being at home. Some people aren't associated with Epic, so they don't use Epic as an after school "hangout spot" like others do.



Rita Simiona

Who are you?

My name is Rita Simiona I am 13 years old and a year 9 student at Central Hawkes Bay College. I enjoy hanging with family and friends.

What does it mean to be an inspire member?

This is my first year on the youth council team and for me it means that I am able to inspire other youth.

What would you like to get out of this experience?

I would like to be more confident when speaking out loud in front of a big crowd.

What do you want to see happen in our community?

I would like to see more events for youth to go to in the weekends or a place where youth can hang out in the weekends so we can actually have something fun to go to and do.



Tom Burne

Who are you?

My name is Tom Burne I live in Waipawa with my family. I am 14 years old and a year 10 at Central Hawkes Bay College. I really enjoy playing sports and spending time with my family.

What does it mean to be an inspire member?

This is my first year as a youth council member and for me being an inspire member means giving back to the community. Also giving student voice for those that won't speak up on their own.

What would you like to get out of this experience?

I would like to gain a better understanding of how this whole thing works and see what happens behind the scenes to make all of these things happen. I would also like to be someone people can recognise in the community as a person that can help them or just talk to.

What do you want to see happen in our community?

I would like to see of the game days within the college and community and more kids getting involved in these days. I would like more people to recognise the work Epic and everyone does and hopefully they will want to join in somehow.



Isabella Cruickshank

Who are you?

My name is Isabella Cruickshank, I am 16 years old and a year 12 at Central Hawkes Bay College. I love playing sports, the beach, spending time with my friends and family, and encouraging and helping mentor others. While I have not been involved with Epic for very long, only since about year 10, it has played a massive part in my faith journey, and has helped me so much in discovering who I am.

What does it mean to be an inspire member?

This is my first year being part of the Inspire group, and to me it means being able to contribute ideas and help with the running of Epic events. I love being able to help make a difference in the community, and I think that being a part of this council is my way of helping do this.

What would you like to get out of this experience?

I would like to know that I am helping make a difference in other people's lives. I would absolutely love to give back to the community that has already given me so much and know that I can help other people in the same way. I think that something I really want to get out of this experience, is helping people and trying to make them feel welcome and like they have somewhere they belong.

What do you want to see happen in our community?

I really want our community to be able to come together and belong and just be together. I think that everybody needs a family that they can rely on, and someone they can talk to. I hate seeing and hearing about people who feel like they do not have anyone to talk to and really no family. I think that Epic plays a significant place in so many people's lives and really, they are the family that so many people don't have.







Youth week term 1







Covid-19 Quiz

Q1: What is the name of NZ's
Director-General of Health?

Q2: What was the date NZ went
into level 4 lockdown?

Q3: How long was the
recommended time for washing
your hands?

4: Unscramble the word
AURSORICVON

Write down your answers and bring them
to the draw table if you have them all right
your name will go into the draw to win an
EPIC hoodie!!







Y
O
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H



WEDNESDAY
19TH AUG



THURSDAY
20TH AUG



FRIDAY
21ST AUG

W
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K



Inspire Youth Development Contract 2018-2021				18/1919/2020/21				31/08/2020
		over 3 years	BUDGETED x INC/EXP per year	Actual year 1	TO DATE Actual year 2	Actual year 3	total for 3 yr contract to date	TOTAL budgeted \$'s left to 6/21
Income								
Contracted CHB Youth Development	\$13,000 p.a. CHBDC YD contract - invoice quarterly 3250	\$ 39,000.00	\$ 13,000.00	\$ 13,000.00	\$ 13,000.00		\$ 26,000.00	\$ 13,000.00
Council Event fund \$2500		\$ 7,500.00	\$ 2,500.00				\$ -	\$ 7,500.00
Fundraising initiatives				\$ 22,959.52	\$ 533.01		\$ 23,492.53	\$ (23,492.53)
Reimbursements of event costs				\$ 1,374.77	\$ 2,665.59		\$ 4,040.36	\$ (4,040.36)
total income Inspire	Contract income - Council, IVAN contracted use etc	\$ 46,500.00	\$ 15,500.00	\$ 37,334.29	\$ 16,198.60	\$ -	\$ 53,532.89	
Expenses:								
Tama - lead YW YD Contract facilitation	Contract Management \$8000, plus extra Contracts/MSD facilitation	\$ 24,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 24,000.00	\$ -
Intern YW	Cassie / Lydia			\$ 1,144.00	\$ 1,672.00	\$ 608.00	\$ 13,388.80	\$ (13,388.80)
Intern support		\$ 750.00	\$ 250.00	\$ 247.65	\$ 173.91		\$ 421.56	\$ 328.44
team meetings	food	\$ 1,200.00	\$ 400.00	\$ 94.93	\$ 13.04		\$ 107.97	\$ 1,092.03
team development		\$ 1,050.00	\$ 350.00	\$ 213.38	\$ 1,073.96		\$ 860.58	\$ 189.42
IVAN the Caravan - resources	first aid, cable re sound, bbq table, bluetooth receiver	\$ 1,500.00	\$ 500.00	\$ 1,415.93	\$ 1,204.98	\$ 26.07	\$ 2,646.98	\$ (1,146.98)
Events		\$ 4,500.00	\$ 1,500.00	\$ 495.01	\$ 2,102.00		\$ 2,597.01	\$ 1,902.99
including equipment as signed youth weeks x 3					\$ 1,089.30		\$ 1,089.30	
							\$ -	
		\$ 3,000.00	\$ 1,000.00	\$ 754.30	\$ 303.88	\$ 70.31	\$ 1,128.49	\$ 1,871.51
							\$ -	
							\$ -	
	total events:	\$ 1,500.00	\$ 2,500.00	\$ 1,249.31	\$ 1,316.58	\$ 70.31	\$ 2,636.20	\$ (1,136.20)
travel - vehicles recovery van/ute/trailers/IVAN		\$ 6,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 2,000.00	\$ 6,000.00	\$ -
				\$ 25,503.87	\$ 4,448.49			
Total expenses Inspire		\$ 42,000.00	\$ 14,000.00	\$ 49,407.11	\$ 19,902.96	\$ 10,704.38	\$ 50,062.09	\$ 14,062.09
	Balance	\$ 4,500.00	\$ 1,500.00	\$ (12,072.82)	\$ (3,704.36)	\$ (10,704.38)	\$ 3,470.80	

7.13 RESOLUTION MONITORING REPORT

File Number: COU1-1400

Author: Monique Davidson, Chief Executive

Authoriser: Monique Davidson, Chief Executive

Attachments: 1. Council Resolution Monitoring Report 24 September 2020 [↓](#)

PURPOSE

The purpose of this report is to present to Council the Resolution Monitoring Report. This report seeks to ensure Council has visibility over work that is progressing, following resolutions from Council.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as not significant.

DISCUSSION

The monitoring report is **attached**.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

An updated Resolution Monitoring Report will be presented to the next Council meeting 18 November 2020.

RECOMMENDATION

That, having considered all matters raised in the report, the report be noted.



CENTRAL HAWKE'S BAY

DISTRICT COUNCIL

Council Resolution Monitoring Report Monitoring Report 24 September 2020

Key	
Completed	
On Track	
Off Track	

Item	Council Resolution	Resolution Date	Responsible Officer	Progress Report
	Council considers Option 5. Retain the current funding for drinking water and wastewater with targeted rates for those connected to the network and initiate a full Rating Review only after all the information is gathered and known about the extent of the CHB drinking water and wastewater future expenditure.	3/05/2018	Brent Chamberlain	On Track —The Rating Review is currently out with the public for feedback.
	That Council proceeds with Option two of the Draft Long Term Plan being to develop town centre plans for Waipukurau and Waipawa and Community Plans for Tikokino, Ongaonga, Takapau, Porangahau and Otane.	3/05/2018	Christine Renata	On Track —This work is underway. The first community session in Takapau was held on 24 February. Ongaonga's community session was held on 20 July. Both plans are progressing, with planning underway for the second community engagement session in Takapau. Ongaonga held a successful community engagement session in August and we are now planning for formal adoption of the plan by Council.

	<ul style="list-style-type: none"> a) That Council approve the use of up to \$400,000 from the Adverse Events Fund to support Councils contribution to the costs of repairing December storm damage. b) That Council delegate authority to the Chief Executive to expedite the procurement of services to support repair works. c) That Council strongly urges NZTA and the Ministry of Transport to extend timeframes in which emergency work is to be completed. 	28/02/2019	Josh Lloyd	On Track—major works have been completed on all sites from the December rain event. Some minor tidy up works are still in progress and this includes the recent site exposed at Tourere Rd.
	<ul style="list-style-type: none"> a) That Council adopt the Non-rateable Income Funding Strategic Framework. b) That progress towards achieving the outcomes of the Non-rateable Income Funding Strategic Framework be reported to the Finance and Planning Committee as part of the regular work programme updates. 	10/04/2019	Monique Davidson	On Track—Officers continue to work through the implementation of this strategy. Key objectives through this year will be guided by the Finance and Infrastructure Committee work programme.
	<ul style="list-style-type: none"> a) That Council approve targeting external funding through the creation of business cases to support investment in sealing to control dust by reallocating \$50,000 from existing carry forward budgets b) That Council reprioritise \$200,000 of the existing Land Transport budget/work programme to contribute to sealing of roads to control dust if required. 	23/05/2019	Josh Lloyd	<p>On Track— Council has dedicated \$50k from carryover funds into developing business cases for dust control in 2019. Stantec have been engaged to support the work.</p> <p>Desk top components of the dust study have been completed and outcomes are being validated with proposed work to be included in the 2021 capital work programme.</p>
	That Council approve additional capital expenditure of \$297,000 in the 2019/20 for the development of a pound facility in Central Hawke's Bay.	23/05/2019	Lisa Harrison	On Track — Officers preferred options for development is no longer available. Officers are now working through alternative options, however are facing challenges in relation to available and suitable property in relation to budget. In the current environment (COVID-19 and Drought) we continue to look for opportunities to find a suitable property within budget constraints.

	<p>a) That \$250k from the rural reserve fund is tagged for supporting water security initiatives in Central Hawke's Bay.</p> <p>b) That council supports a collaborative approach at both a local and regional level for development of water security initiatives.</p> <p>c) That council requests staff bring back a framework which includes further information on the potential role of Central Hawke's Bay district council together with water Holdings CHB, HBRC and the Tukituki taskforce, for understanding issues of water security and creating a local package of solutions.</p>	23/05/2019	Monique Davidson	On Track — Council adopted an additional resolution on the 13th February giving the Chief Executive delegated authority to spend up to \$50,000 on helping advance the work of the Tukituki Leaders Forum. A report updating Council on this work is included in the agenda for 3 June 2020. In August 2020, Council approved \$58,000 of financial support to Water Holding's Hawke's Bay to fund the science charges related to the IP they hold. Council continues to support and advocate on this matter.
	That Finance and Infrastructure Committee recommend to Council to resolve to apply for funding of \$250,000 to the Eastern and Central Community Trust Community Assets and Facilities Fund for Ngā Ara Tipuna –Waipukurau Pā site interpretation.	29/08/2019	Craig Ireson	On Track — our EOI to apply for this funding was positively received in September 2019, and we have submitted an application to the fund for \$200,377. We now expect to hear the outcome of the application in October 2020.
Land Transport Section 17(a)	That Council adopt the completed and attached Land Transport Section 17(a) Report and support Officers to programme and complete work to meet the recommendations.	29/08/2019	Josh Lloyd	On Track— Section 17a completed in 2019 and Officers are continuing to work through recommendations including the recent creation and adoption of the Land transport Strategic Framework.
Elected Members' Remuneration and Expenses Policy	That the Council review the Elected Members' Remuneration and Expenses Policy including the childcare provision and its content before the next triennium.	14/11/2019	Monique Davidson	On Track— this work is programmed as per timeframes requested.

