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Thursday, 11 February 2021

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*Te Hui o Te Kaunihera ā-Rohe o Heretaunga*

**Hastings District Council**

**Council Meeting**

*Kaupapataka*

# Attachments Under Separate Cover (Volume 1)

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*Te Rā Hui:*  
Meeting date: **Thursday, 11 February 2021**

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*Te Wā:*  
Time: **1.00pm**

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*Te Wāhi:*  
Venue: **Council Chamber  
Ground Floor  
Civic Administration Building  
Lyndon Road East  
Hastings**

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**HASTINGS DISTRICT COUNCIL**  
207 Lyndon Road East, Hastings 4122 | Private Bag 9002, Hastings 4156  
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**TE KAUNIHERA Ā-ROHE O HERETAUNGA**

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ITEM	SUBJECT	PAGE
<b>5.</b>	<b>HAWKE'S BAY AIRPORT LIMITED ANNUAL REPORT FOR THE YEAR ENDED 30 JUNE 2020</b>	
	Attachment 1: Hawke's Bay Airport Ltd Annual Report 2020	3
<b>8.</b>	<b>FIVE YEAR BYLAW REVIEW</b>	
	Attachment 1: Statement of Proposal for Bylaw Review	65
	Attachment 2: Draft Bylaw	71
	Attachment 3: Draft Dog Control Policy	135
<b>9.</b>	<b>HASTINGS PLACE BASED HOUSING PLAN - MEDIUM AND LONG TERM STRATEGY</b>	
	Attachment 1: Hastings Place Based Housing Plan - Medium and Long Term Strategy	147





- Cancellation and deferral of all non-essential capital expenditure, reflecting lower passenger numbers
- Applied for and received the New Zealand Government wage subsidy, wage subsidy extension and resurgence subsidy extension
- Forecast passenger numbers for the three-year period from 1 July 2020, which show a recovery from the lows in March-April 2020 period and a consequential return to profitability for the Group in FY23
- Cash flow forecasts for the period FY21-23 prepared by the Group which indicate the Group has sufficient cash to meet its operational expenditure and complete the terminal redevelopment project
- As at 10 July 2020, the Group has entered into a two-year loan facility of \$9m provided by its shareholders (Crown \$4.5m, NCC \$2.34m, HDC \$216m)
- On 27 August 2020, obtained a letter from ANZ Bank waiving the leverage covenant on its existing \$21m loan facility and a commitment of ongoing financial support with access to loan facilities
- The decision to not pay a dividend for FY20, to strengthen the balance sheet and preserve capital in the face of uncertainty as to the ongoing impact of COVID-19 on New Zealand and the possibility of changing Alert Levels on the aviation sector.

### 3. OPERATING REVENUES

Aviation income includes all revenue from landing charges, aircraft parking, concessions, airfield and terminal rentals.

Car parking includes all income from the short-term, daily and long-stay car parks.

Business park revenue includes all rental income from tenants occupying sites on the business park investment property.

Other revenue includes advertising, use of the conference facilities and other revenue.

The Group applied for the New Zealand Government COVID-19 wage subsidy in late March 2020 and received payment on 2 April 2020.

A total of \$49,207 has been recognised in "Other Revenue" in the Consolidated Statement of Comprehensive Income as the amount offsetting wages paid from the date of lockdown in March 2020 to balance date.

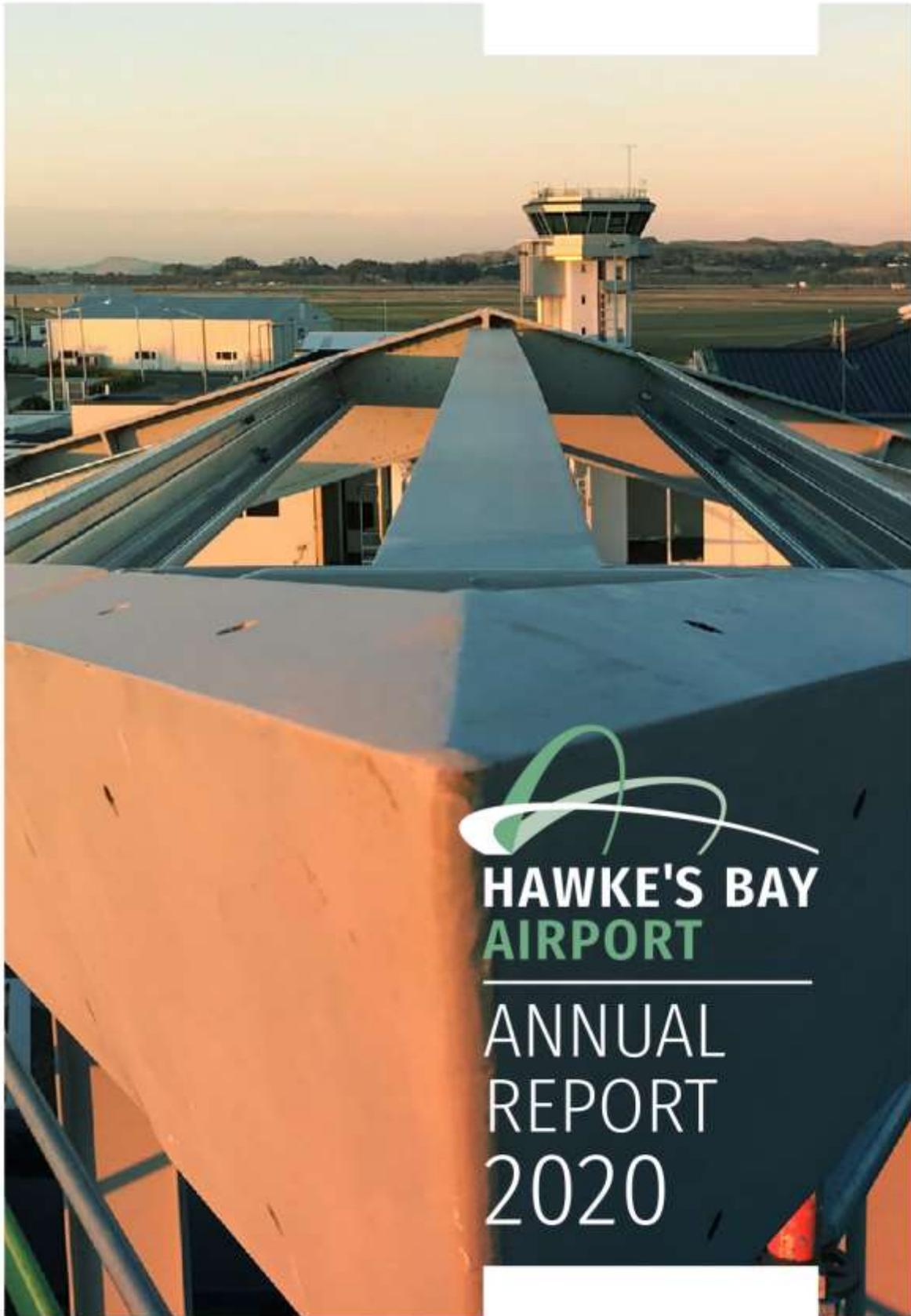
All revenue is net of discounts and rebates.

### 4. OPERATING EXPENSES

	2020	2019
	\$	\$
Audit Fees – audit of financial statements	60,062	30,879
Directors Fees	115,304	105,000
Lease of Land	-	34,000
Employee Benefits	1,113,126	1,106,536
One-off Restructuring Costs	218,060	-
<b>Other Operating Expenses</b>	<b>2,587,453</b>	<b>2,475,304</b>
	<b>4,094,005</b>	<b>3,751,719</b>

### 5. GAIN/(LOSS) ON DISPOSAL ASSETS

	2020	2019
	\$	\$
Write off of the net book value relating to parts of the old terminal building which were demolished during the financial year.	(1,371,441)	-





Cover image taken by construction site manager, Callum Sutherland.

# KIA ORA, WELCOME

As a people, New Zealanders are constantly learning what it is that brings us together, and as a country, how we contribute to the world. We take great pride in our unique position here in the deep blue Pacific, our special heritage, unrivalled landscapes, and our values.

Hawke's Bay Airport is more than simply an assortment of buildings and tarmac. It is a collection of people who collaborate widely, solve problems rapidly, and strive for excellence. We are also resilient, and it is this characteristic that in many ways sums up the theme of this year's Annual Report.

Here at the Airport, our Strategic Plan identifies five strategic pillars under which we deliver our key services: Property, People, Commercial, Operations and Partners.



PROPERTY



PEOPLE



COMMERCIAL



OPERATIONS



PARTNERS

This document includes commentary against each of these pillars.



## CONTENTS

About Us	5	FINANCIAL STATEMENTS	29
Chairman's Report	7	Directors Report	30
Chief Executive Officer's Report	8	Director's Information	32
Where We Are Heading	10	Statement of Service Performance	33
Sustainability Framework	12	Statement of Comprehensive Income	34
Strategic Pillars	13	Statement of Changes in Equity	35
Board of Directors	14	Statement of Financial Position	36
Highlights	16	Statement of Cash Flows	37
A Year in Brief	17	Accounting Policies	38
A Strong Foundation	19	Notes to the Accounts	43
The Best People	20	Independent Auditor's Report	52
Growth and Resilience	22		
Securing Our Future	25		
Playing Our Part	26		



HAWKE'S BAY AIRPORT LTD - ANNUAL REPORT 2020 - 3



4 – HAWKE'S BAY AIRPORT LTD – ANNUAL REPORT 2020

Item 5



## ABOUT US

Hawke's Bay Airport was officially opened on 15 February 1964. The first commercial flight was a national airways corporation DC-3 from Wellington.

Today Hawke's Bay Airport is the third busiest airport in the North Island and plays an essential role in connecting the region's people and produce with the wider national and international economy.

The Hawke's Bay Region stretches from Wairoa in the north to Waipukurau in the south and at the 2018 New Zealand census had a population of 166,368.

Hawke's Bay has a long and proud history. Māori first settled here around 1250–1300 AD and today represent over 26% of the region's population. The region's largest iwi (tribe) is Ngāti Kahungunu.

## OWNERSHIP AND GOVERNANCE

Governance sits with the Board of Directors of Hawke's Bay Airport Limited (HBAL), which is responsible for the strategic and overall direction of the organisation. Directors are appointed by the company's shareholders: Napier City Council (26%), Hastings District Council (24%) and the Crown (50%).

The Board has four Directors: two appointed by the Council shareholders and two appointed by the Crown.

The Board meets regularly with management to review the company's performance, and provides quarterly, half-yearly and annual business performance reports to shareholders.



6 - HAWKE'S BAY AIRPORT LTD - ANNUAL REPORT 2020

Item 5

# CHAIR'S REPORT

As part of the region's key infrastructure, Hawke's Bay Airport is a proud gateway asset that has served the Hawke's Bay Community since 1935. Along with our community the organisation has weathered both natural and economic disasters – no more so than in 2020 as we have responded to the challenges of COVID-19.

It would be an understatement to say Hawke's Bay Airport has been "confronted" by a number of testing events over the past 12 months – with the need to reset the terminal reconstruction project following the voluntary administration of Arrow Limited in 2019, the unexpected departure of Jetstar from regional services in November, pandemic and lockdown impacts since March 2020, and the recent announcement by Airways NZ of their intention to withdraw staff from the airport control tower.

In every instance the HBAL has risen to these challenges with an eye on recovery and the preservation of shareholder value. I am enormously proud of the work and dedication of every single staff member in the Hawke's Bay team, including our 31 volunteer ambassadors. The year-end result was impacted by a significant asset write off which resulted in a deficit; however, I am mindful of the fact that no matter what the challenge, our airport has continued to operate safely without degradation of service to airport passengers, tenants, community stakeholders and visitors.

Our focus is now on the future and diversification of revenue streams. The terminal rebuild is due to be completed in March 2021, presenting a number of opportunities for new offerings that reflect the unique character of Hawke's Bay.

We are proud to have signed a joint venture agreement with Waipukurau-based lines company Centralines, with the bold aim of becoming New Zealand's first carbon neutral airport through the development of a large scale solar farm.

Our commercial development activities are focused on plans to develop a property precinct, and we are working hard to progress a high quality sustainable transport and logistics hub to support the region. There is much to look forward to.

In closing I'd like to thank our Chief Executive, Stuart Ainslie and fellow Directors for their support and leadership during 2019/2020. I'd also like to specifically acknowledge the significant contribution of retiring Chair Tony Porter, and outgoing board member Taine Randell for the sharp minds, commercial acumen and innovation they brought to the boardroom. We also warmly welcome Sarah Reo and Jon Nichols to the HBAL Board.

We have a strong team in place for 2020/2021 with diversity of thought and experience, which will hold us in good stead for the months ahead. We look forward to working with our communities, partners and stakeholders to provide a safe, sustainable and best-in-class gateway for our region.



WENDIE HARVEY  
Chair

# CHIEF EXECUTIVE OFFICER'S REPORT

COVID-19 has reinforced the need for HBAL to diversify our revenue to minimise risk and create resilience with a significant focus on property development and renewable energy.

As we ventured into July 2019 the airport business had come off the back of unprecedented growth reaching record passenger numbers. Little did we know how significant the impacts of the COVID-19 pandemic would be on the aviation industry globally. This event has had a significant material effect on this year's financial performance.

In fact, during April 2020 there were just 149 passenger movements for Hawke's Bay Airport. The numbers climbed slowly by year end to approximately 50% of pre-COVID schedules, with annualised passenger numbers of 541,000 putting our base growth back to 2015 levels.