Title Ngā Ara Tipuna - Funding	<p>2) Council approve the underwriting of up to \$775,000.00 of funds for the project, Ngā Ara Tipuna, subject to the following conditions:</p> <ul style="list-style-type: none"> a. That prior to any funds being drawn down for the underwriting of the project by Council, a further resolution of the elected Council is sought by Officers. b. That Officers work with Hapū and Taiwhenua to develop a shared liability underwriting facility, and this is brought back for approval, prior to Council providing any underwrite. <p>3) That Council resolves to apply to the Lotteries Environment and Heritage Fund for up to \$600,000 of funding towards Ngā Ara Tipuna.</p>	13/02/2020	Craig Ireson	On Track— progress continues with Ngā Ara Tipuna, with work underway with Hapu partners on the underwrite facility. At this time the requirement for this remains highly unlikely. An application to the Lotteries Environment and Heritage Fund has been approved. Funding has been sourced from the Heretaunga Tamatea Settlement Trust. The total funding shortfall is now \$200k, with the ECCT application and a community fundraising programme to address this shortfall.
Water Security Framework - Allocation of Funding	<p>b) That Council give the Chief Executive delegations to utilise and make financial decisions of no more than \$50,000.00 from the \$250,000 tagged for the delivery of Water Security Initiatives.</p> <p>c) That Council in granting these delegations note that the \$50,000.00 will in principle be used to advance engagement and work within the Tukituki Leaders Forum, and specifically to ensure Central Hawke's Bay District Council has the required resources to contribute in a meaningful way.</p>	13/02/2020	Monique Davidson	On Track—Together in partnership with the Regional Council a Project Manager has been engaged to support and accelerate the work of the Tukituki Leaders Forum. The Tukituki Leaders Forum have also agreed to increase the number of meetings it has to ensure ample time is given to Water Security as well as other catchment matters. Following the resignation of two members of the forum, consideration is currently been given to the forums future purpose and function.
Motion (resolved) - Reserve Fund Replenishment	That Council requests the Chief Executive investigate options and lead a process as part of the Long Term Plan, for Council to consider an approach to the replenishment of key reserve funds and further, that this work considers external funding options.	13/02/2020	Monique Davidson	On Track—no particular work has progressed on this item; however the work remains on track to be achieved within the Long Term Plan 2021-2031 timeframe.
Joining the LGFA as a Guarantor	<p>3) That Officers prepare the associated legal documents in readiness for execution at a later date.</p> <p>4) That Report 6.2 lay on the table until the next Council Ordinary or Extraordinary Council meeting, or the Events Emergency Committee meeting.</p>	25/03/2020	Brent Chamberlain	On Track —officers working with Buddle Finlay to prepare documents.

Adoption of CHBDC Covid-19 and Drought Economic Recovery Plan	a) That Council approve the COVID-19 and Drought Economic Recovery Plan.	9/04/2020	Craig Ireson	On Track—The plan has been operationalised with a structured process for delivery. Activity planning continues. \$2M has been sourced from the Provincial Growth Fund for vegetation management which will employ local people who were made unemployed by COVID-19. Further applications have been made to the Provincial Growth Fund for Marae and Rural Halls and Cenotaphs, and the Tuki Tuki trails. Regular (fortnightly) status reports on this activity are prepared for internal and external stakeholders, providing more regular monitoring.
Ngā Ara Tipuna - Procurement Approval	a) That Council approve the Detailed Procurement Plan for Ngā Ara Tipuna – Construction and Media delivery. b) That Council approve the direct procurement of Locales Limited for Ngā Ara Tipuna – Construction and Media delivery valued at \$1,716,180.	9/04/2020	Craig Ireson	On Track — the contract for the construction phase has been drafted but will not be signed with the preferred supplier until the final funding is secured
Adoption of Draft Integrated Spatial Plan	That Council adopt the Central Hawke's Bay Integrated Spatial Plan for community consultation as part of the Long Term Plan 2021 – 2031 pre-engagement.	30/07/2020	Doug Tate	On Track— the final plan is being considered by Council for adoption as part of this agenda.
Financial Support to Water Holdings Hawke's Bay for Science Charges	That having considered all matters raised in the report: a) That Council provides funding of \$58,000 to Water Holdings Hawke's Bay to support the funding of science charges for the 2019/2020 financial year.	30/07/2020	Monique Davidson	Completed —Funding has been provided to Water Holding's Hawke's Bay including a letter setting out the terms of the grant.
Financial Support to Water Holdings Hawke's Bay for Science Charges	That Council request the Chief Executive engage with Water Holdings HB to convey Council expectations for Water Holdings HB to be financially self-sustainable, with regards to science charges, in the future.	30/07/2020	Monique Davidson	Completed—Funding has been provided to Water Holding's Hawke's Bay including a letter setting out the terms of the grant.

Adoption of Remission of Rates Policy (Financial Hardship due to Covid-19) following community consultation.	That officers forward replies to all submitters that thank them for their submission, advise of any Council decisions in response to the submissions, and offer explanation based on the Council feedback at this meeting.	30/07/2020	Brent Chamberlain	Completed
Adoption of Remission of Rates Policy (Financial Hardship due to Covid-19) following community consultation.	That Council approves that up to 200,000 from the catastrophic events fund be used to fund this Policy.	30/07/2020	Brent Chamberlain	Completed — Policy is publicly available and has been promoted
Adoption of Draft Statement of Proposal / Revenue and Financing Policy - Rates Review Consultation	That Council adopts the Statement of Proposal and Draft Revenue and Financing Policy for community consultation, and that Council endorses the proposed consultation approach.	30/07/2020	Brent Chamberlain	On Track — Currently out for public consultation
Partnership funding for Food East (Hawke's Bay Food Innovation Hub)	Council approve funding of \$20,000 for the Food East (Hawke's Bay Food Innovation Hub).	30/07/2020	Craig Ireson	On Track— Initial conversations about this funding agreement have begun with HDC officers.

8 MAYOR AND COUNCILLOR REPORTS**MAYOR'S REPORT FOR AUGUST-SEPTEMBER 2020****File Number:** COU1-1400**Author:** Alex Walker, Mayor**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Mayor's Report August-September 2020 [↓](#)**PURPOSE**

The purpose of this report is to present Her Worship the Mayor's report.

RECOMMENDATION

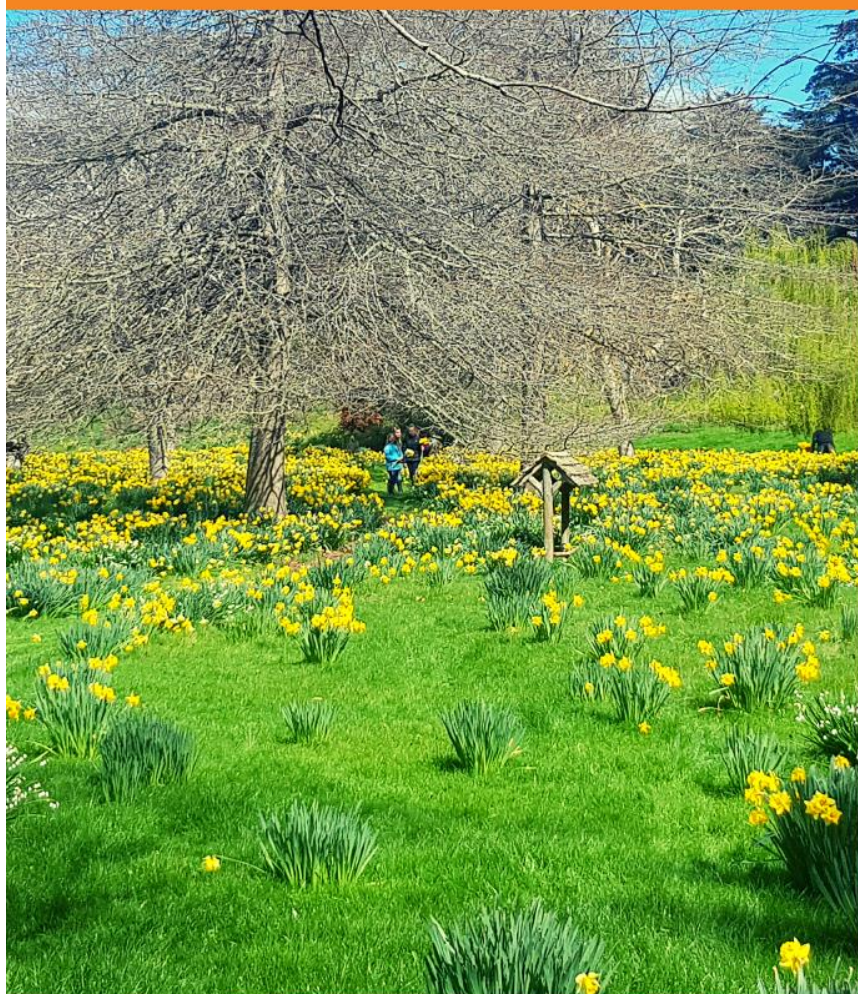
That the Mayor's report for August-September 2020 be received.

The Office of the Mayor – Central Hawke's Bay

01

MAYOR'S REPORT

Meeting 24 September 2020
2019-21 Triennium
Report for 20 July – 11 September 2020



Mayor Alex Walker

Mayor's Report: 24 September 2020

02



MAYORAL MOMENTS

The world is a little different! Coming back up to Covid Alert Level 2 has really put people on tenterhooks and gathering restrictions have meant that I have had far more time at home in the evenings with my family! It is incredible to see how people are managing with so much uncertainty – families, clubs, schools, businesses – it's impossible to plan anything from week to week at the moment and I think it is taking its toll on people's resilience, and in some instances their good humour. But as long as we continue to look after each other, be kind and lead with positivity we can help our community come through.



Adding \$11.09m to our external funding drive was a huge highlight recently! Including this additional level of investment into our work pipeline for the district is fantastic for local economic recovery, and when you sit this alongside our work investing in our people – the MTFJ and the PGF rapid redeployment – I think Council is taking a vital leadership position as we continue to battle COVID-19.

It was also great to put such a huge breadth of issues and information out to our community during "Our Thriving Future" engagement project. This, on top of some fabulous community work on our Integrated Spatial Plan and Town Centre Planning is really going to give our infrastructure work so much more cohesion, purpose and integrity. The Thriving Future really is coming to life!

THRIVE IN FIVE!

Our **#thebigwastewaterstory** has really started to roll forward as we now have options on the table for all SIX of our treatment plants. LTP pre-engagement on this topic was interesting for two reasons – CHB community are pretty sick of talking about this and just want to get on with it; and, I don't think there is a good appreciation of what such a huge cost will potentially do to rates. I think this is a challenge for us but while \$60m+ is huge for CHBDC, in the bigger scheme of investment required regionally and nationally I think people are getting a bit immune to these HUGE dollar numbers.

Social Housing – two things – Section 17a review on our retirement housing is due back to us with options next month; AND Kainga Ora has purchased a significant piece of residential land in Waipukurau for new public housing! This is a huge turnaround from 3 years ago when government refused to acknowledge we had a problem in CHB!



Mayor's Report: 24 September 2020

03

#THEBIGWATERSTORY GOES NATIONAL

Central Hawke's Bay – we've been confronting increasing costs in drinking, waste and storm water for a few years now. And we all know that there is much more to do – particularly for our wastewater! Standards are rising, and fast.....!

Since our council discovered that our waste water plants in Waipukurau and Waipawa would never be able to meet their resource consent conditions we have been looking for better funding options so we can solve this once and for all....

Nearly two years ago the Mayors of the whole Hawke's Bay region put their heads together and said let's see what this issue would look like if we worked together, and whether there's a smarter and more affordable way to do this.

Two weeks ago, our regional push was published as an independent review. It highlights:

- HB needs to double its capital work from \$300 to \$600m
- at a minimum rates for the three "waters" will need to DOUBLE in the next 3-5 years to meet legislation – no matter which part of the region you live in
- for CHB this could mean up to \$3.5k per household JUST for drinking, waste and stormwater
- a regional structure to manage our three waters could accelerate investment, increase skills and capabilities across HB and provide a more sustainable funding base to provide equitable access to all households in our towns and cities
- however, the report highlights that based on current modeling Napier would need to subsidise other parts of the region AND we would need legislative changes to allow us to build a structure of water business that would work for HB

All of this information adds up to us, across Hawke's Bay, stepping up to government reform process armed with the BEST information to get the BEST outcomes for our region.

Now this is scary for many – and any level of "reform" at either a regional or national level could potentially change the face of how a council like ours operates in a community. We can't be afraid of change, because what we currently have is not sustainable and it will eventually undermine the integrity of all the other crucial place-making and community building that we do as civic leaders. Eyes open, big questions and future thinking....I'm game!