As a result, this year will be the first year that Hawke's Bay Airport has reported a net loss after tax, with a final result of \$1.013m noting that this includes a write down for the old terminal of \$1.371m.

Despite the significant impact on revenue I am pleased to report strong progress against our strategic plan with a continued focus on building resilience and revenue diversification to provide added value to our shareholders and the Hawke's Bay community.

Progressing the terminal expansion under our subsidiary Hawke's Bay Airport Construction we are delighted to have opened Stage 2 on schedule, and are also well on our way to finalising the terminal in early 2021 despite a few weeks of COVID-related setbacks. This stage of the project is one we feel will be warmly welcomed by the region especially as the project was first conceptualised approximately five years ago.

During the reporting period we completed our first biannual Airport Service Quality Surveys which are administered by our amazing team of airport ambassadors. Along with a significant number of positives, two areas we strive to improve are our car park-to-gate and airport shopping experiences. We are confident that both areas will be addressed in the coming year on the completion of our new terminal, forecourt and retail offerings.

Our people are central to the delivery of our mission to deliver a safe, sustainable and customer-centric airport experience, and we are glad to welcome onboard our new Fire Team to HBAL after successfully completing the insource of these previously outsourced critical roles.

I'd like to thank Task Protection Services for their service and commitment to ensure the continued safety of our airport for the past 25 years.

In April 2020 HBAL received notice from NZ Airways Corporation of their intention to withdraw air traffic control services from seven regional airports including Hawke's Bay. HBAL has identified an opportunity in this to shape future air services through the use of technology and revised commercial models. This has seen us lead the formation of a strategic collaboration with Airways, New Plymouth Airport and Gisborne Airport.

The impact of COVID-19 has emphasised the need for revenue resilience and the strong foundation created through our strategy of revenue diversification. Over this reporting period the foundational work has been completed on our master plan with detailed property development plans in hand.



The new Watchman Road entry is a collaboration project that we are extremely proud of. The project's national significance was further acknowledged during the year when it scooped the Infrastructure Project of the Year category at the NZ Airports Association's annual awards. The new airport entry is a key element in positioning the next phase of our commercial development along with our sustainability aspirations.

Great progress has been made against our sustainability framework with the advancement of our solar farm project joint venture, electricity and water minimisation focus, and progress towards attaining accredited carbon neutrality.

We believe that our partnership with our regional councils, local businesses, community and

tangata whenua is critical to our success, and we are proud of the work we have undertaken during the reporting period to reinforce this through joint ventures, partnerships and sponsorships.

I am pleased to be presenting this 2020 Annual Report and look forward to working in collaboration with our shareholders and key business partners on the delivery of our 2020/2021 SOI.

Ngā mihi maioha,

*S. Ainslie*

STUART AINSLIE  
 Chief Executive Officer



# WHERE WE ARE HEADING

Hawke's Bay Airport's vision is to be New Zealand's most vibrant and successful regional airport welcoming 1 million passengers by 2030.

We will achieve this by delivering against our mission of enabling safe, customer-focused and sustainable air transport services in and out of Hawke's Bay. We will also build the resilience of future revenues by unlocking the potential of our land.

Our success in working towards this vision will be measured by performance across the five strategic pillars of our business.



10 – HAWKE'S BAY AIRPORT LTD – ANNUAL REPORT 2020



## SUSTAINABILITY FRAMEWORK

Our commitment to sustainability will be unwavering. It is a guiding principle that will shape our decision making to ensure a holistic approach that considers all four pillars of our sustainability framework. We will grow our business in a way that delivers financial returns, and is environmentally excellent, socially responsible and operationally efficient.



“OUR ASPIRATION IS TO BE NEW ZEALAND’S FIRST CARBON-NEUTRAL AIRPORT. WE WILL ACHIEVE THIS BY PUTTING SUSTAINABILITY AT THE HEART OF EVERYTHING WE DO”.

## STRATEGIC PILLARS



### PROPERTY

Making the best use of our land while safeguarding our airport to optimise returns and increase value to our shareholders.



### PEOPLE

Working together to get the best outcomes from our people in a great place to work and live.



### COMMERCIAL

Maximising the returns across our aeronautical business while delivering greater value and a strong sense of place.



### OPERATIONS

Ensuring a safe, rewarding and delightful journey for our travellers. Striving for excellence in everything we do.



### PARTNERS

Engaging with our customers, stakeholders, business partners and community to grow our airport in a way which benefits everyone. A great place to do business.

## BOARD OF DIRECTORS



WENDIE HARVEY  
CHAIR



SARAH PARK  
DIRECTOR



TAINE RANDELL  
RETIRED DIRECTOR



TONY PORTER  
RETIRED CHAIR

## SENIOR MANAGEMENT



STUART AINSLIE  
CHIEF EXECUTIVE OFFICER



RACHEL ORCHARD  
CHIEF FINANCIAL OFFICER



DEAN SMITH  
BUSINESS DEVELOPMENT  
& MARKETING MANAGER



GARETH MENTZER  
OPERATIONS MANAGER



STEPHANIE MURPHY  
AIRPORT PLANNER



# HIGHLIGHTS



Attainment of our certified Safety Management System (SMS).



Commencing our membership of the Airport Council International's Airport Service Quality program with our Airport Ambassador team administering over 700 passenger surveys to provide valuable insights into satisfaction levels and benchmarks for improvement.



Completing our first step towards carbon neutrality by gaining Level 1 of the internationally recognised Airport Carbon Accreditation (ACA) program.



Hawke's Bay Airport Construction Limited delivering Stage 2 of the Airport Expansion project in November 2019 with the opening of new back of house and check-in facilities.



Completing a \$1.1 million dollar project to replace ageing car park equipment and implement an improved traffic management plan.



Signing of a joint venture agreement with Centralines to develop the feasibility for an on-airport solar energy project.



Signing an agreement with Uber to introduce ride-sharing services to the airport in November 2019.



Insourcing of our rescue fire service after 25 years of outsourced service.



The Airport Ambassador Programme celebrating its first anniversary with over 30 of the initial team of 35 signing up for a second year of service.



Receiving the Infrastructure Project of the Year award at the NZAA annual awards for the recently completed Watchman Road Project.

# A YEAR IN BRIEF 2020

PASSENGERS

541,000

Down 28%



REVENUE

\$6.28m

Down 18.3%



EBITDA - YEAR END

\$2.18m

EBITDA - HALF YEAR \$1.89m



NPAT - YEAR END

-\$1.01m

NPAT - HALF YEAR \$0.77m



1,000+

Hours of service by  
airport ambassadors



Airport Carbon  
Accreditation (ACA)  
LEVEL 1



NZ Airports Association  
Infrastructure Project  
of the Year - Watchman  
Road Award

 17,664

Engagements with the HBAL Facebook page

95 Toolbox safety talks held  
on construction site  
No time lost to injuries



Birdstrikes per  
aircraft movement  
down by

11%

HAWKE'S BAY AIRPORT LTD - ANNUAL REPORT 2020 - 17



# A STRONG FOUNDATION



**OPERATIONS:** *Ensuring a safe, rewarding and delightful journey for our travellers. Striving for excellence in everything we do*

## SAFETY MANAGEMENT SYSTEM

In an airport environment, safety is always paramount. At Hawke's Bay Airport, we operate an overarching safety management system that provides a systematic, explicit and comprehensive process for managing health and safety risks across the business. The success in implementing this holistic safety system was evidenced by the organisation being one of the first airports in New Zealand to receive an unqualified CAA SMS accreditation in 2019. The framework also proved itself to be well-equipped to integrate the airport's COVID-19 management plan.

## WILDLIFE MANAGEMENT

Wildlife management remains a core focus. A pasture management plan has been developed to maintain the long grass, which discourages the larger species of birds. The Airport Fire team continue to perform regular patrols and species control activities. It has been encouraging to see some significant reductions in both the number and combined mass of bird strikes.

## SOAR BRAND

During the second week of October 2019 the team engaged in a wide range of activities as part of its participation in Airport Safety Week. The programme culminated with the launch of Hawke's Bay Airport's new safety brand "SOAR". The brand is an acronym for "Safety On and Around Airport". It was developed by local design agency Coast & Co and is being used to anchor safety-related communications on and around the airport.

## AIR TRAFFIC CONTROL

In April 2020 notice was received from the Airways New Zealand of a proposal to cease operations of the control tower at Hawke's Bay Airport. A consultation process is underway with the regional airports impacted by this proposal with regional impact studies to be undertaken to inform and support a final decision. It is by no means certain this process will result in the complete shutdown of the control tower operation, and alternative

technologies and resourcing options are being considered alongside the current solution. HBAL has taken an active lead in this process and is confident that the outcome will be one that meets our operational requirements without compromise to passenger safety or services.

## WITHDRAWAL OF JETSTAR

Jetstar's decision to withdraw services from regional New Zealand took effect from 1 December 2019. This concluded a four-year period during which it carried over 420,000 passengers on the Hawke's Bay-Auckland route. This reduction in capacity was initially buffered by additional Air New Zealand services prior to the impact of COVID-19. Jetstar continues to operate jet services from Auckland, Wellington, Christchurch, Dunedin and Queenstown airports and Hawke's Bay Airport will continue to advocate for their return to the region.

## CONSTRUCTION SITE SAFETY

Construction in an airport environment presents unique risks that must be managed carefully. Throughout the project the team have worked hard on building a strong safety culture.

To date the project has recorded no lost time to injuries and had no notifiable incidents. A robust reporting system is in place with near misses recorded and regular tool box talks and sub-contractor safety meetings occurring.

Regular and detailed communications are sent by the Construction Team to the Hawke's Bay Airport Operations Team about any activity that may have an impact on airport operations.

In accordance with COVID-19 Alert Level 4 requirements, the site was temporarily shut down on 23 March 2020. While construction was halted, the project's design and management teams continued working remotely to develop a comprehensive COVID-19 management plan. This enabled construction to continue safely in a level 3 environment with the site reopening on 28 April 2020, thus minimising the time lost to five weeks.

# THE BEST PEOPLE



**PEOPLE:** Working together to get the best outcomes from our people in a great place to work and live

## RESTRUCTURING OUR BUSINESS

A capability review of HBAL's organisational structure was undertaken during the year. This examined the opportunity for improved efficiencies and compared the relative merits of insourced and outsourced models of delivery.

The airport's fire service was a key part of the review process with a move away from the previous contracted delivery model recommended.

An insourced structure was implemented from June 2020 with the advantages identified including a greater focus on training and development, greater autonomy and responsibility for HBAL activity and an improved alignment with HBAL processes and systems. The review also identified an opportunity, to safely reduce the airport's categorisation which in turn delivered savings to the costs associated with the delivering the service.

The Airport Fire team are now employed directly by HBAL which also provides team members with potential career progression opportunities inside the wider business.

## TEMPORARY OFFICE ENVIRONMENT

The airport team temporarily relocated from its level 1 office in November 2019 to enable construction of Stage 3 of the redevelopment to commence. A temporary office was established adjacent to the new baggage make-up area with access from behind the check-in counters. The ability to operate from within the footprint of the terminal provided savings to the construction project by eliminating the need for additional office space to be leased during the construction period.

## AMBASSADORS

The Airport Ambassador Program is now into its second successful year with the team of over 30 volunteers continuing to add huge value to travellers and the wider airport campus. Of particular note is that all members of the team have been on board since the beginning. We are indeed fortunate to have such a pleasant and committed bunch of people.

In the future we are committed to ensuring that our organisation is adequately resourced and that Hawke's Bay Airport is not only seen as a great place to work but also a key enabler in the community and broader economy.

Along with welcoming people and providing information and support the team have also been invaluable in administering our biannual airport survey quality questionnaires as well as contributing positively to the airport's health and safety culture.

## TRAINING AND DEVELOPMENT

The HBAL continues to invest in the ongoing development of our people. This has included both staff and ambassadors completing training modules with Airports Council International. Staff also continue to be active in attending various industry-related workshops and conferences.



# GROWTH AND RESILIENCE



**COMMERCIAL:** *Maximising the returns across our business while delivering greater value and a strong sense of place.*

## CAR PARK UPGRADE

Airports are a hub of commercial activity and the airport car park is the first touchpoint for most passengers. This is where the airport experience starts, so it is important the process is as smooth and efficient as possible.

Car parking provides a critical source of funding for all commercial airports. Hawke's Bay Airport is no different with car park revenue contributing over 30% of total annual income.

Against objectives to elevate customer satisfaction and improve commercial performance, a significant upgrade to the car park was completed in November 2019. The scope of works included the implementation of a revised traffic management plan, the construction of a roundabout feeding new dual entries and exits and the installation of new access control and payment technology.

## IMPROVED PAYMENT OPTIONS

The new payment system includes the option of using paywave to pay on exit and the completely ticketless option of using paywave on both entry and exit. Both of these options eliminate the reliance on traditional payment machines and provide a more seamless customer experience.

## TEMPORARY RETAIL

To enable the third and final stage of the terminal redevelopment to be completed in a safe and efficient manner, the decision was made to relocate the airport's food and beverage offering to a temporary location adjacent to departures. HBAL acknowledge the effort of the team at Shani's who have operated this "pop up" location which has traded admirably through a challenging commercial environment.

## DIGITAL ADVERTISING

The roll out of HBAL's digital advertising strategy commenced during the year with a large digital wall installed behind baggage collection and a number of smaller screens located inside the new departure area. Additional digital assets will be installed through the final stage of the project.