CENTRAL HAWKE'S BAY
SEPTEMBER TO OCTOBER

Spring FLING

EXPERIENCE THE BEST OF CENTRAL HAWKE'S BAY

<p>12 September Chapelwick Old English Garden Party Chapelwick Homestead</p> <p>13 September Longest Place Name Cultural Tour Starts at The Duke Porangahua</p> <p>19 September, 26 September & 25 October Grassroots Homestead, Garden and Forest Tour Grassroots Homestead, Garden, Tākaro</p> <p>30 September Ongaonga Victorian Market & Fair Ongaonga</p> <p>27 September Hakumu Hall Marathon Waipukurau Recreation, Waipukurau</p> <p>3 October Grassroots Garden Concert Grassroots Homestead, Tākaro</p> <p>4 October Grassroots Expert Garden Tour Grassroots Homestead, Tākaro</p>	<p>8 October Hopetoun Brown Central Hawke's Bay Municipal Theatre</p> <p>10 October Waipawa Spring Festival Duck Day Waipawa</p> <p>11 October Wallingford Cooking Master Class - Flour and Stone Porangahua Road, Wallingford</p> <p>17 & 18 October Central Hawke's Bay Homestead Trail Starts at Waipukurau Train Station</p> <p>17 October Oranui Coastal Hill Country Walk Starts at Oranui Beach</p> <p>17 October Tairāwhiti Spring Market Tairāwhiti Daffodils, Tairāwhiti</p> <p>24 October Tairāwhiti Spring Trail Starts at the Spring bridge, 200 Harbour Road</p>
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TICKETS ON SALE NOW thespringfling.nz

SPONSORED BY






Mayor's Report: 24 September 2020

04

DIARY: COUNCIL & COMMUNITY

- Mayoral Economic Recovery Business Taskforce 21 July
- Small Block Holders Fieldday - 26 July
- CHB Community Reference Group - 27 July
- Council Meeting - 30 July
- Tukituki Leaders Forum - 31 July
- Presentation to Cpl Tayak Ruahine Cadets - 4 Aug
- Official Opening of Central FM - 5 Aug
- CE Performance Management Committee - 12 Aug
- LTP "Lunchtime Lives" - Water Management 12 Aug; Wastewater 18 Aug
- Meeting with Beef+Lamb NZ re: forestry and landuse change - 26 Aug
- Extraordinary Council Meeting - 19 Aug
- District Plan Committee - 25 Aug
- CHB Business Connector Event - 25 Aug
- Cuppa with the Mayor - Waipawa Library 26 Aug
- CHB Museum AGM - 26 Aug
- Strategy & Wellbeing Committee - 27 Aug
- Chorus update with Jo Seddon - 1 Sept
- Meeting with Micheal Vette - 2 Sept
- Risk & Assurance Committee - 3 Sept
- Waka Kotahi Capital Works update with Rob Partridge and Margot Bawden - 7 Sept
- Civic Awards Panel - 7 Sept
- Meeting with Neil Bain via zoom - 8 Sept
- Tukituki Leaders Forum - 8 Sept
- Town Centre Planning event - 9 Sept
- Council Workshop - 10 Sept

DIARY: REGIONAL & NATIONAL

- National 3 Waters Roadshow - Auckland and Northland 20/21 July; Napier 24 July; Christchurch 28 July; Timaru 29 July; Palmerston North 4 August
- National 3 Waters Steering Group Meetings - 3 August, 17 August, 7 Sept
- Central/Local Govt Forum - Rural & Provincial - via Zoom 24 July
- Caring for Communities 24 July
- DC-3 Promotional Flight 25 July
- HB Mayoral Forum - 27 July; 31 August
- HBCDEMG & Regional Leadership Group - 20 Aug, 27 Aug, 3 Sept, 10 Sept
- PGF announcement Maraekakaho 7 Aug
- LGNZ AGM via Zoom - 21 August
- Primary Producers Roundtable - Hastings 24 August
- Matariki ESG - via Zoom - 28 August
- HB Civil Defence Joint Committee - 31 August
- HB CDG Debrief workshop - 2 Sept
- HB Regional LG collaboration day - 4 Sept
- Regional Transport Committee - 11 Sept



STRATEGY AND WELLBEING COMMITTEE CHAIR REPORT**File Number:** COU1-1400**Author:** Bridget Gibson, Governance and Support Officer**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Strategy and Wellbeing Committee Report 24 Sept 2020 [↓](#)**PURPOSE**

The purpose of this report is to present the Strategy and Wellbeing Committee Chair Report for August-September 2020.

RECOMMENDATION

That the Strategy and Wellbeing Committee Chair Report for August-September 2020 be received.

Strategy & Wellbeing

CHAIR REPORT

Overview

Life at Council continues to be a very busy time, with Pre-Long-Term Plan engagement. We have been talking with our community about the "Great Eight" – 8 big topics/projects we need to consider for the future.



A personal highlight was the establishment of the Mayoral Business Taskforce and the further meeting with our business community at the connector evening at the Municipal Theatre and Town Centre Panning. It is always a great meeting when we get to talk, hear, and share ideas with our community. All three were fun, enjoyable, and successful evenings

Deputy Mayor or Strategy and Wellbeing Focused Activities:

19 July, Cycling Champs Medal presentation
20 July, District Plan Committee meeting
21 July, Mayoral Economic Recovery Taskforce
27 July, Wastewater Community Reference Group
27 July, CHB Community Reference Group
28 July, Consumer Power Trust AGM
29 July Health Liaison Meeting
30 July, Council Meeting
31 July, Tuki Tuki Leaders Forum
3 August, Tuki Tuki Trails Meeting
4 August, Enviro Schools presentation
4 August, "This Town" premiere
6,7,14,19 & 20 August, Lunchtime live Webinars
10 August, Pōwhiri for new DHB CEO
10 August, Community Rooms AGM
11 August, Nga Ara Tipuna meeting
12 August, CE Performance Committee
13 August, F&I Committee Meeting
13&18 August, 3 waters review workshop
20 August, Extraordinary Council Meeting
21 August, LGNZ AGM
25 August, Business Connector Evening
26 August, Safer CHB
27 August, Strategy and Wellbeing Committee Meeting
2 September, Safer CHB Governance Meeting
4 September, Regional Collaboration Day
8 September, Tuki Tuki Leaders Forum
9 September, Town Centre Planning Session
10 September, Council Workshop







Strategy & Wellbeing

CHAIR REPORT

Strategy and Wellbeing Priority Updates:

A strategy is only as good as the actions that run alongside it, the human resource to give things a push and the ability to keep things moving forward. Below is the list of priorities, the lead councillors, and achievements over the past 8 weeks.

Priority	Lead Councillors	Achievements
Lead and monitor the implementation of Waste Free CHB Strategy Wellbeing: Environment	Cr Minehan Prof Maaka Cr Taylor 	<ul style="list-style-type: none"> Enviroschools presented to council about the wonderful work they are doing in CHB #Wasterfreechb campaign under way
Lead the delivery of the Social Housing Strategic Framework Wellbeing: Economic and Social	Cr Wichman Prof Maaka Cr Minehan Cr Annand	<ul style="list-style-type: none"> Section 17a review of Council retirement houses is well underway
Monitor the implementation of the Economic Development Strategy Wellbeing: Economic	Cr Aitken Cr Greer 	<ul style="list-style-type: none"> Mayoral Economic Recovery Taskforce – Brains Trust Business Connector Evening S&W did a Deep Dive on the work being done in this space Spring Fling Open for the year Adoption of the Growth Projections
Monitor the implementation of the Environmental Strategy Wellbeing: Environment	Cr Aitken Prof Maaka Cr Greer Cr Annand	<ul style="list-style-type: none"> Tuki Tuki Leaders Forum continues Section 17a review of Landfills and transfer stations
Review the current Community Wellbeing Strategy and monitor the implementation of a revised Social Development Strategy Wellbeing: Social	Cr Annand Cr Taylor 	<ul style="list-style-type: none"> Community Reference Group meeting Creative Communities fund open CIVIC Awards Nominations open
Develop a Māori/Iwi Engagement Strategy Wellbeing: Cultural	Cr Wichman Prof Maaka Cr Annand 	<ul style="list-style-type: none"> Adoption of the Maori/Iwi Engagement Strategy Nga Ara Tipuna project continues to meet milestones
Monitor development and implementation of Community Plans Wellbeing: Social	Cr Taylor Cr Minehan	<ul style="list-style-type: none"> Town Centre Planning session with community at Copperpot

FINANCE AND INFRASTRUCTURE COMMITTEE CHAIR'S REPORT**File Number:** COU1-1400**Author:** Bridget Gibson, Governance and Support Officer**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Finance and Infrastructure Chair Report 24 Sept 2020 [↓](#)**PURPOSE**

The purpose of this report is to present the Finance and Infrastructure Committee Chair Report for August-September 2020.

RECOMMENDATION

That the Finance and Infrastructure Committee Chair Report for August-September 2020 be received.



Finance & Infrastructure

CHAIR REPORT



Overview

The LTP 2021 -2031 now looms large as a piece of work that will shape the short-term future of CHB and the decisions made will have long term consequences. The decisions that Council makes around infrastructure replacements and renewals will have to meet the 4 pillars and in doing so meet ratepayer satisfaction both in affordability and performance.

With the uncertainty around the three waters reform adding to the complexity of our desired three waters outcome. The only way forward is to continue with our planned CAPEX programme, funding as and when affordable. The injection of the \$11.09M into our three waters has given a number of projects a timely boost.

Council continues to get a better understanding on the condition of our assets.

Key activities and achievements over the last 8 weeks

Three Waters Reform

Prioritisation of CIP funds

Solution to Route 52 (Flaxmill bridge) flooding problem

Wastewater solutions at Takapau and Porangahau.

Policy reviews.

Key priorities and activities over the next 8 weeks

Three Waters Reform

LTP Budgets

Solution to Route 52 (Flaxmill bridge) flooding problem

Wastewater solutions at Takapau, Porangahau and Otane.

Meetings Attended:

30/7/20 Council Meeting
3/8/20 HB Drinking Water Governance Joint Committee
5/8/20 Agenda preview F&I
6/8/20 Leadership Meeting
12/8/20 CE Performance Review
12/8/20 Overview Y/E Financials
13/8/20 F&I Meeting
14/8/20 Three Waters Review Workshop
18/8/20 Three Waters Review Workshop

18/8/20 Wastewater Webinar
20/8/20 Leadership Catchup
20/8/20 Council Meeting
27/8/20 S&W Meeting
3/9/20 R&A Meeting
3/9/20 Leadership Meeting
10/9/20 Council Workshop
14/9/20 Council Meeting
16/9/20 R&A Meeting

RUATANIWHA WARD REPORT**File Number:** COU1-1400**Author:** Bridget Gibson, Governance and Support Officer**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. Ruataniwha Ward report 24 September [↓](#)**PURPOSE**

The purpose of this report is to present the Ruataniwha Ward Report for August-September 2020.

RECOMMENDATION

That the Ruataniwha Ward Report for August-September 2020 be received.

Ruataniwha Ward

REPORT

Kia Ora from your Ruataniwha Ward Councillors



A highlight in the Ruataniwha Ward was the THIS TOWN Premiere held at our very own Civic Theatre. This was the first ever Red-Carpet event held in Central Hawke's Bay and was an event and movie that has put our amazing community on the map.



We were saddened and disappointed at the news about the Waipukurau Library closure due to earthquake risk. We have all been in deep discussions with our community who too are disappointed and want answers and assurance that Waipukurau will still have a library service. We can assure you that as Ruataniwha Ward Councillors we are committed to getting a solution.



Things are starting to get real for 3 waters delivery in CHB with the recent Morrison and Low report outlining the reality that with compliance costs and high levels of service expected from Central Government that it is becoming unaffordable for our connected citizens. The option before us is a move towards regional delivery options to make these services affordable for the connected people.

Key activities and achievements over the last 8 weeks

- Adoption of the Integrated Spatial Plan
- Long term plan webinars
- Waipawa and Waipukurau Town Centre Planning
- Business Connector meetings
- Progressed the Tuki Tuki Trails planning
- Understanding the 3 Waters Review
- Cuppa with a Councillor

Key priorities and activities for the next 8 weeks

- Supporting Māori Language Week
- Talking to people about the Rates Review out for consultation
- Getting the high-level feedback on Town Centre Planning
- Waipukurau Library solutions
- Welcoming a new councillor to the ward
- Wastewater solutions
- Recycling community engagement and messaging

Meetings Attended:

21 July, Mayoral Economic Recovery Taskforce
 27 July, Wastewater Community Reference Group
 27 July, CHB Community Reference Group
 28 July, Consumer Power Trust AGM
 3 August, Tuki Tuki Trails Meeting
 4 August, "This Town" premiere
 August, Lunchtime live Webinars
 10 August, Community Rooms AGM
 13&18 August, 3 Waters Review workshop
 25 August, Business Connector Evening
 4 September, Regional Collaboration Day
 9 September, Town Centre Planning Session



9 CHIEF EXECUTIVE REPORT**9.1 ORGANISATION PERFORMANCE AND ACTIVITY REPORT AUGUST - SEPTEMBER 2020****File Number:** COU1-1400**Author:** Monique Davidson, Chief Executive**Authoriser:** Monique Davidson, Chief Executive**Attachments:** 1. **Organisation Performance and Activity Report August-September 2020** [↓](#)**PURPOSE**

The purpose of this report is to present to Council the organisation report for August – September 2020.

RECOMMENDATION

That, having considered all matters raised in the report, the report be received.

SIGNIFICANCE AND ENGAGEMENT

This report is provided for information purposes only and has been assessed as being of some importance.

DISCUSSION

This reports seeks to update Council on a number of key projects and priorities for Central Hawke's Bay District Council.

FINANCIAL AND RESOURCING IMPLICATIONS

This report does not present any financial or resourcing implications.