This new advertising format has been well-received by the market who have appreciated the opportunity to display dynamic messages and the reduced production costs over traditional lightboxes and billboards. The ability to display more than one advertiser at each location has also improved the returns available to the airport from space allocated to advertising.

The airport is reserving 30% of the available screen time to support community and sense-of-place messaging.

## SOLAR FARM JOINT VENTURE

After measuring HBAL's carbon footprint as part of its Level 1 ACA accreditation it was established that the airport's largest source of greenhouse gas emissions is from its use of grid electricity. In alignment with its aspiration to be New Zealand's first carbon-neutral airport a joint venture agreement has been entered into with Waipukurau-based lines company Centralines to explore the potential for a commercial solar farm at the airport.

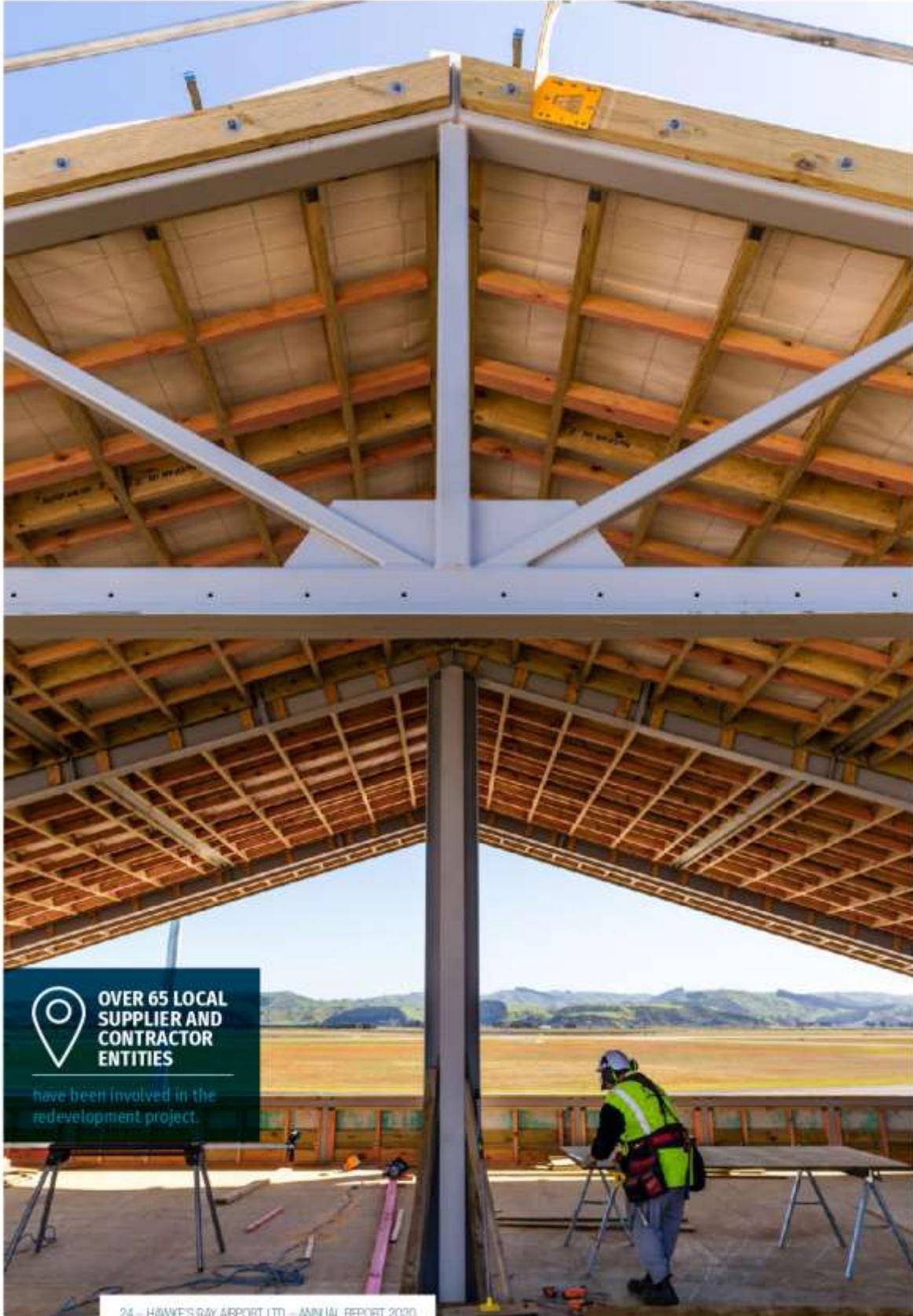
The agreement will see the parties work through a structured project development process to select technical partners and progress the project to an investment ready state. The intent beyond this is to establish a limited liability partnership through which a viable project could be funded and developed. It is anticipated that the project would be constructed in stages with resource consents to be sought for an array capable of producing up to 10 megawatts of electricity.

A project of the scale planned will not only meet the airport's direct requirements but also create an additional revenue stream with surplus energy available for sale directly to the airport's tenants and indirectly to other entities looking for a 100% renewable supply.



"OUR AIM IS TO DELIVER  
A SMOOTH AND EFFICIENT  
EXPERIENCE FROM CAR PARK  
TO GATE - THE IMPLEMENTATION  
OF A TICKETLESS PAYWAVE  
SOLUTION IS AN IMPORTANT  
STEP TOWARDS ACHIEVING THIS."

HAWKE'S BAY AIRPORT LTD - ANNUAL REPORT 2020 - 23



# SECURING OUR FUTURE



**PROPERTY:** Making the best use of our land while safeguarding our airport to optimise returns and increase value to our shareholders.

## TERMINAL REDEVELOPMENT – STAGE 2 OPENING

Stage 2 of the terminal redevelopment project was completed in November 2019 with the opening of common use airline check-in, back of house and departure facilities along with new office and cargo tenancies for Air New Zealand.

To enable Stage 3 construction Air New Zealand's Regional Lounge was relocated to a temporary location which had previously been allocated to Jetstar.

The ability to maintain the lounge inside the envelope of the building was a win for the construction programme as it eliminated the need for temporary external facilities which would have been costly to operate and inconvenient for travellers. The lounge will move back upstairs upon completion of Stage 3 with the vacated space to be repurposed for commercial meeting facilities.

## MASTERPLAN

Work commenced on our next generation master plan in March 2019. This document will guide the development of the airport for the next 20 years. The underlying growth assumptions were revised following the exit of Jetstar and again following the COVID-19 lockdowns.

The process has included engagement with key stakeholders including Air New Zealand, the general aviation community and NZ Airways. The master plan summary will be released later in 2020.

## RMA PLANNING FRAMEWORK

HBAL has been working with Napier City Council on the district plan review in parallel to the development of its master plan. The objective is to ensure that revisions to the plan accommodate the airport's future aspirations for aeronautical and non-aeronautical (property) development including proposed changes to noise contours.

## DEVELOPMENT PLANNING

Work continues to accelerate the activation of HBAL's property aspirations in alignment with the updated master plan.

A property development strategy is currently underway. This will quantify the investment required to advance HBAL's property aspirations and identify a property partnership framework through which opportunities can be commercialised.

## NEW BAGGAGE SYSTEM

An automated baggage make-up system was commissioned ahead of Stage 2 completion. The system was specified in alignment with HBAL's master plan and growth aspirations. It is designed to integrate with future security screening requirements and has a capacity to handle 3 million bags per annum.

## NEW JET CENTRE

Existing tenant Airport Holdings Ltd completed construction of a new 850 sqm development on a site adjacent to their Skyline Aviation complex. Extensive ground works were required to support the development with an existing storm water swale extended to ensure additional runoff is managed in accordance with HBAL's three waters policy.

The new facility is providing private jet hangarage and will also house a purpose-built guest lounge to support the future growth of private charter and ground handling services.

## RELOCATION OF AIR BP TANK FARM

The BP aviation fuel farm was relocated to a location south of the terminal during the year. The move frees up land for future car park expansion in alignment with HBAL's master plan.

The new development also serves to improve regional resilience with on-site fuel storage increased courtesy of a larger 50,000 litre super-vault tank and the upgaging to a 17,000 litre aircraft refueling truck.

# PLAYING OUR PART



**PARTNERS:** *Engaging with our customers, stakeholders, business partners and community to grow our airport in a way which benefits everyone. A great place to do business.*

## BIODIVERSITY HAWKE'S BAY

HBAL is proud to be the Platinum Sponsor of Biodiversity Hawke's Bay. The partnership involves an annual financial contribution and on-airport exposure to raise its profile to accelerate biodiversity outcomes for the region. The partnership will also see the airport working directly with Biodiversity Hawke's Bay on projects to plant out additional areas at the airport.

## ART DECO TRUST

In the 1980s the Art Deco Trust was formed to protect the heritage buildings which were at risk of being demolished. The Art Deco Trust has grown into a significant and influential social enterprise that actively preserves, restores, promotes and celebrates the identity of Napier and Hawke's Bay. The Trust is also the entity behind the Napier Art Deco Festival which has become one of New Zealand's largest and most iconic events.

HBAL sponsored the "Planes, Trains and Automobile" category at the 2020 Napier Art Deco Festival.

## HAWKE'S BAY AIR AMBULANCE SERVICE

The Hawke's Bay Air Ambulance Service provides transportation for patients who require specialist cardiac or neurological services at hospitals outside of the Hawke's Bay region. The service is based at Hawke's Bay Airport and is delivered via a commercial partnership between the Hawke's Bay District Health Board and Skyline Aviation.

HBAL has been supporting the Air Ambulance service since 2016. Since this time over \$90,000 has been contributed to assist with funding for air ambulance and patient ground handling equipment and costs associated with aero medical training and education.

## EIT

The Eastern Institute of Technology (EIT) is the major tertiary education provider in Hawke's Bay. HBAL acknowledges the important role the EIT plays in the community and specifically the value its School of Hospitality and Tourism plays in preparing students for careers in the aviation and wider tourism industries. The HBAL is proud to fund EIT's annual Tourism Scholarship and congratulates 2019 recipient Audrey Gardiner for her success.

## HB DC-3 PROJECT

HBAL management have been supporting a recently formed charitable trust which is planning to base a DC-3 at Hawke's Bay Airport with a view to operating Art Deco inspired scenic flights.



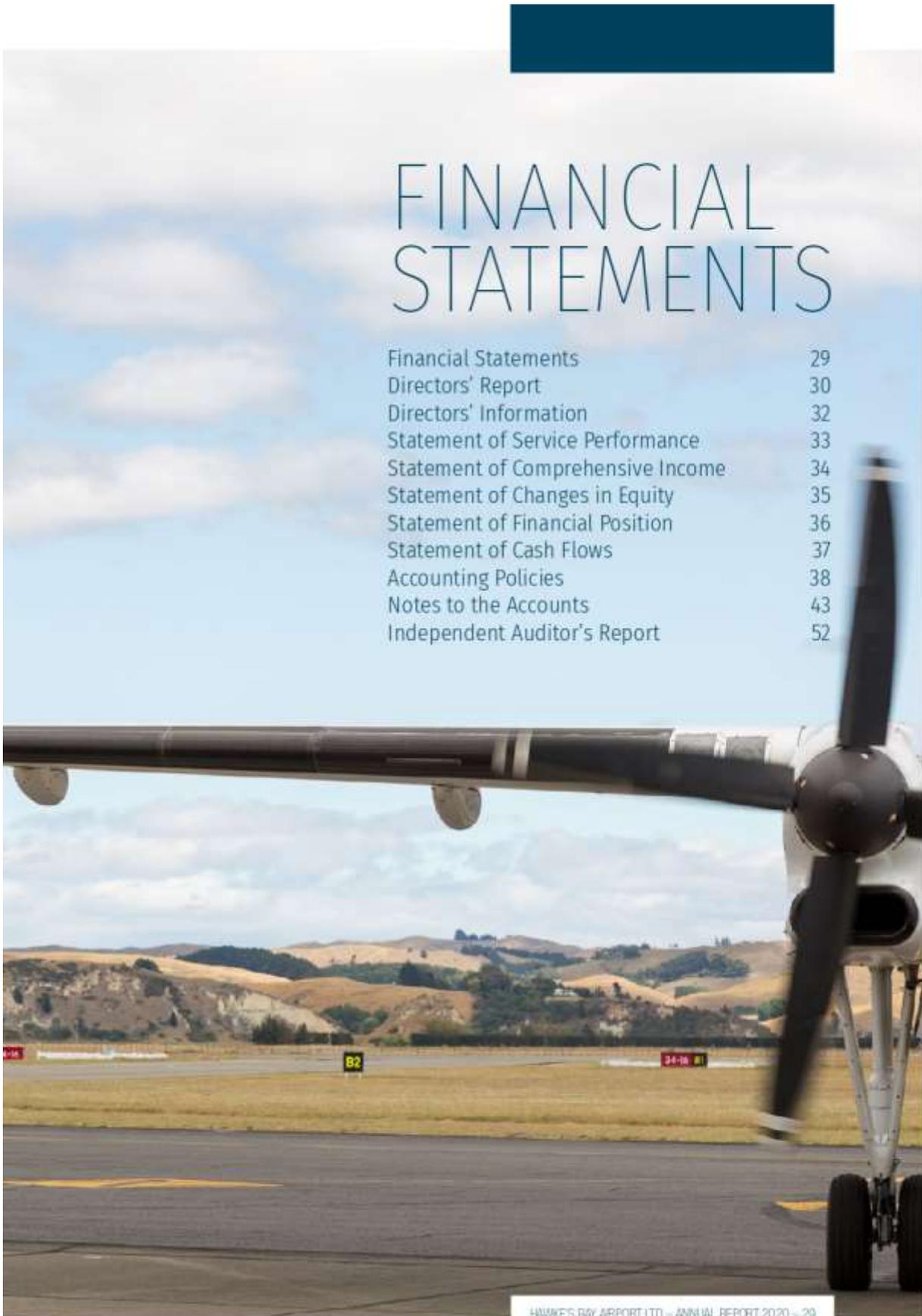


 HBAL congratulates Marie Taylor who received a QSM in June 2020 for her services to horticulture and native regeneration.