IMPLICATIONS ASSESSMENT

This report confirms that the matter concerned has no particular implications and has been dealt with in accordance with the Local Government Act 2002. Specifically:

- Council staff have delegated authority for any decisions made;
- Council staff have identified and assessed all reasonably practicable options for addressing the matter and considered the views and preferences of any interested or affected persons (including Māori), in proportion to the significance of the matter;
- Any decisions made will help meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses;
- Unless stated above, any decisions made can be addressed through current funding under the Long-Term Plan and Annual Plan;
- Any decisions made are consistent with the Council's plans and policies; and
- No decisions have been made that would alter significantly the intended level of service provision for any significant activity undertaken by or on behalf of the Council, or would transfer the ownership or control of a strategic asset to or from the Council.

NEXT STEPS

The next six weekly organisation report will be presented to Council on 18 November 2020.



 **CENTRAL
HAWKE'S BAY**
DISTRICT COUNCIL

Together we thrive!

Chief Executive's Report
Central Hawke's Bay District Council

Together we Thrive! E ora ngātahi ana!



CENTRAL HAWKE'S BAY

DISTRICT COUNCIL

Our vision for Central Hawke's Bay is a proud and prosperous district made up of strong communities and connected people who respect and protect our environment and celebrate our beautiful part of New Zealand.

Together we thrive!

Our Strategic Direction for Central Hawke's Bay

What we know - Our DNA -



WORKING TOGETHER

Central Hawke's Bay will be stronger when we work together. Partnerships and collaboration are at the core of everything we do.



CUSTOMER EXCELLENCE

The communities we serve are our customers. They are at the heart of our decisions, interactions and communication. We'll engage with our customers to deliver value and exceed expectations.



THINKING SMARTER

We need to think smarter and better in everything we do. With a culture of innovation and continuous improvement we will add value to our communities.

What we stand for - Our Values -



Our values capture who we are and what matters most to us. They are the attitudes we embrace as individuals, teams and as a whole organisation. We are all personally responsible for acting with these in mind.

- T **TRUST** – We create trust by acting with integrity.
- H **HONESTY** – We do what is right even when no one is looking.
- R **RESPECT** – We have respect for each other, our community and our stakeholders.
- I **INNOVATION** – We find smarter ways to do things to produce improved and sustainable results.
- V **VALUING PEOPLE** – We are one team, supporting each other to succeed.
- E **EXCELLENCE** – We deliver exceptional results.

What we're most proud of - Our Greatest Asset -

People are our greatest asset. At Central Hawke's Bay District Council we are committed to providing a safe and great place to work that values diversity and inclusion, and develops skilled people who can lead our community to thrive.



Why we do what we do - Our Purpose -

It's our goal to create an environment that supports a thriving Central Hawke's Bay district, by providing efficient and appropriate infrastructure, services and regulatory functions.



The outcomes we want to achieve - Our Objectives -



- A proud district.
- A prosperous district.
- Strong communities.
- Connected citizens.
- Smart growth.
- Environmentally responsible.
- Durable infrastructure.

How we'll reach our outcomes - Our Focus -



- Promoting smart growth.
- Attracting and enabling business success.
- Strengthening our district and community identity.
- Protecting and promoting our unique landscape.
- Planning for tomorrow to future-proof Central Hawke's Bay.

KIA ORA FROM THE CHIEF EXECUTIVE

E ORA NGĀTAHI ANA – TOGETHER WE THRIVE.

Chief Executive Update — August-September 2020

This report provides an update of the organisation's activity over the August 2020 – September 2020 period and provides a snapshot of some of the organisation's achievements and activity over this time.

Preparation for the 2021-2031 Long Term Plan is progressing well with particular focus on draft stages of the Financial Strategy, Infrastructure Strategy, Activity Management Plans, Asset Management Plans and 10 year budgets.

August kicked off with the launch of Long Term Plan 2021-2031 Pre Engagement, titled "Our Thriving Future".

The formal receipt of the independent Three Waters Review report (prepared by Morrison Low and their partner WSP) to the five councils of Hawke's Bay throughout September, concluded an eighteen-month process of investigation and detailed analysis.

The independent Review findings provide councils with the opportunity to engage with Government on solving the challenges that come from regionalisation of three waters services and their costs.

The Key findings and recommendations of Hawke's Bay Three Waters Review report are as follows:

- Making no changes to the way our three waters services are delivered is not affordable or sustainable.
- Meeting the new regulations under current service delivery arrangements poses significant affordability challenges for our region and in particular our smaller councils
- The Review's forecast investment in three waters infrastructure across the region to meet new drinking and wastewater standards is estimated to at a minimum double since councils' 2018-2028 Long Term Plans from \$313m to \$605m. This does not include costs for future storm water requirements.
- Five service delivery options were shortlisted and considered against regional investment objectives and cultural principles.

An asset owning council controlled organisation was the preferred service delivery model as it best met Councils' investment objectives and the cultural principles developed collaboratively with Councils' Māori Standing Committees. In particular, the model addresses the regional affordability challenge associated with meeting new standards and regulations, is able to concentrate its investment on three waters priorities, Delivers the scale required to create strategic capacity and capability, Enables a meaningful role for Māori (including co-design and governance), enables improved operations (risk management, asset management, ability to meet compliance requirements and produces the greatest savings

There are also challenges in adopting a regionalised service delivery model, in particular:

- Perceived inequity that arises when councils transfer different levels of three waters-related debt and assets of varying condition to an asset owning CCO. Where this happens, some ratepayers may feel that they are inheriting someone else's problem.
- Regionalising three waters rates to reduce the costs of three waters services to an affordable level across the Hawke's Bay means Napier ratepayers may pay more for three waters than they otherwise would (under the enhanced status quo).
- Moving to a regional service delivery model means that costs for most ratepayers will be lower than the expected future costs, while for some, theirs will be higher. This will be a challenge for every region in New Zealand.

Concurrently, Government began a process to reform New Zealand's drinking, waste and storm water (three waters) regulations and the way three waters services are delivered.

The timing of the Hawke's Bay report coincided with Central Hawke's Bay District Council opting in to the first phase of discussions with Government on their proposed three waters service delivery reforms, including the signing of a Memorandum of Understanding.

A highlight of the period reported on, was the adoption of Council's first Māori Engagement Strategy - Tūhono mai Tūhono atū. Tūhono mai Tūhono atū provides a framework for priorities that contribute toward Council and Tangata Whenua aspirations for Māori cultural development, with a particularly strong focus on recognising culture connects and strengthens communities, instils a sense of pride and identity and improves individual and community health and wellbeing.

Developed over five months with the support of Te Taiwhenua o Tamatea, the adoption of Tūhono mai Tūhono atū follows the Council's recent amendment to its Māori Contribution to Decision Making Policy, which now reflects a clear direction that Māori engagement and development be a priority.

The four pou of Tūhono mai Tūhono atū are:

1. Whiriwhiria / Council-Iwi Relationships
2. Tikanga / Language, Culture and Place
3. Oranga / People and Prosperity
4. Rauemi / Infrastructure and Resources

Supported by clear mandate to ensure cultural capability and the implementation of Tūhono mai Tūhono atū, Council are currently recruiting for a Pou Whātua – Maori Relationships Manager who will support the organisation in bringing our collective aspirations of Tūhono mai Tūhono atū to life.

At the time of writing this report, we are currently celebrating Te Wiki o te reo Maori week, with effort taking place within the organisation and across the community to encourage the participation and celebration of Te Reo Maori.

Ko taku reo taku ohoho, ko taku reo taku mapihi mauria

My language is my awakening, my language is the window to my soul

Monique Davidson - Chief Executive

Activity

Updates



GOVERNANCE AND LEADERSHIP

Governance and Policy

Following the adoption of the new Delegations Manual and Governance Policy Framework, work continues on the revision of key policies as we prepare for our Long Term Plan 2021 -2031.

A bi-election for the Ruataniwha Ward is currently underway. Three nominations were received; therefore an election is required to determine the successful candidate and will be conducted by postal voting using the first past the post electoral system. Voting will open on Thursday 24 September and close at midday on Friday 16 October 2020.

Civic Award nominations closed on the 27th August and on the 7th September the Civic Awards Selection Panel met to deliberate on the awardees for 2020. The Civic Awards ceremony preparation is well underway and the ceremony is to be held on the 29th September.

Citizenship

The DIA's latest Choice Newsletter regarding citizenship ceremonies informs that the raising of the COVID-19 alert levels has further delayed the DIA's ability to start ceremonies again. They are now looking at starting up again in November, at the earliest.

Nationally, over 6,000 people received their citizenship certificate in the mail in lieu of attending a ceremony (20 recipients within the CHB District as at 8 August 2020). The DIA reports that research was commissioned to understand customer and council views on ceremonies, and to test ideas of what could be done should the alert levels remain in place for an extended period of time.

The overwhelming response from respondents was that they see the citizenship ceremony as an important part of the process. Those who attended one found it was a valuable occasion for them and their families, while those who received their certificate via courier still wanted to attend one to complete their citizenship journey. While the number of responses was not large enough to provide reliable statistics, customer responses across the board indicated a preference for a formal ceremony.

The feedback from a cross-section of councils mirrored the responses above, with councils saying they would like to continue (and resume) doing citizenship ceremonies.

At CHBDC, we hope to resume ceremonies in November to celebrate all those CHB District residents who have been granted NZ Citizenship since our last ceremony in November 2019.



SOCIAL AND ECONOMIC DEVELOPMENT

Community Wellbeing Strategy

Commitments to the Civil Defence Welfare Response have now reduced to enable Social and Community Development staff to return to their roles. Kate Luff continues to provide support in a contracted capacity to assist in the Community Development portfolio while Christine Renata remains seconded to the CHB Cross Agency Triage project until the end of November 2020.

Work has begun on the review of the Community Wellbeing Strategy, establishing a new Social Wellbeing Strategy, building on the work and networks established during COVID-19.

Central Hawke's Bay Cross Agency Triage Project

The Central Hawke's Bay Cross Agency Triage Project seeks to establish and embed a collaborative cross agency forum to address and ensure support for our most vulnerable families is in place, and support and address agency cross over fatigue in our community.

Initially co funded by the Ministry of Social Development, Kainga Ora – Homes and Community and HB District Health Board, additional funding from Ministry of Social Development has allowed the project to be extended until the end of November 2020. To date the CHB Cross Agency Triage forum has assisted ten family groups consisting of 19 adults and 45 children.

Feedback received from community agencies indicated that many agencies and individuals had knowledge gaps and questions around submitting Reports of Concern to Oranga Tamariki. A workshop on "The When, Why and How to do a Report of Concern", delivered by local Oranga Tamariki staff was held in Waipukurau with over 30 people from the health, education and social services sector attending. The workshop also provided an opportunity for agency representatives to meet and build relationships with local Oranga Tamariki staff.



Safer Central Hawke's Bay

During this reporting period the Coalition group met on 26 August 2020 with the newly formed Governance group meeting on 2 September 2020.

Planning for future injury prevention priorities continues. This will take shape alongside the development of the Social Wellbeing Strategy. A range of stakeholders, including Coalition partners, Workstream participants and other networks that represent priority or vulnerable groups, will soon be asked for feedback on their experiences and that of their clients/members.

Alongside this we will be presenting partners and stakeholders a range of injury data that tells the story in a different way. Council's access to the SOLGM database will be helpful in this regard.

The Safer Homes and Warmer Homes group continue to meet regularly, and have developed a calendar of projects and promotions. Group members are, for example, helping to promote Shake Out in Central Hawke's Bay homes, workplaces and schools.

The Family Harm prevention workstream (Violence Free CHB) have placed several distinctive "It's Not OK" signs across Central Hawke's Bay, with the generous support of Rotary. White Ribbon Day is in November, this is an opportunity for this group to leverage off national campaigns which support the violence free message.

The Community Resilience and wellbeing group, in partnership with local and regional stakeholders, ran a Rural Small Block Holders Field Day on 26 July – this was well attended and positive feedback received from both exhibitors and attendees. However, it highlighted the perilous situation that many small block holders are in, and the need for ongoing education and support.

The Farmstrong Comedy event, organised by Farmstrong in partnership with the Community Wellbeing and Resilience group was postponed due to the Covid resurgence, - this has now been rescheduled. This Safer CHB Workstream now turns its focus to the NZ Suicide Prevention Strategy, Every Life Matters, and looking at how its activities align with and support the Strategy.

Youth Development

EPIC Ministries continue to deliver the Youth Development Contract for Service by delivering a variety of youth services and programmes to the Central Hawke's Bay community. Closer relationships have been built with the Inspire Youth Council with the group recently participating in a youth consultation session for the Waipukurau and Waipawa Spatial plan project.

Positive Ageing

The Positive Ageing Forum have met twice during this reporting period on August 11th and September 8th. Organisations continue to see the effects of COVID 19 amongst our older population, and many have not seen numbers of older people joining in events and activities return to their pre COVID numbers yet. This causes concerns particularly around social isolation and member agencies are working hard to address this. Several initiatives are underway or planned including celebrations for International Day of the Older Person on 1st October and a combined Shake Out event in Waipukurau.

The lack of access to banking facilities due to decreased operating hours as well as the phasing out of cheques is causing concern amongst older people. One response to this was to run a campaign from our Central Hawke's Bay library and pop up service centre where staff assisted people to sign up to receive their Centralines rebate via direct credit rather than by cheque. Other workshops and seminars are also planned to address this emerging issue.

Disability Reference Group

The Disability Reference Group met on the 9 September, the second face to face meeting following on from reduced COVID 19 restrictions and members also attended the Hawkes Bay Regional Disability Meeting held in Hastings on 26th August.

A focus for this meeting was a presentation from Chrissie Cown, Chair of The Access Alliance. Chrissie presented on the work that the Access Alliance have achieved with accelerating accessibility legislation and setting up advisory councils responsible for reviewing and making recommendations for accessibility in particular domains.

COMMUNITY FUNDING

Creative Communities Fund

As a result of two Creative Communities panel members resigning from the panel this year, a recruitment process was completed and three people applied. Each of these applications were reviewed by the panel and it was decided to accept all three people onto the panel. The new panel members include Robina Harper, Kathryn Keir and Sophia Smith. Robina is actively involved in a local choir and is also completing some classical training in singing, Kath is the Head of Department in Art at CHB College and Sophia is a Year 11 arts student. The panel is very excited to have new members on it. At the start of this year the panel also elected Helen Walker as its Chairperson.

The next round of Creative Communities funding closed on 28 August 2020 and nine applications to the fund were received. The Panel is due to meet on 14 October 2020 to review these applications and allocate just over \$11,000.

Community Voluntary Organisation Support Fund (CVOS)

On 30 July 2020 Council also confirmed the appointment of Carmel Thompson and Rachel Baker to the CVOS Committee. These two new members will join the other public member, Alan Sutherland and Councillors Minehan, Wichman and Aitken on the Committee. A meet and greet and induction onto the committee occurred on the 18 August 2020.

The next round of Community Voluntary Organisation Support Funding closed on 07 August 2020 with 5 applications being received for Category 1 and 21 for Category 2. The panel are due to meeting on 21 September to consider these applications and allocate \$31,500.00.

It is noted that by resolution of the Council at its meeting on 30 July 2020 this year a further \$1500 has been allocated to Category 2 of the CVOS funding.

Community Pride and Vibrancy Fund

Two Community Pride and Vibrancy Applications were considered by the Strategy and Wellbeing Committee on 27 August 2020. The Application for the Waipawa Spring Festival Duck Day was approved by the Committee and \$2,000.00 was allocated to the event. The Application for the Ongaonga Festival and Market was also approved by the Committee and \$1,000.00 was allocated to the event.

ECONOMIC DEVELOPMENT

Economic Recovery

Our focus continues to be on the implementation of the Economic Recovery Plan and ensuring our community weathers the twin blows of drought and Covid-19 led recessions.

Work continues to advocate for Central Hawke's Bay specific 'shovel ready projects' to be funded out of both the Crown Infrastructure Partners Fund and the Provincial Growth Fund to fill the pipeline of capital projects for recovery. We have had confirmation that several of our shovel-ready projects have been funded, which will bolster the capital project pipeline for worker redeployment. As these projects have yet to be contracted we are not in a position to announce them in this status report.

In addition, we were buoyed by the announcement of \$19M loan funding from PGF for Te Mata Mushrooms Holdings Ltd to expand production in Havelock North and Central Hawke's Bay. The project will contribute significantly to an uplift in Gross Regional Product and direct and indirect jobs. Our PGF funded vegetation management programme continues with several workers from this programme going on to full time, sustainable employment.

Another focus has been on our small to medium enterprises (SMEs). A business Connector Event was held at the Municipal Theatre, Waipawa, on 25 August to help our SMEs. The venue had to be changed to account for the larger than expected numbers and to enable social distancing protocols. A total of 80 people were present, which included 46 business owners, representing around 38 businesses. The event was very well received with presentations from agencies including MSD, BHB, the Chamber of Commerce, Shop local CHB, and the Regional Business Partners. Workplace Wellness. All the agencies have picked up active leads from the night to provide additional information and support. A survey is being collated and a recommendation for future events will be made.

Ngā ara Tipuna

This project continues to be a priority focus for the economic development team, and is on track for project completion in April 2021.

The last two months has seen an acceleration in the work programme with the following actions completed or underway:

- Solution definition workshops completed
- Developed design and landscape plans completed for all structures and locations
- Content wananga for phase one complete
- Filming for phase one (Pukekaihai) complete
- Filming for phase two underway
- User workshops for content underway
- Fabrication for phase one underway
- Business development planning for tourism experiences underway
- Governance structure (trust establishment) complete
- Fundraising 95% complete, with community fundraising the final component

Image: filming oral histories for Ngā Ara Tipuna at Rakautatahi Marae



CENTRAL HAWKE'S BAY TOURISM

Tourism Infrastructure Needs Assessment

Alongside the Spatial Plan the Veros team have been working on a Tourism Infrastructure Needs Assessment. The team recently visited Central Hawke's Bay and alongside Felicity Carr, the Central Hawke's Bay Tourism Coordinator, met with local business owners and stakeholders to discuss tourism opportunities, challenges and infrastructure needs. This plan is now in its final stages of delivery, with a due date of 22 October.

The assessment will identify hero experiences, target markets and infrastructure requirements to position Central Hawkes Bay as a domestic tourism destination.

Spring Fling

Spring Fling is now in Full Swing. Taniwha Daffodils and the Oruawharo Expert Garden Tour events were cancelled bring the total to 13 wonderful events catering to a range of interests. With slow ticket sales, it is expected that consumers will be waiting until the last minute to purchase tickets with the uncertainty around Covid-19 alert Levels and travel restrictions. One event Doubled the tickets sold in the week up to the event following this trend of last-minute purchasing.

Spring Fling Marketing.

Spring Fling Print ads featured in News Papers as far south as Kapiti and north into Hawke's Bay. Spring Fling out of region Digital Campaign ran from the 19th August to 31st August and delivered 397,037 impressions with a Click Through Rate (CTR) of 0.18%. Higher than the National Average CTR of 0.07%.

Radio advertising is still under way on the Hits, Hawke's Bay Gold, Hawke's Bay ZB and now the Central FM. The Hits morning show with Adam and Megan ran a Spring Fling Giveaway over a week and a half outlining each of the events that put up Prizes.

Spring fling featured in a double page ad in the Spring Living Hawke's Bay magazine.

Central Hawke's Bay Marketing

Central Hawke's Bay Featured in the 18 August NZME Travel Magazine which has distribution around the North Island and was named in Stuff's Top Five Small NZ Towns to visit in Spring.

Trade Visit

A newly established role of Travel Trade Sales and Marketing Manager, has seen Heather Mathews new to the region from Hawke's Bay Tourism visit Central Hawke's Bay to begin to familiarize with the area and products available. Heather will be back in the next couple of weeks to visit a more locations around Central Hawke's Bay to gain a strong understanding of the products available.

It is important for Heather to know what is available in Central Hawke's Bay to be able to appropriately sell the product in the trade space, how Central Hawke's Bay fits into a wider Hawke's Bay Itinerary for the Travel trade market and key areas to focus on in the trade space, as we currently stand, as a Visitor Destination.

Art Deco

Felicity is in initial discussions with Art Deco Trust about Central Hawke's Bay activation for the Art Deco Festival and will continue to work through what this will look like over the next two weeks.



DRINKING WATER

Drinking Water Compliance

Annual drinking water compliance audits are now complete, there was only one plant that passed this year. This is due to turbidity spikes in Waipukurau which were confirmed to be air, but the drinking water assessment unit were not satisfied there was enough evidence provided to accept the findings by the field staff. Takapau failed due to a sample being missed during level 4 lockdown. All drinking water reticulated networks passed for the year in short, the plants failed on technicalities, but the water delivered to our communities was safe and complied with the public health act.



The operations team continues to be busy with 86 leaks repaired for the period and a total of 179 requests received. This is up on the last period of 68 leaks repaired and 133 requests received.

Waipukurau Second Supply

Officers are finalising the projects to be set in the 3 waters funding and delivery plan to be funded through the \$11.09m council has accepted through the recent MoU signed. Following this council will look to receive a report confirming the option to take forward to design and construction, this will also need to align with the funding and delivery plan.

SH2 Borefield Upgrade

The project team is undertaking performance and operational testing and the new system is expected to be operational by September 2020. Some decommissioning of old equipment and site tidy up can then take place.

A formal opening of the new site will then be planned.

Kairakau Water Upgrade

Engagement is planned for October, and following this process a report is planned to return to the Finance and Infrastructure Committee confirming the preferred option to take forward for design and implementation in Nov 2020.

Waipukurau Firefighting and Shortfalls

In December 2019, Council completed stages 1 and 2 of a seven-year programme to upgrade the firefighting capability within Waipukurau. Following this we will be able to review the effectiveness of the first 3 stages.

Stage 3 is well on track for completion by the end of September 2020. Following completion, we will be able to review the effectiveness of the first 3 stages.

Council is currently investigating some firefighting opportunities as part of the Farm Road water scheme to alleviate the need to draw water from town in the event of a fire.

Waipawa Firefighting, Shortfalls and Model Refresh

Council has awarded a contract to Stantec to replicate the 7 year programme of improvements created for Waipukurau, but this time for Waipawa, this will also include a refresh of the Water model to take into account growth, and improvements like the Otane Alternate Supply completed.

We expect to complete design and programme development by early 2021, and then procure a contractor for Stage 1 and 2 to commence on 1 July 2021.

WASTEWATER



Waipukurau Wastewater Odour

Since the last report the odour issues at Waipukurau have now been resolved and the operations team have been working on continuous process improvements including SCADA changes to make the balance pond and inlet work visible on the system.

Aerator improvements

The team has been quite innovative in refurbishing one of the aerator types. The Accurator aerator is produced with the blower motor mounted on the unit which floats on the pond, this causes safety issues and makes servicing quite difficult. The motors were removed from one of the units and mounted on the bank as a trial with great success meaning it can be now serviced without personal having to enter the pond. This retrofit will be rolled out across the district in the coming months.



Waipawa Trunk Sewer Main Renewal

Power is set to be commissioned on the 16th Sept 2020 to the new pump station works can then be completed to commission the new pumps and the project will then be complete.

Waipawa, Waipukurau, Otane Wastewater Treatment/ Consenting Project

The team works behind the scenes on the conceptual design for the wider project to be brought to provide input into LTP 2021. Pre-Engagement went well albeit in mostly a virtual setting, officers are working to confirm the funding that will be set aside for wastewater in Tranche 1 of the funding and delivery planning and this will determine the level of acceleration for some of this project, a wastewater strategy is due to be adopted by Council on the 8th October 2020.

Otane to Waipawa Wastewater Pipeline (Stage 1)

Works are well underway, and the team has installed all the pipe for the first stage and is currently installing valves and testing the pipeline - The first stage (3500m) is on track to be completed by October 2020.

Otane Inflow and Infiltration Studies

Study findings were presented to the Finance and Infrastructure Committee in June 2020, and Council now look to price the remediations based on priority to give Committee an idea of the work required, budget has been earmarked in the renewals 2020/21 to remedy priority one findings. Some renewals are likely to be expedited from the reform funding.

Porangahau and Te Paerahi Wastewater Treatment/ Consenting Project Projects

Following further engagement in July, land is now being sought and council is looking to make some steps on this over the next few months, as well as further cultural site identification to inform the project design, progress is being made and the team is determining how best to shape this into the consenting timeframes to meet ultimate project aspirations and LTP requirements.

Takapau Wastewater Treatment/ Consenting Project Projects

Following further engagement, Council have preliminary agreement with a landowner to investigate a land discharge scheme for the fry weather discharge from Takapau.

Takapau WWTP needs a consent lodged by March 2021. In the interim, some work is being done to install a new inlet screen and inlet flow meter along with replacing the outlet flow meter.



STORMWATER

Resource Consent Compliance

We have been developing a comms and education campaign for schools, developers and builders. We have almost finalised an erosion and sediment control brochure to be delivered as part of our building consent packs



Helicoil Pipe Replacements (Tutanekai and back of Tavistock Rd)

We have awarded this project to Pipeworks who have completed investigations and liner material is on order to be delivered in August 2020, and we expect the project to take place in September 2020.

Slight delays due to COVID19 on product mean the project will take place in October 2020, and be completed by the end of October 2020.

Waipukurau CBD Stormwater Improvements

Design and investigation continue at the bottom end of Ruataniwha Street, Council are investigating an opportunity to collaborate with a future water project and land transport project to maximise efficiencies.

Rathbone Street to Bush Drain Extension

A small project as a result of the findings of the Waipawa Trunk Sewer Main Project has led to an extension of the drain at the bottom of Rathbone Street now through the Bush Drain, this runs as an open drain through 2 properties, and previously terminated in the second property, resulting in significant flooding of the paddock. The project is now complete and the landowners are happy with the outcome.