**MARIE WAS AN INAUGURAL GUARDIAN FOR BIODIVERSITY HB AND WAS PART OF THE IMPLEMENTATION PLANNING GROUP WHO TOGETHER WROTE THE HAWKE'S BAY BIODIVERSITY ACTION PLAN 2017-2020.**

Item 5





# DIRECTORS' REPORT

## FOR THE YEAR ENDED 30 JUNE 2020

### DIRECTORS

#### DIRECTORS' REMUNERATION

The amount of \$115,304 per annum was paid to members of the Board for the 12 months to 30 June 2020.

T M Porter	44,804
S N Park	23,500
T C Randell	23,500
W N Harvey	23,500
	<b>115,304</b>

No other remuneration or benefits other than normal reimbursement of expenses has been paid or given to Directors.

### CHANGES OF DIRECTORS

Taine Randell ceased to be a Director on 30 June 2020. Sarah Reo was appointed as a Director, effective 1 July 2020 and Jon Nichols was appointed as a Director, effective 1 September 2020.

### BOARD COMMITTEES

As at 30 June 2020 HBAL had the following committee:

**AUDIT AND FINANCE COMMITTEE:** Members are Sarah Park (Chair), Tony Porter, Wendie Harvey and Taine Randell.

### ENTRIES IN THE INTERESTS REGISTER

As at 30 June 2020, the Directors have declared general disclosure of interest in the following entities:

#### T M PORTER

Pornell Tractor Company Limited	Director
Hawke's Bay Airport Construction Limited	Director

#### S N PARK

Scotch & Sparkies Limited	Director/Shareholder
Focus Genetics Management Limited	Director
Focus Genetics Partnership Limited	Director
Eurogrow Potatoes Limited	Director
Hereworth School Trust Board	Trustee
Pacific Edge Limited	Director
National Provident Fund	Director
Hawke's Bay Airport Construction Limited	Director

#### T C RANDELL

Fordland Lobster Company Limited	Director
Australian Lobster Company (GP) Limited	Director
FLC Trustee Limited	Director
Deltop Holdings Limited	Director
ZSB Holdings Limited	Director/Shareholder
Kahungunu Asset Holding Company Limited	Director

KAHC Investments Limited	Director
Kiwigarden Limited	Director
Hawke's Bay Airport Construction Limited	Director
<b>W N HARVEY</b>	
Centralines Limited	Director
Excellence in Business Solutions Limited	Director/Shareholder
New Zealand Gambling Commission	Commissioner
Eastland Group Limited	Director
Eastland Network Limited	Director
Eastland Port Limited	Director
The Electrical Training Company Limited	Director
Aurora Energy Limited	Director
Fire and Emergency New Zealand	Director
Hawke's Bay Airport Construction Limited	Director
Gisborne Airport Limited	Director

## EMPLOYEE REMUNERATION

Employee remuneration and other benefits exceeding \$100,000:

	2020	2019
\$100,000 - \$110,000	-	-
\$110,001 - \$120,000	-	-
\$120,001 - \$130,000	-	-
\$130,001 - \$140,000	-	2
\$140,001 - \$150,000	2	-
\$150,001 - \$160,000	-	-
\$160,001 - \$170,000	1	-
\$170,001 - \$180,000	-	-
\$180,001 - \$190,000	-	-
\$190,001 - \$200,000	-	-
\$200,001 - \$210,000	-	1
\$210,001 - \$220,000	-	-
\$220,001 - \$230,000	-	-
\$230,001 - \$240,000	-	-
\$240,001 - \$250,000	-	-
\$250,001 - \$260,000	-	1
\$260,001 - \$270,000	-	-
\$270,001 - \$280,000	-	-
\$280,001 - \$290,000	-	-
\$290,001 - \$300,000	1	-

## AUDITORS

The Office of the Auditor General is appointed as auditor under Section 15 of the Public Audit Act 2001 and Section 70 of the Local Government Act 2002. Philip Pinckney of Baker Tilly Staples Rodway Audit Limited has been appointed to provide these services.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors are responsible for ensuring that the financial statements and the Statement of Service Performance present fairly the financial position of HBAL as at 30 June 2020 and its financial performance and cash flows for the year ended on that date.

The Directors consider that the financial statements of HBAL have been prepared using appropriate accounting policies consistently applied, and supported by reasonable judgements and estimates and that all relevant financial reporting and accounting standards have been followed.

# DIRECTORS' INFORMATION

DIRECTOR	TONY PORTER	WENDIE HARVEY	SARAH PARK	TAINE RANDELL
Qualifications	BE(Hons)	LLB	MA Economics/AIF	LLB/Bcom
<b>Specific Knowledge/Experience</b>				
Airport Operation/Management	☾	☾	☾	☾
Management of Long-Life Assets	●	☾	☾	☾
SOE/COO Experience	☾	●	☾	☾
Property Development & Management	☾	☾	☾	☾
<b>Generic Skills</b>				
Executive Leadership and Strategy	●	●	●	●
Governance	●	●	●	●
Financial	☾	☾	●	☾
Understanding of Iwi and Treaty of Waitangi Issues	☾	☾	☾	●
Risk and Compliance	☾	●	☾	☾
Legal and Regulation	☾	●	☾	☾
People Management	☾	●	☾	☾
<b>Other Factors</b>				
Geographical Location	Hawke's Bay	Hawke's Bay	Hawke's Bay	Hawke's Bay
Tenure Years	11 years	4 years	6 years	5 years
Date of Appointment	1 July 2009	1 July 2016	1 July 2014	1 April 2015
Date Last (Re-)Elected	1 July 2018	1 October 2019	3 July 2017	26 April 2017
Gender	M	F	F	M

# STATEMENT OF SERVICE PERFORMANCE

## FOR THE YEAR ENDED 30 JUNE 2020

THE FOLLOWING IS A STATEMENT OF SERVICE PERFORMANCE RELATING TO THE KEY OBJECTIVES LISTED IN HBAL'S STATEMENT OF CORPORATE INTENT FOR THE YEAR ENDING 30 JUNE 2020.

ACTIVITY & OUTCOME					
	Achieve Performance Targets:	SOI	Actual Result	% Increase	Status
OPTIMISE SHAREHOLDER VALUE & RETURNS	Passenger Numbers	772,000	541,000	-30%	●
	Revenue	\$8,333,136	\$6,276,501	-25%	●
	EBITDA	\$4,459,088	\$2,182,498	-51%	●
	NPAT	\$1,874,067	\$(1,012,640)	-154%	●
	ROE – annualised	5.8%	-3.0%	-8.8%	●
	Gearing	37%	35%	-2%	●
	Dividend	749,627	0	-100%	●
SUSTAINABILITY	Implement Sustainability Framework Develop & Implement				●
	Establish Energy & Carbon Baseline Policy & Framework				●
	Develop a Three Water Policy				●
OPERATIONS	Enhance understanding of our travellers and key customers				●
	Implement our Safety Management System				●
	Complete Stage 2 of the Terminal Expansion Project				●
	Develop our digital strategy incorporating improved business efficiency, passenger journey enhancement and advertising solutions				●
	Design and development of apron capacity plan to guarantee level of service to airline operators and enable future airside business development				●
	Biannual strategic Risk Review				●
	Wildlife Management Plan developed and operational				●
COMMERCIAL	Implement car park System Enhancement				●
	Review Aeronautical Revenue and Route Development Strategy				●
	Develop terminal retail in line with the revised terminal expansion to provide a balanced shopping environment for consumers, with a mix of local owner-operators and corporate-owned stores				●
PROPERTY	Complete Airfreight Feasibility study				●
	Finalise the 20 year master plan incorporating forecasts/noise/land use				●
	Stimulate property development opportunities to leverage land bank returns				●
PARTNERS	Property development underway for new tenancies				●
	Proactively engage with the HB community, local and central government and other key stakeholders				●
	Undertake stakeholder and public consultation as part of master plan development				●
PEOPLE	Continued collaboration with mana whenua on terminal development sense of place/master plan				●
	Partnership with key business, airlines & community groups				●
	Create a HBAL team culture where the focus is external, on our customers and our key stakeholders, where excellent service is the norm and our business enjoys a strong reputation for delivering a high standard of services, facilities and initiatives				●
PEOPLE	Review economies of scale and insourcing versus outsourcing of key operational resources				●
	Invest in teams development & training				●
	Develop team capability				●

KEY: ● Meets or exceeds target ● Within 10% of target ● 10% or more below target

## CONSOLIDATED STATEMENT OF **COMPREHENSIVE INCOME** FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 \$	2019 \$
Aviation		3,750,257	4,891,625
Car parking		1,910,202	2,275,721
Business Park		398,886	390,597
Other Revenue		217,156	127,971
<b>Total Revenue</b>	<b>3</b>	<b>6,276,501</b>	<b>7,685,915</b>
<b>Less Operating Expenses</b>	<b>4</b>	<b>(4,094,005)</b>	<b>(3,751,419)</b>
<b>Operating Profit Before Financing Costs and Depreciation</b>		<b>2,182,496</b>	<b>3,934,196</b>
Depreciation		(2,140,097)	(1,550,531)
Impairment Reversal/(Charge)	8	696,400	-
Gain/(Loss) on Disposal of Assets	5	(1,371,441)	-
Finance Income		569	392
Finance Expense		(349,309)	(130,061)
<b>Net Profit before income tax</b>		<b>(981,382)</b>	<b>2,253,996</b>
Income Tax Expense	6	(31,258)	(757,877)
<b>Net Profit after income tax</b>		<b>(1,012,640)</b>	<b>1,496,120</b>
Items that will not be reclassified into profit or loss:			
Revaluation of Property, Plant & Equipment, net of deferred tax		-	2,944,287
Deferred tax on revaluation	6	138,336	96,373
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(874,305)</b>	<b>4,536,780</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2020

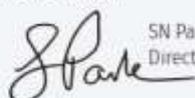
	ISSUED CAPITAL	RETAINED EARNINGS	REVALUATION RESERVE	TOTAL EQUITY
<b>BALANCE AT 1 JULY 2019</b>	13,789,155	8,893,400	11,420,801	34,103,356
Profit/(Loss) for the period	-	(1,012,640)	-	(1,012,640)
Revaluation of Property, Plant & Equipment	-	-	-	-
Reclassification of depreciation on revalued assets	-	494,056	(494,056)	-
Movement in deferred tax on revaluation reserve	-	-	138,336	138,336
<b>Total comprehensive income</b>	-	<b>(518,584)</b>	<b>(355,721)</b>	<b>(874,305)</b>
Distributions to shareholders (note 10)	-	-	-	-
<b>Movement in equity for the period</b>	-	<b>(518,584)</b>	<b>(355,721)</b>	<b>(874,305)</b>
<b>BALANCE AT 30 JUNE 2020</b>	13,789,155	8,374,816	11,065,081	33,229,051
<b>BALANCE AT 1 JULY 2018</b>	13,789,155	7,631,082	8,724,329	30,144,567
Revaluation of Property, Plant & Equipment	-	-	2,944,287	2,944,287
Reclassification of depreciation on revalued assets	-	344,188	(344,188)	-
Movement in deferred tax on revaluation reserve	-	-	96,373	96,373
<b>Total comprehensive income</b>	-	<b>1,840,308</b>	<b>2,696,472</b>	<b>4,536,780</b>
Distributions to shareholders (note 10)	-	(577,990)	-	(577,990)
<b>Movement in equity for the period</b>	-	<b>1,262,318</b>	<b>2,696,472</b>	<b>3,958,790</b>
<b>BALANCE AT 30 JUNE 2019</b>	13,789,155	8,893,400	11,420,801	34,103,356

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2020

	NOTE	2020 \$	2019 \$
<b>ASSETS</b>			
Property, plant and equipment	7	52,127,424	47,317,601
Investment property	8	4,960,606	4,376,319
Intangibles		961	1,538
Right-of-use Assets	14	420,510	-
<b>Total non-current assets</b>		<b>57,509,500</b>	<b>51,695,458</b>
Trade and other receivables	9	748,178	1,035,893
Cash and cash equivalents		281,818	182,046
<b>Total current assets</b>		<b>1,029,996</b>	<b>1,217,939</b>
<b>TOTAL ASSETS</b>		<b>58,539,495</b>	<b>52,913,397</b>
<b>EQUITY</b>			
Issued capital		13,789,155	13,789,155
Retained earnings		8,374,815	8,893,400
Revaluation Reserve		11,065,081	11,420,801
<b>TOTAL EQUITY</b>	<b>10</b>	<b>33,229,051</b>	<b>34,103,356</b>
<b>LIABILITIES</b>			
Deferred tax liability	6	4,355,256	4,487,178
Rentals in advance	11	1,011,549	1,096,022
Borrowings	12	-	10,688,562
Lease Liabilities	14	315,329	-
<b>Total non-current liabilities</b>		<b>5,682,135</b>	<b>16,271,762</b>
Trade and other payables	11	996,514	2,055,132
Employee benefits		110,882	69,889
Provision for Retentions Payable	13	153,971	37,520
Borrowings	12	18,261,762	375,738
Lease Liabilities	14	105,181	-
<b>Total current liabilities</b>		<b>19,628,309</b>	<b>2,538,279</b>
<b>Total liabilities</b>		<b>25,310,444</b>	<b>18,810,041</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>58,539,495</b>	<b>52,913,397</b>

These financial statements were authorised for issue by the Board on 21 September 2020 on behalf of Hawke's Bay Airport Limited.