**LAND TRANSPORT****Contract Works 20 / 21**

Work on the 20 / 21 programme is underway with Downer continuing the road maintenance activities. Downer who also are the holder of the re-seal contract have been working with our contract manager and have been completing the pre-seal repairs on the sites that will be re-sealed this fiscal

The Area Wide Pavement Treatment programme held by Higgins is underway with good progress being made on the site on Ugly Hill road. We have had some minor weather delays, but the contract work is progressing well. The quality of the work being done meets all specifications. Other sites are being designed for later in the year should funding allow

Higgins who also hold the Minor Structural Renewals contract are progressing work on three bridge projects. Tipene's Access Bridge, Te Roto Bridge and Eparaima Bridge were restricted to 3 tonnes due to structural faults. We have been on close contact with all property owners and have involved them in the proposed solutions. In order to meet their farming requirements, we have planned to complete all works on these 3 projects prior to the end of January. Materials have been ordered for Tipenes and will arrive with the next couple of weeks and installed. The other 2 are partially designed and will be ready to implement once Tipenes is complete. This work will be funded from the carry forward from last year

Higgins are also pricing and scheduling the other identified work to be completed this fiscal. The line marking contract will go to market at the end of September

October Weather Event

Work is continuing with the final repairs from the October 19 weather event. This was affected by Covid-19 as most of the remaining work required field investigations.

Year – End

All material required for the NZTA year-end have been submitted and excepted by NZTA and staff have been planning this year's work program. Through the month of August and into early September staff have been busy assisting the Council auditors

Asset Management

The new Activity / Asset Management plan has been completed in draft and is being reviewed and edited to be able to present to Council along with the 3 and 10 year budgets. NZTA have been provided with a rough draft and we will be scheduling a couple of meetings with them over the last half of September to get initial feedback and guidance

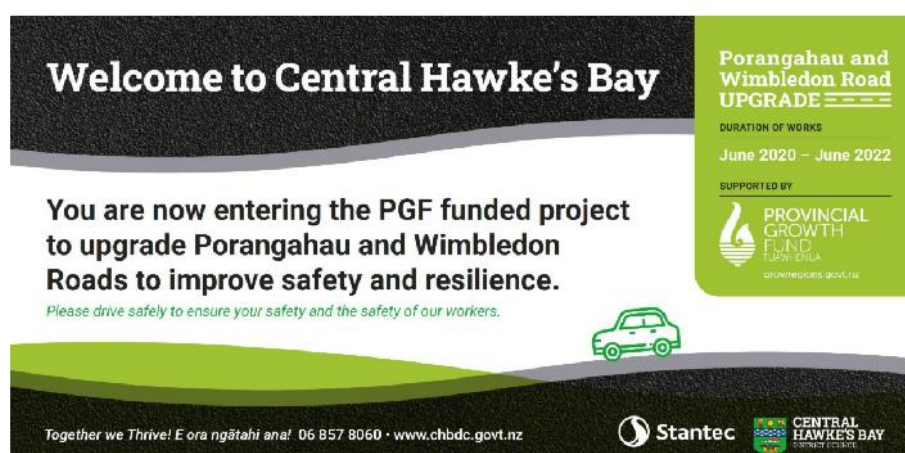
HPMV Business Case

The HPMV business case was delivered to MBIE/ PGF on 15 July 2020 as planned.

PGF - Porangahau to Wimbledon Roads

The PGF programme is now no longer under the Land Transport at an operational level but Land Transport remain involved to ensure the activities of renewals and maintenance are well coordinated with the work of the PGF program.

The two retaining wall projects across four sites are progressing well, and council is about to award the AWPT on Porangahau Road expected to start by the end of Sept 2020. Following this focus goes on procuring a bridge contractor and designing the Flaxmill solution, a robust procurement strategy has been workshopped with Council and is due to be adopted on the 24th September 2020 to set out the project delivery.



SOLID WASTE

Levels of Service

The raising of the transfer stations standards remains ongoing as we continue to present a more professional image for users. Waipukurau and Waipawa transfer now stations now have internal road markings through the sites and numbered bays painted on to the pit heads at the pits, resulting in improved ease and Health and Safety for residents using the facilities.

Since China's National Sword policy and the resultant global reduction in the value of recycling commodities, it has been getting more difficult and more expensive to dispose of items coming into our transfer stations. However, we have secured a number of outlets for various items, increasing our diversion rate from landfill.

We are trying to repurpose as much material as possible and an example of this is that the dumped concrete is now crushed and recycled and used on forestry tracks and pathways. There is a monetary saving here also, as the cost of this is cheaper than the cartage for it to be dumped.

We have noticed a significant increase in greenwaste coming in due to the Redeployment Work Programme.

Section 17A

The first draft of the Section 17a report will be presented to Council at workshop on September 24th. The report provides analysis of options for improving Councils waste management services in line with WMMP and wider community outcomes.

Waste Minimisation Events

No waste minimisation events have been held during this period, although a number have been programmed for later in the year.

Waste Minimisation Education

Omakare School held a reflection day to celebrated becoming a Bronze Enviroschool on 4th August 2020. This is a great achievement for the little school and is an example to some larger schools in the district.

Waste Free CHB

The comms team have been working with Coast & Co and have produced some really good material including a Waste Free Wendy video and a recycling flowchart, and are currently focusing on visuals to help residents recognise acceptable recyclables.

Recycling

Recycling is an emotive subject at the moment, with our residents being required to adapt to new practices as the government works with TAOs, recycling processing companies and collectors to make recycling kerbside collections and Drop Off recycling Centres more specific as to what is acceptable in terms of presentation and cleanliness. Following a fairly sympathetic but sustained stickering campaign, levels of stickering has reduced.

We are now concentrating on limiting the collection of plastics to numbers 1, 2 and 5 and asking residents to wash all recycling and remove tops.

Plasback

The initial response to this recycling initiative was good with a total of 51 registrations to the scheme. The Plasback liner packs were delivered to Council for collection, but only 33 were actually collected. The A&P showground was chosen as a central dropping off point, but disappointingly only 11 filled liner packs have been received. While that is disappointing, to put it into context, 11 packs makes 33 liners, with approximately 30 balewraps per liner is just short of 1000 balewraps that will be recycled from our district, instead of being buried, burned or going to the landfill.

Leachate to Landfill

The project is still on hold awaiting a groundwater discharge resource consent from Regional Council. Regional are not comfortable with a straight discharge into the second pond and so we are looking at options, one possibly could be to discharge into the first pond through a 'bubble up' arrangement which would have a dilution effect. We expect to lodge the proposal to HBRC by the middle of September 2020.

CONSENT



Building Consents:

Total consents: 84 (22/05/2020 – 13/07/2020)

New dwellings: 24

Total value: \$8,048,800

Resource Consents:

11 land use consents and 26 subdivision consents were granted.

From these 26 subdivision granted, the following additional lots were created (i.e. if one lot was subdivided into two, one additional lot has been created).

- Rural = 42
- Township / residential / business = 2

We are relying heavily on the good work within our team as well as our consultants, National Processing Ltd and WSP. We continue to focus on compliance and Paul Simmonds is working his way through the Building Warrant of Fitness tasks to ensure that our buildings within the district are fully compliant. Building Consent scanning has started with Jenny Kingston working 2 days per week to ensure the huge task is completed by the end of the year and the BCA becoming paper free.



EMERGENCY MANAGEMENT

Our focus within the organisation, remains on supporting the prolonged drought recovery and other operational initiatives underway in support of Covid-19 recovery.

We provide a fortnightly Economic and Social Recovery Status report, that will be further tabled at the October Strategy and Wellbeing committee.



PLACES AND OPEN SPACES

Redeployed Work Programme

The workers that have been employed with Recreational Services as part of the Covid recovery programme have given a real boost to vegetation control and tidy-ups of key public areas and entrance ways. You may have noticed the new plantings on Ruataniwha Street Waipukurau as well as removing tired vegetation at the Bogle Brothers rest area.

Other key sites include work on Mt. Herbert Road and Transfer Station, Waipawa and Takapau entrance ways, Ongaonga Hall and Museum Reserve, Tikokino Hall, Ouepoto Domain in Aramoana, Coronation Park and more. Recently they have given a real clean-up of vegetation to the Waipukurau entrance way with additional planting.

Places and Open Spaces has also benefitted from the tree team and work will soon begin in Hunter Park clearing out old stumps, formative pruning of trees, and removals where dead or dying and when removed will assist the remaining specimen trees to flourish.



Whangaehu Toilet

Feedback from the consultation letter that went out in July has been received. There is consensus on location, however staff will be discussing location with the neighbouring property and will need to bring a resolution to Council for permission to locate the facility in the road reserve, in accordance with the requirements relating to road reserve pursuant to the Local Government Act 1974. The picture below is like the dry vault toilet that will be installed.



Central Hawke's Bay Libraries

The Central Hawke's Bay Libraries in this time of Covid19 Level 2 have once again have put on hold all activities that are affected by social distancing. Yoga, knitting, U3A meetings continue as does the recently started Bake and Chat which has been a hit particularly with newcomers to the district. All these activities remind us how important the social role of the library is. We have had a very successful **Cuppa with the Mayor** and **Cuppa with a Councillor** with Councillors Exham Wichman and Kate Taylor, a great opportunity for our community to talk face to face with the decision makers.

The Eastern and Central Community Trust Funded Winter Warmers Reading Programme has continued with involvement with the schools limited to us visiting the schools. This has continued to be a huge success with most of our Central Hawke's Bay Primary Schools being visited at least twice by at least one librarian.

There has been an increased amount of discussion regarding the Waipukurau Library from our library users. We are always thinking of ways to make access to our services as simple as possible. A further update will be provided to at this meeting.

We will give a further push to our On-Line services and E-Resources along with 'My Book Bag' where people can order a bag of books which we will drop off at the Pop-Up at the railway station. We are also in the process of new promotion regarding Books at Home the service for the housebound and vulnerable users.

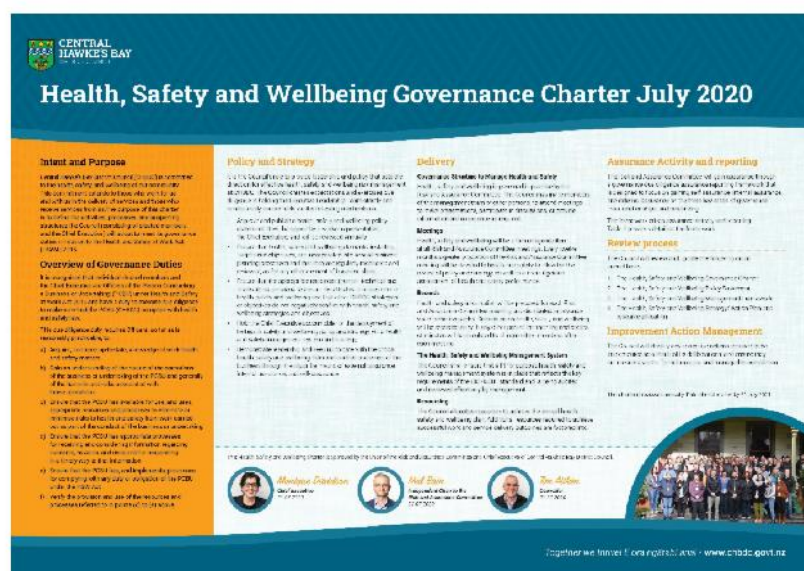


Gap Analysis Project

The Gap Analysis project has been completed, and the final report has been presented to ELT. The recommendations have been reviewed and re-prioritised based on highest risk to the organisation. This has been incorporated into a [safety and wellbeing strategy](#) with an action plan included. The implementation of these actions continues, and we have recently engaged Impact to further assist with this.

A new Health and Safety Management System is currently being drafted to compliment a Health, Safety and Wellbeing Policy recently adopted by ELT, and a Health, Safety and Wellbeing Governance Charter adopted by the Risk and Assurance Committee on 21 July 2020.

Health, Safety and Wellbeing Governance Charter



Contractor Management Framework

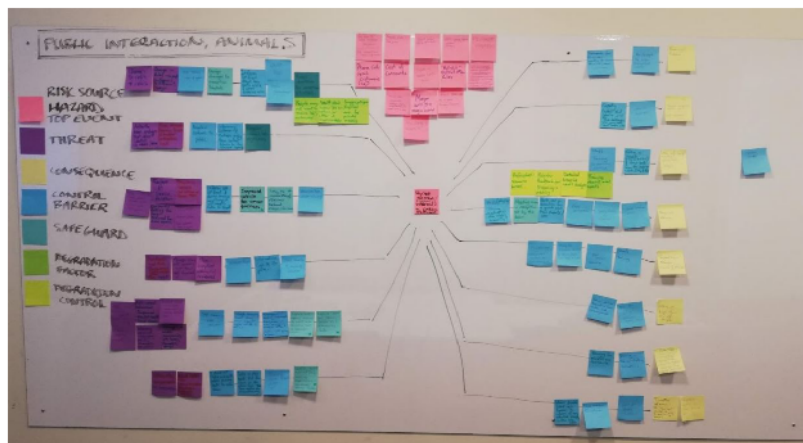
A Contractor Management Framework is in Draft and currently under review prior to going out to the teams for feedback/input. Once finalised the plan will be rolled out across the business. The purpose of the framework is to standardise our health and safety requirements across all contractors engaged by Council.

This includes how we carry out due diligence on our contractors through things like regular site inspections, audits and how we deem them competent over and above the baseline pre-qualification.

Critical Risks

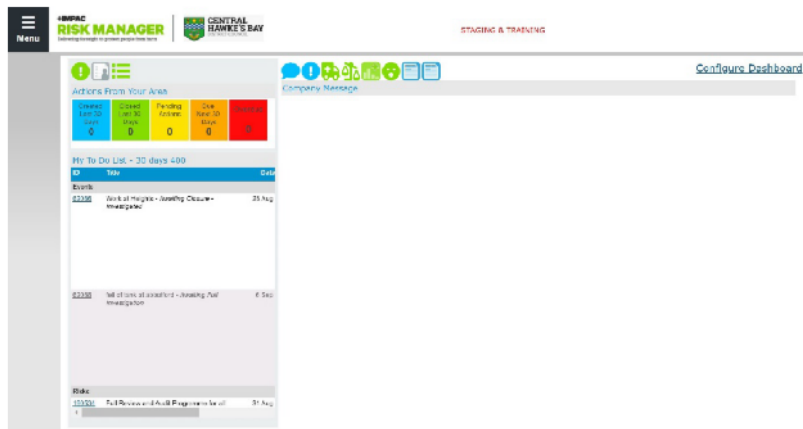
Critical Risks were identified as a prioritised recommendation in the Gap Analysis Project. Late last year critical risks were yet to be identified within the business. An initial workshop was completed at the back end of last year to workshop the critical risks (within health and safety) and to agree on the highest risks across the business.

August 2020 – saw the team run 13 critical risk workshops engaging with approx 100 staff and contractors to better understand our critical risks and how they affect our people and the work we do.



Safety System

We are currently implementing a new safety system called 'Risk Manager' into the business – this will replace PeopleSafe and Safe 365 and will look to be our one source of truth! This is expected to be fully operational by October 2020.



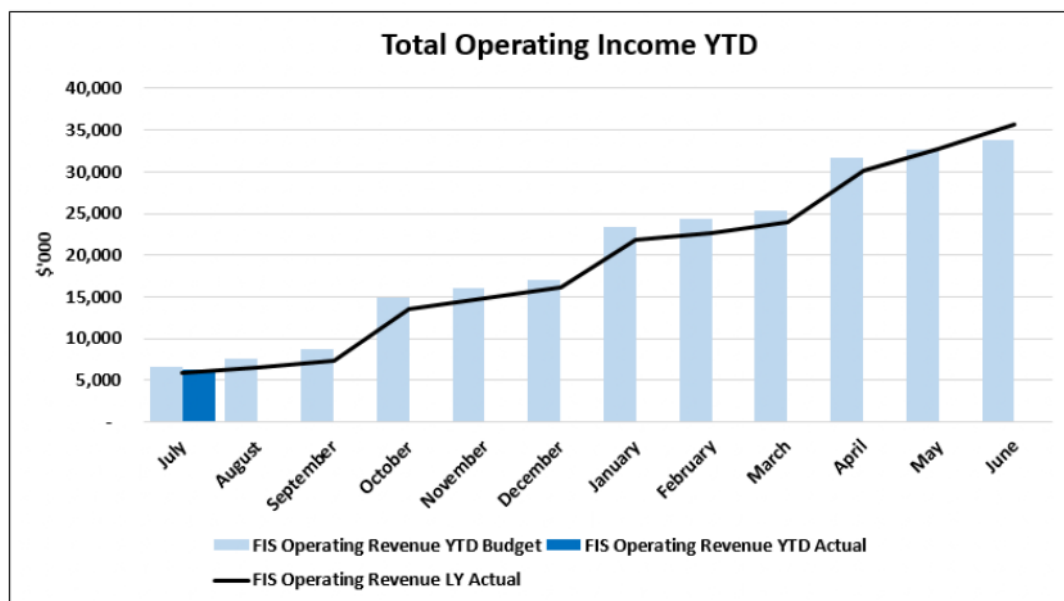
Financial

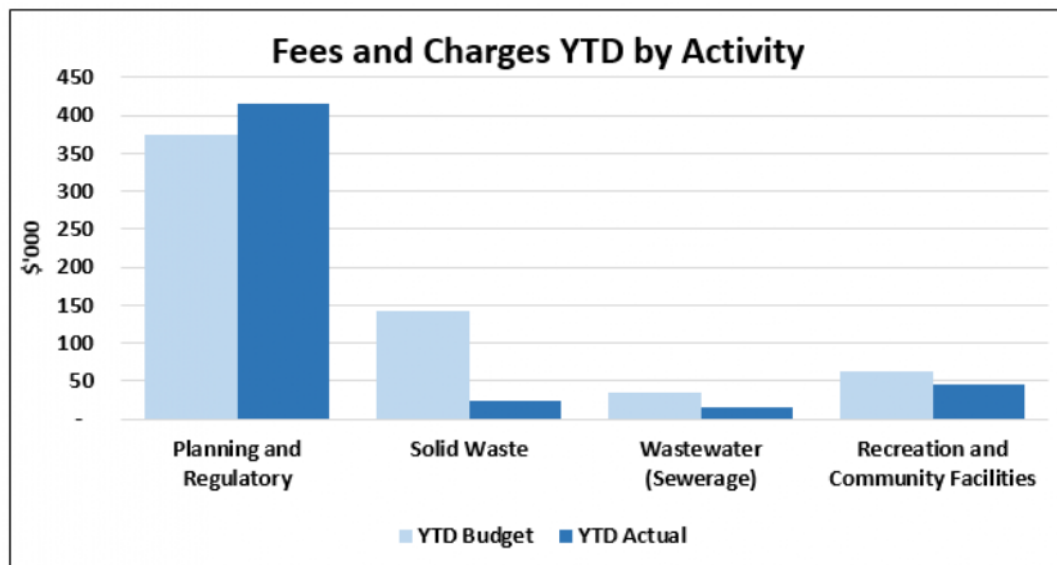
Performance

FINANCIAL PERFORMANCE ENDING 31 JULY 2020

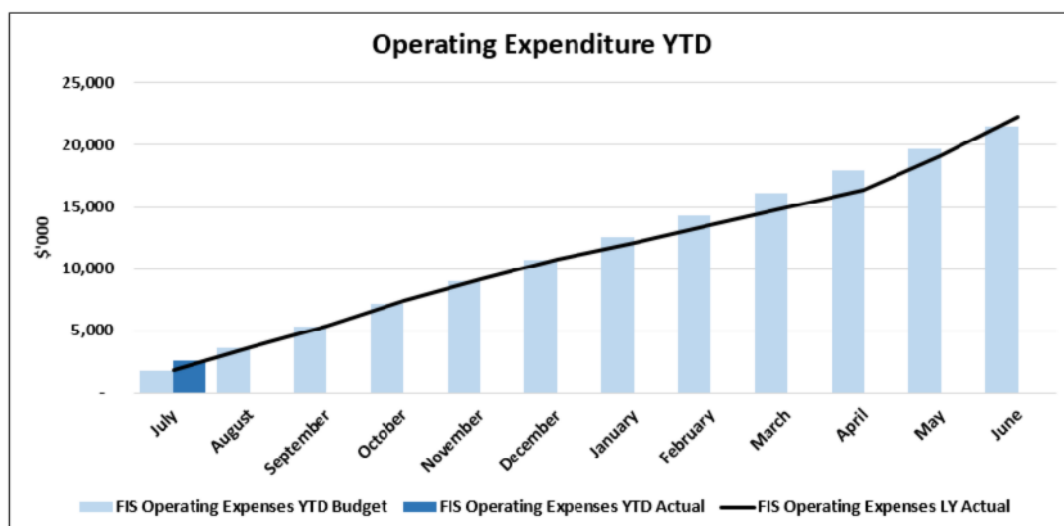
The graphs and tables below show the financial results for Council covering the financial results for the 1 month ended 31 July 2020. Being the first month of the new financial year it is too early to draw too many conclusions for this data, and the data is incomplete (the focus has been on the audit).

Revenue is tracking reasonably close to budget, and shows that planning and regulatory is still processing more consents than expected (and this is against a fees budget that was set pre-covid). Some of the landfill invoicing is yet to happen, so this should self correct in August.

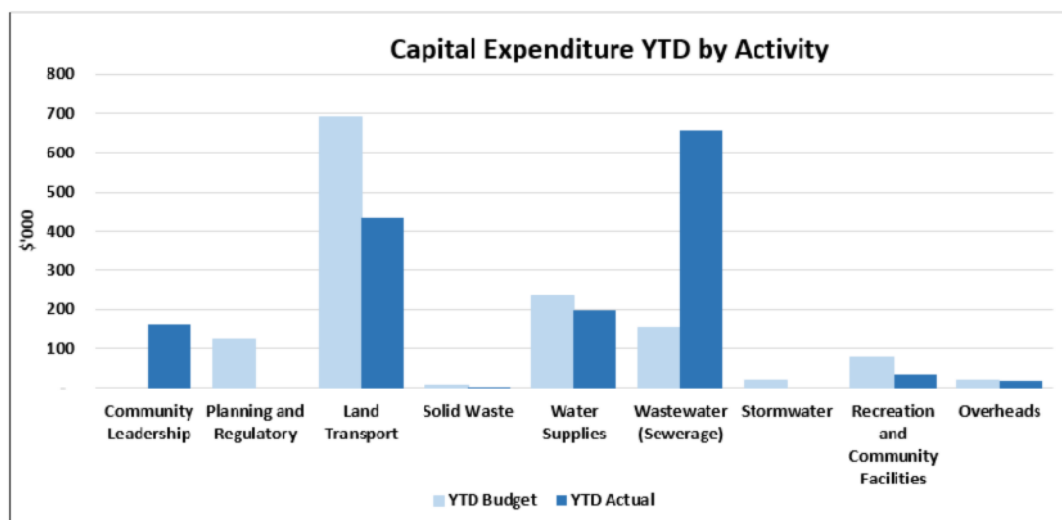
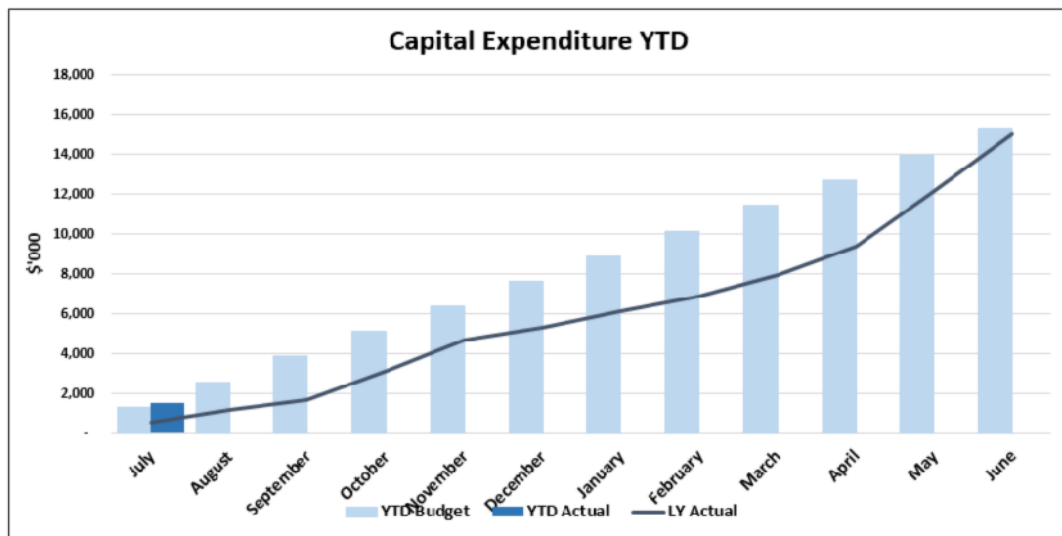




At present the budget phasing needs some work. For example the insurance budget is spread evenly, however in reality Council paid its insurance invoice for the first 5 months of the year in a single payment which distorts the results, so I would take the results for July with a grain of salt. Again, the finance team have been dealing with auditors and we will iron out the wrinkles next month.



The capital programs for the year are well underway, with the Otane to Waipawa wastewater pipeline being one of the main drivers.