  
 WN Harvey  
 Chair

  
 SN Park  
 Director & Audit and Finance Committee Chair

## CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2020

	NOTE	2020 \$	2019 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
CASH WAS PROVIDED FROM:			
Revenues		6,281,680	7,597,581
Interest Received		569	392
		<b>6,282,249</b>	<b>7,597,974</b>
CASH WAS DISBURSED TO:			
Suppliers and Employees		(4,069,868)	(3,744,543)
Goods & Services Tax (Net)		190,993	(116,750)
Interest Paid		(383,955)	(252,563)
Income Tax Paid		(235,304)	(863,547)
		<b>(4,498,133)</b>	<b>(4,977,404)</b>
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>1,784,116</b>	<b>2,620,570</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
CASH WAS PROVIDED FROM:			
Sale of fixed assets		46,549	
CASH WAS DISBURSED TO:			
Capital Works		(8,894,021)	(9,176,021)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(8,847,472)</b>	<b>(9,176,021)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
CASH WAS PROVIDED FROM:			
Borrowings		7,197,462	7,037,508
CASH WAS DISBURSED TO:			
Dividends Paid		-	(577,990)
Lease Payments		(34,333)	-
Debt Repayment		-	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>7,163,129</b>	<b>6,459,518</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>99,772</b>	<b>(95,933)</b>
Add Opening Cash and Cash equivalents		182,046	277,979
<b>CLOSING CASH AND CASH EQUIVALENTS AT END OF YEAR</b>		<b>281,818</b>	<b>182,046</b>
REPRESENTED BY:			
Cash at Bank		277,332	167,578
Cash in hand		4,486	14,469
		<b>281,818</b>	<b>182,046</b>

# ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2020

## SIGNIFICANT ACCOUNTING POLICIES

### REPORTING ENTITY

Hawke's Bay Airport Limited is a company incorporated in New Zealand under the Companies Act 1993 and is owned by the Crown 50%, Napier City Council 26%, Hastings District Council 24%.

The Company is domiciled in New Zealand and its principal place of business is 111 Main North Road, Westshore, Napier. The Company operates the Hawke's Bay Airport.

Hawke's Bay Airport Limited is defined as a Council-controlled organisation pursuant to Part 5 of the Local Government Act 2002.

### STATEMENT OF COMPLIANCE

The financial statements have been prepared as required by the Local Government Act 2002 and in accordance with all applicable financial reporting standards and other generally accepted accounting practices in New Zealand. They comply with the New Zealand equivalents to International Financial Reporting Standards (NZ IFRS) as appropriate to profit-oriented entities applying the Reduced Disclosure Regime.

### BASIS OF CONSOLIDATION

The consolidated financial statements comprise the financial statements of Hawke's Bay Airport Limited and its wholly owned subsidiary, Hawke's Bay Airport Construction Limited (the Group).

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Intragroup balances and transactions are eliminated in preparing the consolidated financial statements.

### MEASUREMENT BASE

The financial statements have been prepared on a going concern basis in accordance with historical cost concepts as modified by the revaluation of certain assets and liabilities as identified in specific accounting policies below.

Refer to Note 2 of the Notes to the Accounts for detail regarding the Directors' assessment of going concern.

### PRESENTATION CURRENCY

These financial statements are presented in New Zealand dollars (\$), which is the functional currency of the Group, rounded to the nearest dollar.

### CRITICAL ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGMENTS

The preparation of financial statements in conformity with NZ IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical estimates are included in the impairment assessment of Investment Property, and in the assessment of the recoverable amounts of Capital Work in Progress, the calculation of disposal of demolished terminal assets and the fair value of Property, Plant and Equipment. Management has exercised its judgement on the selection of depreciation rates and the classification of financial assets.

Judgements are exercised in relation to the timing of capitalisation of interest, the application of NZ IFRS 16 Leases to the perpetual lease, and the current/non-current presentation of borrowings.

## PARTICULAR ACCOUNTING POLICIES

### REVENUES

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of goods and services tax (if applicable), returns, rebates and discounts. The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the Company and when specific criteria have been met for each of the Group's activities. Revenues consist mainly of landing charges, car parking fees, terminal and leased land rentals and concessions. Lease income is recognised on a straight-line basis over the term of the lease.

### TRADE AND OTHER RECEIVABLES

Trade and other receivables are stated at net realisable value after provision for doubtful debts.

### TAXATION

#### INCOME TAX EXPENSE

Income tax on profits for the period comprises current tax, deferred tax and any adjustment for tax payable in previous periods. Income tax is recognised in profit or loss as tax expense except when it relates to items credited directly to equity, in which case it is recorded in other comprehensive income.

#### CURRENT TAX

Current tax is the expected tax payable on the income for the period based on tax rates and tax laws which are enacted or substantively enacted by the reporting date.

#### DEFERRED TAX

Deferred tax arises by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the equivalent amounts used for tax purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the periods when the assets or liabilities giving rise to them are realised or settled.

Deferred tax assets, including those related to the tax effect of income tax losses available to be

carried forward are recognised only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences or unused tax losses can be realised. Deferred tax assets are reviewed each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

### CASH FLOW STATEMENT

The following definitions have been used for the preparation of the Statement of Cash Flows.

**Cash and cash equivalents:** cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**Operating activities:** Transactions and other events that are not investing or financing activities.

**Investing activities:** Activities relating to the acquisition, holding and disposal of non-current assets and of investments, such as securities, not falling within the definition of cash.

**Financing activities:** Activities which result in changes in the size and composition of the capital structure of the Group, both equity and debt not falling within the definition of cash.

### PROPERTY, PLANT AND EQUIPMENT

#### PROPERTY, PLANT AND EQUIPMENT

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs. Subsequent to initial recognition, land and land improvement and airport infrastructure and buildings are carried at fair value less accumulated depreciation and accumulated impairment losses. Capital work in progress is carried at cost and transferred to another category as assets are completed. Other assets are recorded at cost less accumulated depreciation and accumulated impairment losses.

Any revaluation increment is credited to the revaluation reserve and included in other comprehensive income, except to the extent that it reversed a previous decrease of the same asset previously recognised within net profit in the Statement of Comprehensive Income; in which case the increase is recognised within net profit in the Statement of Comprehensive Income.

Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the income statement, and the depreciation based on the original cost is transferred from the revaluation reserve to retained earnings.

Property, plant and equipment comprises airfield and other infrastructure, car parks, buildings and equipment.

#### ASSETS UNDER CONSTRUCTION

The cost of assets under construction is recorded at incurred cost as at balance date.

#### DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

When an item of plant, property and equipment is disposed of any gain or loss is recognised in the profit or loss calculated at the difference between the sale price and the carrying value of the asset.

#### CYCLICAL MAINTENANCE UPGRADES

Significant expenditure involving renewal of runway surface components is capitalised and subject to depreciation at the appropriate rates.

#### INVESTMENT PROPERTY

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, including transaction costs. Costs include all expenditure relating to infrastructure development and construction. Investment property is depreciated using the cost model allowed under NZ IAS 40 *Investment Property*. Investment properties include all aspects of the business park development adjacent to the airport.

#### DEPRECIATION

Depreciation is charged on a straight-line basis to write off the cost or value of property, plant and equipment and investment property over their expected economic lives.

The principal depreciation rates are as follows:

Airfield Infrastructure Base	0.71% to 5.56%
Surface	6.67% to 10.00%
Business Park Infrastructure	0.00% to 10.00%
Buildings	2.50% to 10.00%
Plant & Equipment	2.90% to 40.00%
Car Park & Roading	1.67% to 5.00%
Fencing	5.00% to 15.00%
Lighting	4.00% to 10.00%
Furniture & Fittings	10.00%
Office Equipment	30.00%

#### INTANGIBLES

Intangibles comprise computer software that is not an integral part of the related hardware.

This software has been either purchased or developed internally and is initially recorded at cost. Subsequent costs are included in the software's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The costs of maintaining the software are charged to profit or loss. Software is amortised over three years using the straight-line method.

#### FINANCIAL INSTRUMENTS RECOGNITION AND MEASUREMENT

##### FINANCIAL ASSETS

The Group classifies its financial assets in the following categories: fair value through profit or loss, fair value through other comprehensive income or amortised cost. The classification depends on the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date. At balance date, the Group had financial assets classified only at amortised cost.

##### AMORTISED COST

Financial assets at amortised cost have contractual terms that give rise to cash flow on specified dates that are solely principal and interest and are held within a business model whose objective is to hold assets in order to collect those contractual cash flows.

The Group's amortised cost financial assets comprise of cash and cash equivalents and accounts receivable.

Purchases and sales of financial assets are recognised on trade date – the date on which the Group commits to purchase or sell the asset. Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed.

After initial recognition, amortised cost financial assets are carried at amortised cost using the effective interest method, less impairment.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred, and the Group has transferred substantially all the risks and rewards of ownership.

#### FINANCIAL LIABILITIES

Non-derivative financial liabilities are recognised at amortised cost, comprising original debt less principal payments and amortisation. Trade payables and borrowings are classified as financial liabilities.

#### IMPAIRMENT TESTING OF ASSETS

At each reporting date, the Group reviews the carrying values of its assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

#### GST

All amounts are shown exclusive of goods and services tax (GST), except for receivables and payables that are stated inclusive of GST.

#### LEASES

All leases are accounted for by recognising a right-of-use asset and a lease liability in accordance with NZ IFRS 16, except for:

- leases of low value assets
- leases with a duration of 12 months or less.

Lease liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition, the carrying value of the lease liability also includes:

- amounts expected to be payable under any residual value guarantee
- the exercise price of any purchase option granted in favour of the group if it is reasonably certain to access that option

- any penalties payable for terminating the lease, if the term of the lease has been estimated based on a termination option being exercised.

Right-of-use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before commencement of the lease
- initial direct costs incurred
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore the leased asset.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if this is judged to be shorter than the lease term.

When the Group revises its estimate of the term of any lease (for example, it reassesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments over the revised term, which are discounted using a revised discount rate. The carrying value of lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases, an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining (revised) lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in the profit or loss.

When the Group renegotiates the contractual terms of a lease with the lessor, the accounting depends on the nature of the modification:

- if the renegotiation results in one or more additional assets being leased for an amount commensurate with the standalone price for the additional rights-of-use obtained, the modification is accounted for as a separate lease in accordance with the above policy.
- In all other cases where the renegotiation increases the scope of the lease (whether that is an extension to the lease term, or one or more additional assets being leased), the lease liability

is remeasured using the discount rate applicable on the modification date, with the right-of-use asset being adjusted by the same amount.

- If the renegotiation results in a decrease in the scope of the lease, both the carrying amount of the lease liability and right-of-use asset are reduced by the same proportion to reflect the partial or full termination of the lease with any difference recognised in the profit or loss. The lease liability is then further adjusted to ensure its carrying amount reflects the amount of the renegotiated payments over the renegotiated term, with the modified lease payments discounted at the rate applicable on the modification date. The right-of-use asset is adjusted by the same amount.

For contracts that both convey a right to the Group to use an identified asset and require services to be provided to the Group by the lessor, the Group has elected to account for the entire contract as a lease, i.e. it allocates any amount of the contractual payments to, and accounts separately for, any services provided by the supplier as part of the contract.

#### CHANGES IN ACCOUNTING POLICIES

All accounting policies are consistent with prior year with the exception of the following

NZ IFRS 16 Leases was adopted on 1 July 2019. The Company applied the modified retrospective transition method and thus prior comparatives were not restated. The Company has elected to present right-of-use assets and lease liabilities separately in the Statement of Financial Position. Depreciation of right-of-use assets is included in depreciation and amortisation expense in the Statement of Comprehensive Income. The cash outflows related to the principal portion of the lease liability and the related interest are presented separately within the financing activities in the Statement of Cash Flows.

#### IMPACT OF ADOPTION OF NZ IFRS 16 ON THE COMPANY'S FINANCIAL STATEMENTS.

As indicated above, the Company has adopted NZ IFRS 16 from 1 July 2019, but has not restated comparatives for the 2019 reporting period, as permitted under the transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 July 2019. The new accounting policies are disclosed in the Leases accounting policy note above.

#### i) Practical expedients applied

In applying NZIFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

- a) determined the start date of all existing leases was the date of initial application, being 1 July 2019.

The Company also elected not to reassess whether a contract is or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying NZ IAS 17 and NZ IFRIC 4 *Determining Whether an Arrangement Contains a Lease*.