Key Projects

**#the BIG.
Waste Water Story**

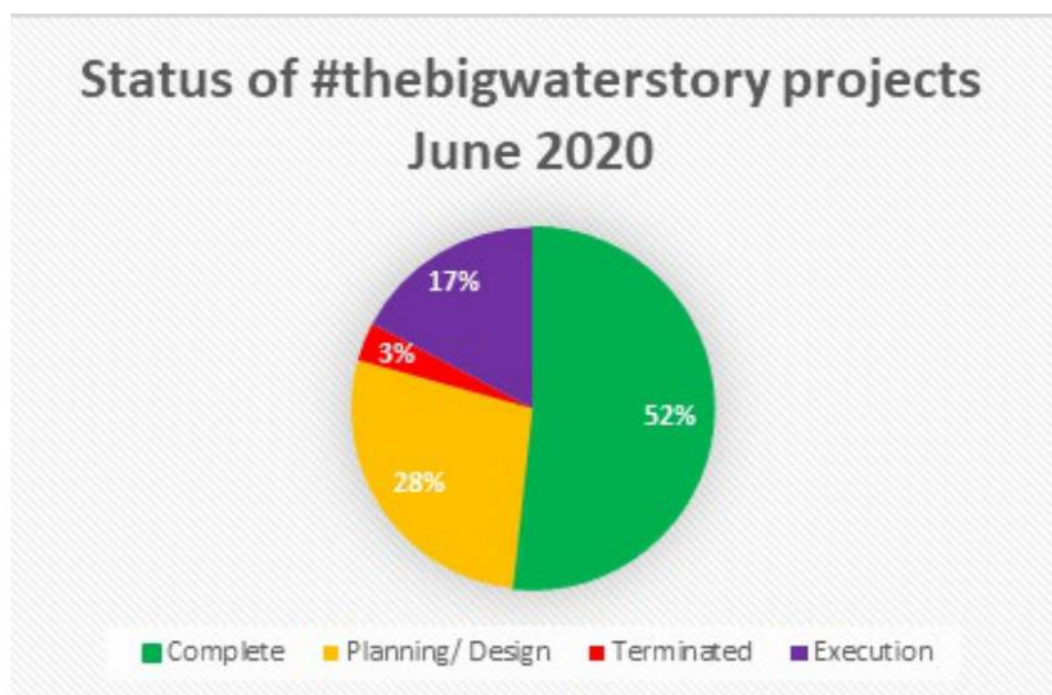
**#the BIG.
Water Story**

#thebigwaterstory continues to progress well. The first half of 2020 has seen long term project the SH2 Borefield Upgrade continue to progress well and a great milestone was achieved in July 2020 as the new pumps were installed.

June 2020 also saw the commencement of the Otane to Waipawa wastewater pipeline and our contractors continue to make great progress as they work to install 3500m as part of the first stage of works.

Council's project team are currently working on presenting the options for our wastewater projects for community engagement in August 2020. **#thebigwastewaterstory** has been earmarked as they brand for the programme of wastewater upgrades across our six wastewater treatment plants.

Below is an outline of the achievement across **#thebigwaterstory** programme across the planned 3-year work programme.



Key Projects

WAIPAWA AND DISTRICTS CENTENNIAL MEMORIAL POOL UPGRADE

PHASE 2	DESIGN	💡 📋 🛠️ ⚙️ ✓
TIMELINE	NOV 2019 START DATE	END DATE
PROGRESS	100%	██████████
BUDGET	\$1,205m TOTAL PROJECT	🔴 🟡 ✓
RISKS		🔴 ✓ 🟢



Scope

The development of a master plan is the remaining milestone from Phase 1 to complete. This master plan will inform phase 2 focussing on accessibility, entry, change rooms, and family friendly activities in pool surrounds inviting users to stay longer.

Progress Update

There is much appreciation for Bruce Stephenson and John Hamilton who have removed the old paddling pool and other extraneous concrete pads. A concrete apron is being constructed around the manhole for the holding tank any day. Following that the grounds will be supplied with topsoil and grass planted. Shade options are being discussed with the Contractor Aqua Management to protect lifeguards from the harsh summer sun.

Key Projects

DISTRICT PLAN REVIEW

PHASE	Consultation	💡 📋 ✎ ⚙️ ✓
TIMELINE	AUG 2017 START DATE	Notification May 2021
PROGRESS	70%	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
BUDGET	\$1,800, 749	<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>
RISKS		<div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div><div></div></div>

Scope

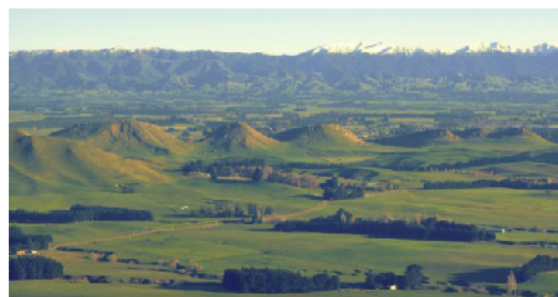
To progress with the remaining phases of the pre-statutory review ahead of undertaking the formal RMA Schedule 1 process. The main areas of focus during this period include completion of the outstanding bodies of work by the close of 2020 to enable the beginning of the statutory phase of the review

Progress Update

A revised work programme and budget have also been a focus for Officers during the current planning period. In consideration of the unplanned and increased workload created by the ISP and the need to integrate the national planning standards a revised notification date of May 2021 has been presented to and adopted by the District Plan Committee. Officers acknowledge that the anticipated notification of the Proposed Plan in 2020 was ambitious and not achievable considering unexpected and un-programmed influences on the review.

In addition, progress has been made on a number of procedural matters required to support the Schedule 1 process. This includes the appointment of legal advisors to review the proposed document, the identification of a planner with appropriate experience to undertake a planning peer review of the proposed Plan and the updating and review of GIS mapping of the District Plan maps.

A significant milestone was achieved by the District Plan Committee with the adoption of the revised draft District Plan



at the committee meeting on 25 August 2020.

The revised version is still an interim and draft document as it reflects responses to submissions which will not be presented to the public until formal notification of the Proposed District Plan in May 2021. The revised Draft District Plan now reflects all the amendments resulting from the Committee's decisions to date on submissions—with minor additional consequential changes as a result of responding to other matters raised by Council staff and consequential changes as a result of adopting the definitions in the National Planning Standards (November 2019).

Following adoption of the ISP by Council on 24 September, it is likely that further amendments to the revised draft will be required to integrate relevant findings from the ISP.

In other areas of the review, ground truthing of properties with potential significant natural areas (SNAs) have been completed. The Council's ecologist is currently reviewing the Individual reports on the properties that have been ground truthed. Work is also progressing on the completion of the Urban Growth Strategy, the preparation of the Section 32 Report and the full integration of the national planning standards into the proposed Plan.

Key Projects

PGF ROADING PROGRAMME – PORANGAHAU

PHASE	DESIGN/ BUILD	🔧 📋 🛠️ ⚙️ 🔄
TIMELINE	JAN 2020 START DATE	JUNE 2022 END DATE
PROGRESS	10%	<div><div></div></div>
BUDGET	\$20.1m	<div><div></div><div></div><div></div></div>
RISKS		<div><div></div><div></div><div></div></div>



Scope

To upgrade Porangahau and Wimbledon Roads to improve safety and resilience along the route from Waipukurau to the Taranaki border on Wimbledon Road.

The Contractor

Stantec and Council have been delivering the design, procurement and contractor supervision of this significant programme of work.

Funded through the PGF by MBIE – the programme will ramp up from here, and we can expect to see significant construction through to 2022.

Progress Update

C-1075: 2 Retaining Walls (Wimbledon/ Porangahau Roads)

Downer are currently building 2 new retaining walls.

This project is 50% complete

C-1076: 2 Retaining Walls (Porangahau Road)

Russell Roads are currently building 2 new retaining walls.

This project is 40% complete.

C-1077: AWPT on Porangahau Road

A project that is currently being awarded and is due to start at the end of Sep 2020.

The remainder of the programme is being developed and is worth approx. \$17m, procurement planning is underway with the design and council anticipate to take some of this work to the market later in 2020.

Key Projects

SH2 BOREFIELD

PHASE	BUILD	💡 📋 🛠️ ⚙️ 📉
TIMELINE	JAN 2020 START DATE	SEP 2020 END DATE
PROGRESS	90%	<div><div></div></div>
BUDGET	\$1.35m	<div><div></div><div>✓</div><div></div></div>
RISKS		<div><div></div><div>✓</div><div></div></div>



Scope

To upgrade the Waipukurau Water Borefield to supply water continuously to the two water reservoirs and the town of Waipukurau, while improving performance, automation, and durability of infrastructure.

The Contractor

Max Tarr is delivering the upgrade of the site; Opus and Council are completing the design and supervision. The new bores are being installed by Baylis Bros and the transformer upgrade undertaken by Centralines.

Progress Update

Pumps are now installed in all the Bores and the project team is currently undertaking performance and operational testing and completing the shed builds around the bores.

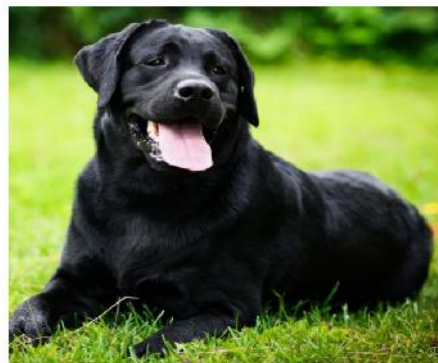
The project is on track for completion by September 2020.

With some tidy up and decommissioning to then take place.

Key Projects

POUND PROJECT

PHASE	DESIGN	💡 📋 ✎ ⚙️ ✓
TIMELINE	JUN 2018 START DATE	JULY 2020 END DATE
PROGRESS	5%	<div><div></div></div>
BUDGET	\$422k TOTAL PROJECT	<div><div></div><div></div><div>✓</div></div>
RISKS		<div><div>✓</div><div></div><div></div></div>



Scope

To build a purpose built Pound Facility for Central Hawke's Bay that meets:

- Ministry for Primary Industry (MPI) standards and;
- the needs of the community.

Progress Update

We have exhausted current options for availability of land within the current budget constraints and are now exploring other commercial options.

The Customer Experience and Relationships Manager is continuing to manage the ongoing relationship with the SPCA and the SPCA have confirmed that they are happy to extend the current agreement in place as they understand our current situation. This has given Council reassurance that there is no immediate pressure to find a long-term solution, however note that the SPCA nationally are going through some major changes.

A contingency plan has been developed in the event Council is asked to vacate the current Pound facility at the SPCA.

Key Projects

LONG TERM PLAN 2021-2031

PHASE	INITIATION	💡 📅 🛠️ ⚙️ ✓
TIMELINE	FEB 2020 START DATE	JULY 2021 END DATE
PROGRESS	10%	<div><div></div></div>
BUDGET	\$60,000	<div><div></div><div></div><div>✓</div></div>
RISKS		<div><div></div><div>✓</div><div></div></div>



Scope

To develop and adopt the Long-Term Plan 2021-2031, comprising of:

- comprehensive asset management plans and activity management plans (non-asset based);
- setting of levels of services for each activity,
- budgets for the delivery of the activities,
- Consultation with the community based on the changes to the current service provisions.

Progress Update

While COVID-19 created some barriers, we have turned lemons into lemonade by making use of the increased time away from BAU. In the previous update we were running behind on timelines; we have now caught up.

Early engagement with Elected Members during lockdown meant we were able to have Strategic Direction setting workshops, which have set the direction for the Project Team and staff working on Asset Management Plans (AMPs).

AMPs have been in development, with drafts for activities being reviewed by the Project Manager. Drafts for assets are due in August for their first review.

Levels of Service (LoS) have been under review, with assistance from an external contractor. Activity and Asset leads have contributed heavily to these. Councillor feedback on the current LoS will be sought, which will later be woven into recommendations. This will be presented in September.

We have been reviewing growth assumptions over the last couple of weeks, to ensure that we are confident in the scenario we recommend for Council adoption. This recommendation will be presented to Council on 30 July. The growth assumptions will drive how we plan for the future and especially important to how we manage our infrastructure into the future.

Pre-engagement with the community has now begun. We are using a range of communication methods, with Councillors leading the charge in having conversations with their communities on top challenges and opportunities for Central Hawke's Bay. We will incorporate this feedback into a report for Council so Councillors are able to see any common themes of the feedback. This will help you to make decisions on what you would like to include in the LTP consultation document later in the year.

10 PUBLIC EXCLUDED BUSINESS**RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
10.1 - District Plan Committee Minutes	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
10.2 - Chief Executive Performance and Employment Committee Minutes 12th August 2020 and Recommendations	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(f)(i) - free and frank expression of opinions by or between or to members or officers or employees of any local authority	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

11 DATE OF NEXT MEETING**RECOMMENDATION**

That the next meeting of the Central Hawke's Bay District Council be held on 18 November 2020.

12 TIME OF CLOSURE