#### ii) Measurement of lease liabilities

The aggregate lease liability recognised in the statement of financial position at 1 July 2019 and the Company's operating lease commitment as at 30 June 2019 can be reconciled as follows:

	2020 \$
Operating lease commitments disclosed as at 30 June 2019	867,000
Adjustment for recognition of perpetual nature of lease	818,110
(Less): short-term leases not recognised as a liability	-
(Less): low-value leases not recognised as a liability	-
Lease liability recognised as at 1 July 2019	<u>48,890</u>
Of which are:	
Current lease liabilities	-
Non-current lease liabilities	48,890
	<u>48,890</u>

#### iii) Measurement of right-of-use assets

The associated right-of-use assets for land leases were measured on a modified retrospective basis at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Balance Sheet as at 30 June 2019.

#### iv) Lessor accounting

The Company did not need to make any adjustments to the accounting for assets held as lessor under operating leases as a result of the adoption of NZ IFRS 16.

# NOTES TO THE ACCOUNTS

## FOR THE YEAR ENDED 30 JUNE 2020

### 1. SIGNIFICANT TRANSACTIONS AND EVENTS IN THE FINANCIAL YEAR

The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period.

#### COVID-19

Both globally and in New Zealand, international border closures, domestic lockdowns and ongoing travel restrictions due to COVID-19 have had an immediate and dramatic impact on airlines, air services, airport traffic and therefore revenues for those in the industry.

On 23 March 2020 the NZ Government announced that the nation would enter COVID-19 Alert Level 4 at 11.59pm on Wednesday 25th March 2020, severely limiting all travel within New Zealand to essential services only. This national lockdown remained in place for a five-week period, followed by several weeks at Alert Level 3 throughout which all travel remained restricted.

The Government mandate for Air New Zealand to cease air services to regional airports under Level 4 saw the airport closed for the duration of the lockdown period, effectively reducing airline and passenger traffic, aeronautical and commercial revenue streams (such as car parking and retail concessions) to zero throughout that period.

At that time HBAL management moved swiftly to preserve the cash position of the business by implementing a recovery plan that has, among other factors, significantly reduced the cost base, deferred non-essential capital expenditure and accessed all available Government subsidies. The purpose of those actions was to offset as much of the reduction in revenue as possible, while still being able to operate safely to the required CAA standards and provide needed services for airport users.

Since the return to Levels 1 and 2, air traffic and associated revenues are in line with post Level 4 lockdown forecasts; however, they remain vulnerable to changes in Alert Levels by the NZ Government, as recently experienced in August when Auckland moved to Level 3 and the rest of the Country to Level 2.

The ongoing uncertainty around Alert Level restrictions and the negative economic impacts that will follow the pandemic will continue to drive lower demand for air travel in the immediate future. The extent of this reduced demand and the timeframe for recovery are uncertain. The Board and management team continue to evolve a series of forward-looking scenarios to enable the airport to rapidly respond to changes in operating conditions, while also building resilience from diversified revenue streams.

Hawke's Bay Airport remains focused on achieving its strategic goals, albeit within the context of navigating the recovery cycle from the effects of COVID-19.

### 2. GOING CONCERN

The 2020 financial statements have been prepared on the going concern basis which assumes that the Group will have sufficient cash to pay its debts as they fall due for a period greater than 12 months.

The Directors have determined the going concern basis is appropriate based on the following key estimates and judgements:

- assessments of the positive impact of the actions taken by the Group since the start of the pandemic to significantly reduce the cost base and to manage capital

## 6. TAXATION

	2020 \$	2019 \$
<b>A. CURRENT YEAR RECONCILIATION</b>		
Profit Before Taxation	(981,382)	2,253,996
Prima Facie Taxation @ 28%	(274,787)	631,119
ADJUSTED FOR THE TAX EFFECT OF:		
Depreciation on revalued assets	138,336	96,373
Non-deductible expenses	167,708	30,384
Prior Years (over)/under provision	-	-
<b>INCOME TAX EXPENSE</b>	<b>31,258</b>	<b>757,877</b>
COMPRISING:		
Current Tax	24,844	801,398
Deferred Tax	6,414	(43,522)
	<b>31,258</b>	<b>757,877</b>
<b>B. TAXATION PAYABLE/(RECEIVABLE)</b>		
Balance at 1 July	245,733	307,764
Prior period adjustment	3,474	-
Terminal Tax (paid)/refunded	(235,120)	(294,404)
	<b>14,087</b>	<b>13,360</b>
Current Tax Payable	24,844	801,398
Provisional Tax paid	-	(569,084)
RWT paid on Interest	-	59
<b>BALANCE AT 30 JUNE</b>	<b>38,931</b>	<b>245,733</b>
<b>C. IMPUTATION CREDIT ACCOUNT</b>		
Imputation Credits carried forward	3,300,173	2,662,304
Decrease arising from tax refunded during the year	(24,715)	(22,890)
Increase arising from tax paid during the year	260,100	885,533
Applied to Dividends paid	-	(224,774)
<b>BALANCE AT 30 JUNE</b>	<b>3,535,558</b>	<b>3,300,173</b>
<b>D. DEFERRED TAX RECONCILIATION</b>		
Opening balance	4,487,178	3,577,996
Deferred tax expense	6,414	(139,895)
Revaluation of PP&E	(138,336)	1,049,077
<b>CLOSING BALANCE</b>	<b>4,355,256</b>	<b>4,487,178</b>
RECONCILIATION OF DEFERRED TAX EXPENSE		
Reclassified from current tax		
Credited to tax expense	6,414	(43,522)
Charged to other comprehensive income	(138,336)	(1,145,450)
	<b>(131,922)</b>	<b>(1,188,971)</b>

#### E. DEFERRED TAX ANALYSIS

Holiday Pay	(8,246)	(9,736)
Impairment Provision	-	(194,992)
Provision for doubtful debt	4,526	60
Intangibles	(47)	(47)
Income in Advance	(309,209)	(332,809)
Runway Refurbishment	386,552	446,157
Capitalised interest	53,615	34,301
Revaluation of PP&E	2,942,396	3,080,732
Asset Base and Depreciation Differences	1,285,668	1,463,512
	<b>4,355,256</b>	<b>4,487,178</b>

## 7. PROPERTY, PLANT AND EQUIPMENT

	Land & Land Improvements	Airport Infrastructure & Buildings	Other Assets	Capital Work in Progress	Total
<b>AT 30 JUNE 2019</b>					
Fair Value	5,800,362	33,893,393	1,705,788	6,985,037	48,384,580
Acc dep	(0)	(0)	1,066,979	0	1,066,979
	<b>5,800,362</b>	<b>33,893,393</b>	<b>638,809</b>	<b>6,985,037</b>	<b>47,317,601</b>
Opening net book value	5,800,362	33,893,393	638,808	6,985,037	47,317,601
Additions	0	331,932	206,338	7,730,991	8,269,261
Disposals	0	1,378,687	0	100,869	1,479,556
Revaluation	0	0	0	0	0
Depreciation	965	1,823,548	155,369	0	1,979,882
Transfers	278,291	7,873,870	803,013	(8,955,174)	0
<b>CLOSING NET BOOK VALUE</b>	<b>6,077,688</b>	<b>38,896,960</b>	<b>1,492,789</b>	<b>5,659,986</b>	<b>52,127,424</b>
<b>AT 30 JUNE 2020</b>					
Fair Value	6,077,688	38,896,960	2,698,457	5,659,987	53,333,092
Acc dep	0	(0)	1,205,668	0	1,205,668
	<b>6,077,688</b>	<b>38,896,960</b>	<b>1,492,789</b>	<b>5,659,987</b>	<b>52,127,424</b>

As at 30 June 2020 the land and land improvements were valued by an independent valuer – Telfer Young Limited – and the Airport Infrastructure & Buildings were valued by an independent valuer – Peter Seed Ltd. The last independent valuation of these Property, Plant and Equipment assets was performed at 30 June 2019.

The valuations were on the basis of current fair value. Telfer Young Limited determined the fair value by direct reference to recent market transactions on arm's length terms for properties comparable in size and location, taking into account the highest and best use for the land. This is level 2 on the fair value hierarchy – see note 18.

Peter Seed Ltd used a discounted cash flow valuation model as there was an absence of sales of similar properties and this is industry practice. This discounted cash flow valuation was based on future forecast income and expenditure for the aeronautical and non-aeronautical assets. The land held for future development was valued separately at \$14m and later added to the discounted cash flow value. This is level 3 on the fair value hierarchy – see note 18.

Due to the impact of COVID-19 on the Group and the uncertainty that exists around the timeframe for recovery of the aviation sector, the sensitivity of the discounted cash flow valuation to the key variables of passenger numbers and WACC was calculated. With all other variables held constant, the impact of these changes is:

	RANGE	IMPACT ON VALUE
Passenger Volume	low-6% to high+38%	-\$5.3m to +\$4.6m The passenger related sensitivity range is not symmetrical as based on specific passenger forecasts.
WACC	-0.5% to +0.5%	+\$2.2m to -\$0.9m

Additions subsequent to the revaluation are carried at cost.

As shown in the Statement of Changes in Equity there was an additional depreciation charge of \$494,056 (2019: \$344,188) as a result of the prior year revaluation of the Airport Infrastructure & Buildings assets.

## 8. INVESTMENT PROPERTY

	Land & Land Improvements	Business Park Infrastructure & Buildings	Capital Work in Progress	Total
AT 30 JUNE 2019				
Cost	2,977,203	2,875,214	145,402	5,997,819
Accumulated depreciation and impairment	262,506	1,358,994	-	1,621,500
	<b>2,714,697</b>	<b>1,516,220</b>	<b>145,402</b>	<b>4,376,319</b>
Opening net book value	2,714,697	1,516,220	145,402	4,376,319
Additions		48,101		48,101
Disposals				-
Depreciation	33,619	126,595		160,214
Prior Period Impairment Reversal		696,400		696,400
<b>CLOSING NET BOOK VALUE</b>	<b>2,729,179</b>	<b>2,086,025</b>	<b>145,402</b>	<b>4,960,606</b>
AT 30 JUNE 2020				
Cost	2,899,688	3,000,830	145,402	6,045,920
Accumulated depreciation and impairment	170,509	914,806	-	1,085,315
	<b>2,729,179</b>	<b>2,086,025</b>	<b>145,402</b>	<b>4,960,606</b>

The Group is developing a business park complex on the surplus airfield land. The development commenced in 2013. The initial tenant of the business park has prepaid its rentals for the 21-year term of the lease. This income is being recognised over the term of the lease.

As at 30 June 2020 the Group has considered whether any new indicators of impairment exist or whether there was sufficient evidence to support the reversal of previous impairments. The recoverable amount of the land has been considered separately for the developed and the undeveloped land components.

The recoverable amount of the developed land has been calculated by undertaking a lease capitalisation calculation on the net lease income from existing tenants. The recoverable amount of the prepaid lease has been calculated by undertaking a discounted cash flow calculation based on the lease income for the remainder of the lease term.

The recoverable amount of the undeveloped land has been valued by a third party valuation expert, Telfer Young Ltd, as at 30 June 2020, based on a value per square metre derived from knowledge of recent market transactions.

When the estimated value of the developed land and the valuation of the undeveloped land is combined, the recoverable value is estimated to be \$8.4m. The asset has not been revalued to reflect this value due to the economic uncertainty as a result of COVID-19, however, the previous impairment of \$696,400 was reversed as at 30 June 2020.

## 9. TRADE AND OTHER RECEIVABLES

	2020	2019
	\$	\$
Accounts Receivable	396,909	503,971
Provision for doubtful debts	(15,951)	-
Prepayments	287,796	261,933
GST Receivable	79,423	269,989
	<b>748,178</b>	<b>1,035,893</b>

Management have assessed the impact of COVID-19 on all aspects of the balance sheet. Specifically the carrying value of receivables was considered in light of rent relief sought by tenants and expected financial difficulties of customers. Provisioning reflects management's best estimate of the impact based on information available at the time of preparing these financial statements. There has been no material impact on receivables.

## 10. EQUITY

		2020	2019
		\$	\$
	<b>Shares on issue</b>		
Ordinary shares	1004	13,789,155	13,789,155
Revaluation Reserve		11,065,081	11,420,801

All shares have equal voting rights and share equally in dividends and surpluses on winding up. All shares are fully paid and have no par value. No dividend was declared or paid during the 2020 financial year (2019: \$575.69 per share)

The revaluation reserve arises on the revaluation of property, plant and equipment. When revalued property, plant and equipment is sold, the portion of the revaluation reserve that relates to that asset is transferred directly to retained earnings.

## 11. TRADE AND OTHER PAYABLES

	2020	2019
	\$	\$
General - Trade	412,543	420,943
- Capital Expenditure	464,366	1,336,642
Rentals in Advance	84,286	89,334
Income Tax Payable	35,320	245,733
	<b>996,514</b>	<b>2,092,652</b>

Rentals in advance due beyond 12 months totals \$1,011,549 (2019: \$1,096,022).

## 12. BORROWINGS

The Group has a flexible facility up to \$1.5m, (2019: up to \$1.5m), and a term facility of \$19.5m (2019: \$14.5m) as at 30 June 2020, available from the ANZ Bank. At balance date the term facility was drawn down to \$16.9m (2019: \$10.7m) and the Flexible Facility was drawn down to \$1,296,337 (2019: \$375,738).

The average interest rate on the term facility was 2.56% p.a (2019: 3.27% p.a). The term facility matures on 30 November 2021. The current interest rate on the Flexi Facility is 4.89% (2019: 4.89%). The Flexi Facility matures on 30 November 2021. The facilities are secured by a General Security Agreement.

At balance date the Group was in breach of the leverage covenant as per the facility agreement with the ANZ Bank. The Group sought a waiver from the ANZ Bank for the impending covenant breach in April 2020. Such waiver was contingent upon shareholder support in the form of shareholder loans, which were finalised subsequent to balance date on 10 July 2020. On 27 August 2020 the ANZ Bank issued written confirmation of a leverage covenant waiver as at 30 June 2020 and continued access to facilities until expiry at November 2021.

## 13. PROVISION FOR RETENTIONS PAYABLE

Various subcontractors engaged on the Terminal Expansion Project are subject to retention clauses within their construction contracts. Retentions are held in trust by the Group until such time as it is appropriate to release them i.e. either upon practical completion of the works or at the end of the defects liability period.

	2020 \$	2019 \$
Provision at the Start of the Year	37,520	-
Increase/(decrease) to the Provision during the year	116,451	37,520
Use of the Provision during the year	-	-
<b>PROVISION AT THE END OF THE YEAR</b>	<b>153,971</b>	<b>37,520</b>

## 14. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	2020 \$	2019 \$
<b>a) Amounts Recognised in the Balance Sheet</b>		
<b>Right of Use Assets</b>		
Land	48,890	-
Vehicles (Fire Appliance)	371,620	-
	<b>420,510</b>	<b>-</b>
<b>Lease Liabilities related to leases are split between current and non-current</b>		
Current	105,181	-
Non-current	315,329	-
	<b>420,510</b>	<b>-</b>

Additions to the right-of-use assets during the 2020 financial year were \$420,510.

### b) Amounts recognised in the statement of comprehensive income

Depreciation charge on Right-of-Use Assets	-	-
Right-of-Use Assets	-	-
Land	-	-
	<b>-</b>	<b>-</b>
Interest expense	34,333	-

## 15. COMMITMENTS

### OPERATING COMMITMENTS

As at 30 June 2019 the Group had 2.5 years remaining of a five-year contract with a provider of rescue fire, grounds maintenance and security services at \$799,000 per annum. This contract ran until 31 December 2021, but the contract was terminated at 30 June 2020 and the Group has employed the required staff and leased the fire appliance. The lease is included in lease liabilities in note 14.

The Group has a lease agreement to lease land as part of the runway extension for a term of 35 years expiring on 30 April 2045 with ongoing rights of renewal. The lease commitment at 30 June 2019 was \$897,000. This is now recorded as a lease liability under NZ IFRS 16 Leases. Due to the perpetual nature of the lease, the lease liability is calculated as \$48,890.

### CAPITAL COMMITMENTS

As at 30 June 2020 the Group is contractually committed to capital expenditure totalling \$6,625,217 with \$6,593,038 of this relating to the Terminal Expansion Project and the balance associated with general business. The capacity to meet these commitments was provided by the Shareholder Loan Facility, dated 10 July 2020. Refer Note 19 – Events Subsequent to Balance Date.

In the prior year at 30 June 2019 the Group was contractually committed to capital expenditure totalling \$9,789,229, with \$9,061,395 of this relating to the Terminal Expansion Project and the balance associated with master plan and car park development projects.

For further information on the Terminal Expansion Project refer to the Chair's and Chief Executive's report.

## 16. CONTINGENCIES

There are no known contingent liabilities (2019: Nil).

## 17. TRANSACTIONS WITH RELATED PARTIES

Hawke's Bay Airport Ltd is owned by Napier City Council, Hastings District Council and the Crown. The Group enters into numerous transactions with government departments, Crown entities, State-owned enterprises and other entities controlled by the Crown, and pays rates to the Napier City Council.

These transactions are not separately disclosed when they:

- are conducted on an arm's length basis
- result from the normal dealings of the parties, and
- meet the definition of related-party transactions only because of the relationship between the parties being subject to common control or significant influence by the Crown.

The Group has entered into a Shareholder Loan Facility as at 10 July 2020. Refer Note 2 – Going Concern and note 19 – Events Subsequent to Balance Date.

Hawke's Bay Airport Limited incorporated a 100% owned subsidiary, Hawke's Bay Airport Construction Limited on 15 March 2019.

Hawke's Bay Airport Construction Limited is the company that contracts to Hawke's Bay Airport Limited to undertake the construction management of the Airport Expansion Project.

All transactions between Hawke's Bay Airport Limited and Hawke's Bay Airport Construction Limited are eliminated on consolidation so there are no related-party transactions to disclose at Group level.

Amounts paid to key management personnel (Chief Executive, Chief Financial Officer and the Directors) during the year were \$566,721 (2019: \$678,247).

## 18. FINANCIAL INSTRUMENTS

The Group is party to financial instruments as part of its normal day to day operations. The main financial instruments are:

- cash and cash equivalents
- accounts receivable
- trade payables
- borrowings.

The Group has no off balance sheet financial instruments.

### FAIR VALUE OF FINANCIAL INSTRUMENTS

All financial assets and financial liabilities carrying amounts are a reasonable approximation of fair value. The fair value estimates were determined by the following methodologies and assumptions.

**CASH AND CASH EQUIVALENTS:** The reported amounts approximate fair value.

**ACCOUNTS RECEIVABLES:** The reported amount approximates fair value because they are assessed for impairment and all amounts are receivable within three months of balance date.

**TRADE PAYABLES:** The reported amount approximates fair value because they are payable in the short term.

**BORROWINGS:** The reported amounts approximate fair value because they are at market interest rates.

### FAIR VALUE ESTIMATION

Assets and liabilities are recorded at fair value are valued according to the fair value hierarchy as follows:

#### LEVEL 1

Quoted prices (unadjusted) in active markets for identical assets or liabilities.

#### LEVEL 2

Inputs rather than quoted prices included in level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

#### LEVEL 3

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

## EVENTS SUBSEQUENT TO BALANCE DATE

### SHAREHOLDER LOAN

On 10 July 2020, the Group entered into agreement with the shareholders for a shareholder loan totalling \$9m (Crown \$4.5m, NCC \$2.34m, HDC \$2.16m) to enable completion of the Terminal Expansion Project and ensure the Group's working capital requirements can be met throughout the recovery period.

### BANKING COVENANTS

On 27 August 2020 the Group received written confirmation from the ANZ Bank that it waives the breach of the leverage covenant by the Group as at 30 June 2020 and that existing debt facilities remain available to the Group to support Terminal Expansion Project expenditure and operational working capital until expiry of the facilities in November 2021.

(2019: Jetstar announced it would be ceasing its turboprop service between Hawke's Bay and Auckland after the release of the 2019 financial statements. The estimated impact on the net book value of Property, Plant and Equipment was a potential decrease of \$0.95m to \$3.6m.)

# INDEPENDENT AUDITOR'S REPORT

TO THE READERS OF HAWKE'S BAY AIRPORT LIMITED'S GROUP FINANCIAL STATEMENTS AND PERFORMANCE INFORMATION FOR THE YEAR ENDED 30 JUNE 2020.

The Auditor-General is the auditor of Hawke's Bay Airport Limited group (the Group). The Auditor-General has appointed me, Philip Pinckney, using the staff and resources of Baker Tilly Staples Rodway Audit Limited, to carry out the audit of the financial statements and the performance information of the Group on his behalf.

## OPINION

We have audited:

- the financial statements of the Group on pages 34 to 51, that comprise the statement of financial position as at 30 June 2020, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date and the notes to the financial statements that include accounting policies and other explanatory information; and
- the performance information of the Group on page 33.

In our opinion:

- the financial statements of the Group on pages 34 to 51:
  - present fairly, in all material respects:
    - its financial position as at 30 June 2020; and
    - its financial performance and cash flows for the year then ended; and
  - comply with generally accepted accounting practice in New Zealand in accordance with New Zealand equivalents to International Financial Reporting Standards Reduced Disclosure Regime; and

- the performance information of the Group on page 3 presents fairly, in all material respects, the Group's actual performance compared against the performance targets and other measures by which performance was judged in relation to the Group's objectives, for the year ended 30 June 2020.

Our audit was completed on 21 September 2020. This is the date at which our opinion is expressed.

The basis for our opinion is explained below. In addition, we outline the responsibilities of the Board of Directors and our responsibilities relating to the financial statements and the performance information, we comment on other information, and we explain our independence.

## IMPACT OF COVID-19

Without modifying our opinion, we draw attention to the disclosures about the impact of COVID-19 on the Group as set out in note 1 to the financial statements.

## BASIS FOR OUR OPINION

We carried out our audit in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board. Our responsibilities under those standards are further described in the Responsibilities of the auditor section of our report.

We have fulfilled our responsibilities in accordance with the Auditor-General's Auditing Standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



#### RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS AND THE PERFORMANCE INFORMATION

The Board of Directors is responsible on behalf of the Group for preparing financial statements and performance information that are fairly presented and that comply with generally accepted accounting practice in New Zealand.

The Board of Directors is responsible for such internal control as it determines is necessary to enable it to prepare financial statements and performance information that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements and the performance information, the Board of Directors is responsible, on behalf of the company for assessing the company's ability to continue as a going concern. The Board of Directors is also responsible for disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

The Board of Directors' responsibilities arise from the Local Government Act 2002.

#### RESPONSIBILITIES OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND THE PERFORMANCE INFORMATION

Our objectives are to obtain reasonable assurance about whether the financial statements and the performance information, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit carried out in accordance with the Auditor-General's Auditing Standards will always detect a material misstatement when it exists. Misstatements are differences or omissions of amounts or disclosures, and can arise from fraud or error. Misstatements are considered material if, individually, or in the aggregate, they could reasonably be expected to influence the decision of readers taken on the basis of these financial statements and the performance information.

We did not evaluate the security and controls over the electronic publication of the financial statements and the performance information.

As part of an audit in accordance with the Auditor-General's Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. Also:

- We identify and assess the risks of material misstatement of the financial statements and the performance information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of the internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.



- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- We evaluate the appropriateness of the reported performance information within the company's framework for reporting performance.
- We conclude on the appropriateness of the use of the going concern basis of accounting by the Board of Directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements and the performance information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- We evaluate the overall presentation, structure and content of the financial statements and the performance information, including the disclosures, and whether the financial statements and the performance information represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtain sufficient appropriate audit evidence regarding the financial statements and the performance information of the entities or business activities within the Group to express

an opinion on the consolidated financial statements and the consolidated performance information. We are responsible for the direction, supervision and the performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify in our audit.

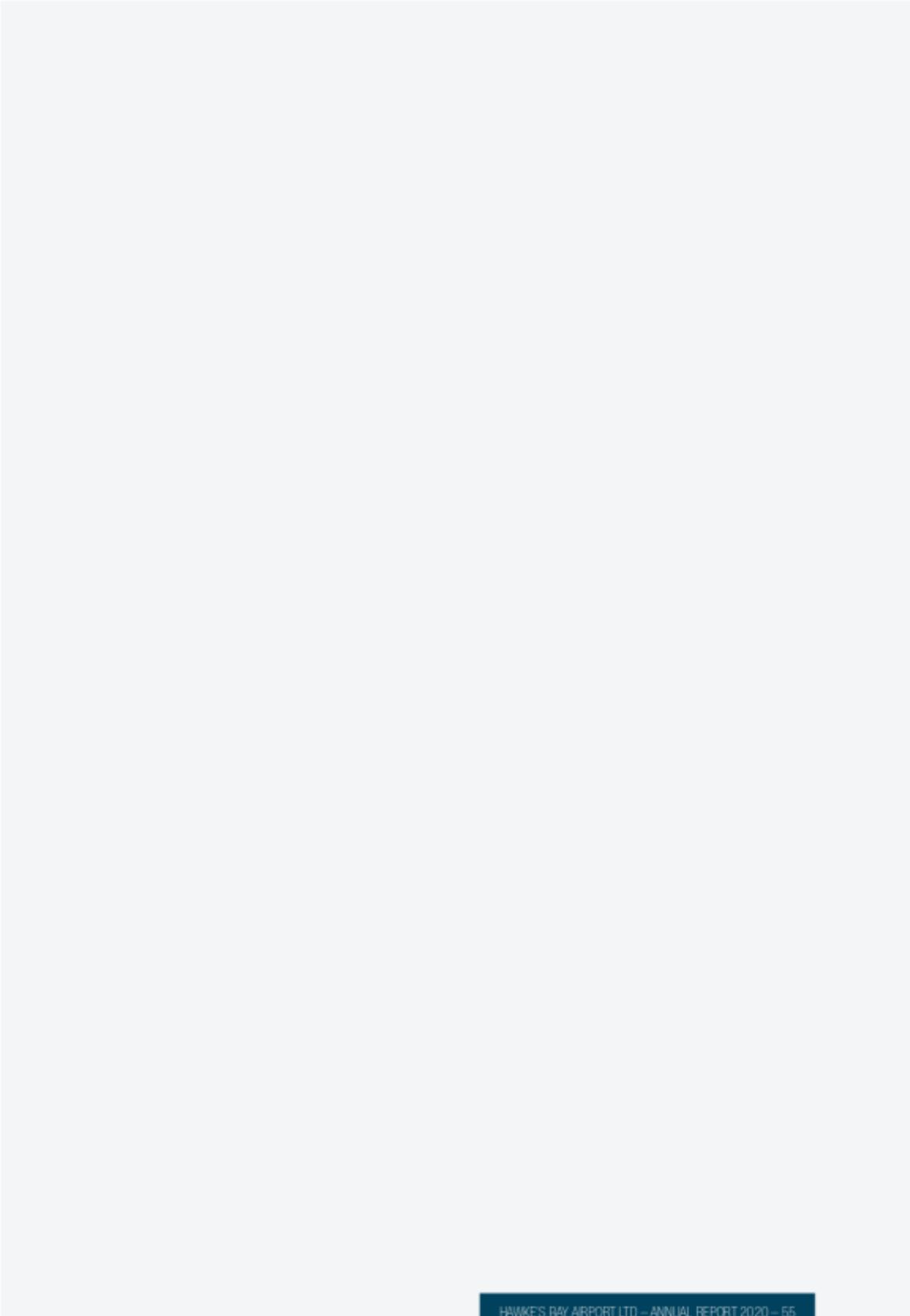
Our responsibilities arise from the Public Audit Act 2001.

#### INDEPENDENCE

We are independent of the Group in accordance with the independence requirements of the Auditor-General's Auditing Standards, which incorporate the independence requirements of Professional and Ethical Standard 1: *International Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board.

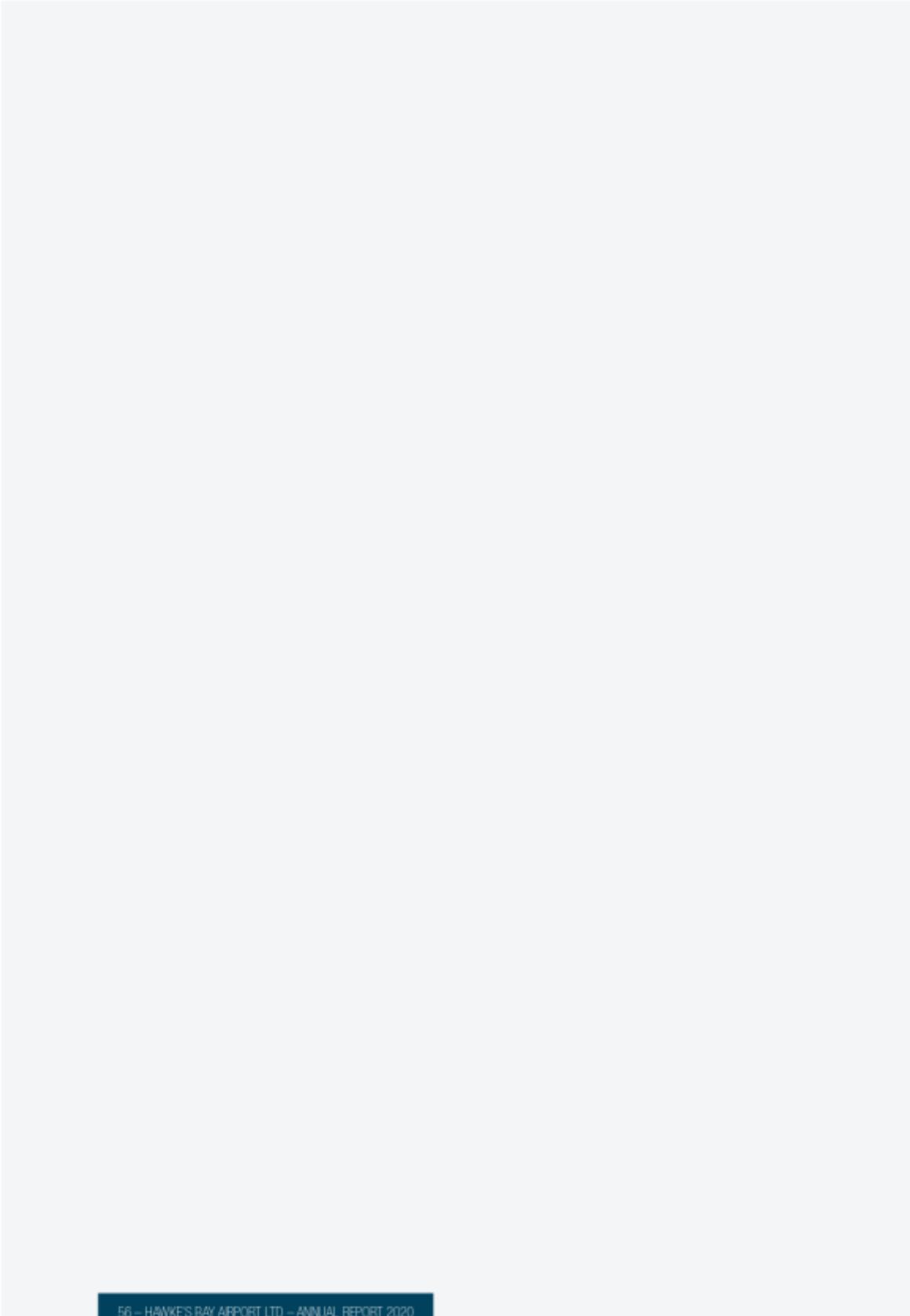
Other than the audit, we have no relationship with, or interests in, the Group.

PHILIP PINCKNEY  
Baker Tilly Staples Rodway Audit Limited  
On behalf of the Auditor-General Hastings,  
New Zealand



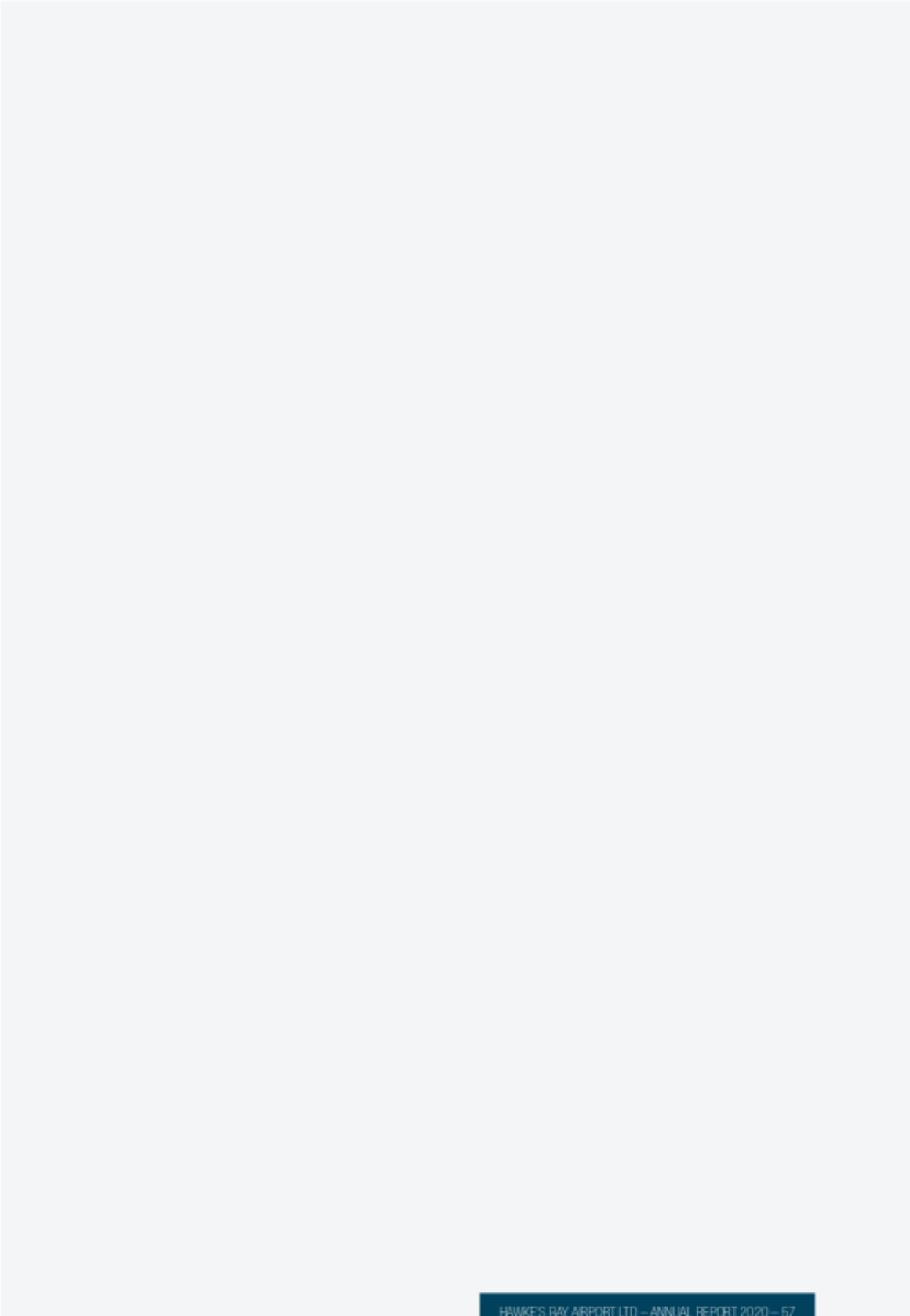
HAWKE'S BAY AIRPORT LTD – ANNUAL REPORT 2020 – 55

Item 5



E6 – HAWKE'S BAY AIRPORT LTD – ANNUAL REPORT 2020

Item 5



HAWKE'S BAY AIRPORT LTD – ANNUAL REPORT 2020 – 57

Item 5



Item 5



## 37. *Statement of Proposal*



### Hastings District Council Consolidated Bylaw 2021

#### Opening Comments

##### Reasons for the proposal

1. The Local Government Act 2002 (**LGA 02**) section 158 requires Council to review its bylaws no later than five years after the bylaw was made. Council's Consolidated Bylaw 2016 is due for review and the review process for those bylaws commenced June 2020.
2. The content of each of the bylaws chapters have been examined. Provisions were added or amended if they were considered to be:
  - a) appropriate for inclusion in a bylaw;
  - b) the most appropriate way of addressing the perceived problem;
  - c) does not give rise to any implications under the New Zealand Bill of Rights Act 1990;
3. The Speed Limits Bylaw has been left out of the review process since it is regularly reviewed under the Land Transport Rule, Setting of Speed Limits 2003. In addition to this the following bylaws were omitted from the review process because:
4. The Food Safety Bylaw (Chapter 6) had a finite and limited life span as a result of the commencement of the Food Act 2014 and has therefore been overtaken by a completely new regulatory regime; and
5. The Control of Fires Bylaw (Chapter 10.1) has been removed as this is now under Fire & Emergency New Zealand. A general clause has been added to Chapter 2 Public Places to restrict fires in a public place or on Council administered land without an approval.

##### Statutory framework

6. Council's bylaw making powers are contained in Subpart 1 of Part 8 of LGA 2002. Some specific powers are also included in other legislation, for example the Land Transport Act 1998 and the Dog Control Act 1996. Whatever the source of power to make a bylaw Council is required to follow the decision-making and consultation requirements set out in LGA 2002.
7. LGA 2002 came into force on 1 July 2003. Since that date on each occasion that Council has had to review its existing bylaws, or has considered a new bylaw Council must first be satisfied that a bylaw is the most appropriate way of addressing the

perceived problem, the bylaw is in the most appropriate form and does not give rise to implications under the New Zealand Bill of Rights Act 1990 (NZBORA).

8. A 2014 amendment to LGA 2002 requires that this statement of proposal contain a report on Council's consideration of those issues. Council has considered and determined those matters in relation to this proposal at its meeting on 11 February 2021. A full copy of the report is available on the Council's website <https://www.hastingsdc.govt.nz/meetings/>.
9. Having made those determinations Council must then consult on the proposed bylaw in accordance with the consultation requirements of LGA 2002 and Council's Significance and Engagement Policy. This requires consultation using the special consultative procedure. Council has already undertaken some preliminary consultation on specific aspects of the current proposals with staff from the Police, the Hawke's Bay Regional Council, the Rural Community Board and internal stakeholders. All of those parties will be able to participate in the current consultation process.
10. Under s 156(2) LGA 2002 Council may make changes of an administrative nature to a bylaw without using the special consultative procedure.
11. A brief comment on the bylaws chapters where there has been a recommended change are included below.

## Commentary on the Consolidated Bylaw

### Chapter 1 – Interpretation and General Provisions

12. All of the provisions in this chapter are of a machinery nature, designed to assist the interpretation, understanding and application of the Bylaw.
13. The definitions in clause 1.3 are used in various chapters but they are able to be found in one place. No new definitions have been added. Some terms are still defined within chapters if those terms only relate to the contents of that chapter.
14. All matters requiring an "approval", and all applications for a "dispensation", are processed under clause 1.5. The consequences of a breach of conditions of approval or dispensation are covered in clause 1.5.5 and appeals against decisions are dealt with in clause 1.5.6.

### Chapter 2 – Public Places

(a) Activities

The Control of Fires Bylaw (Chapter 10.1) will be revoked as this is now under Fire & Emergency New Zealand. The following general clause has been added:

2.2.3 A person must not light a fire in a public place unless:

- (a) the fire is contained in a facility provided by Council; or
- (b) the fire is contained in a portable gas barbeque in a Council controlled public place; or
- (c) Council has given prior written approval.

Any Fire and Emergency New Zealand Act 2017 provision, regulation or notice that restricts fires in a public place applies instead of sub-clause (1), for example a restricted or prohibited fire season.

- (b) Processions and Public Meetings  
Change the definition to:

Events, demonstrations, competitions, parades, processions or other public meetings

- (c) Trading, Busking and Collections  
“without an approval” was added to sub-clause 2.18.4 (a) trading in a public place.

The speed limit where a mobile shop can operate was reduced from 80km to 70 km in sub-clause 2.18.4 (b).

- (d) Schedule D to Chapter 2  
The words “without an approval” were added to the end of the list of roads (Roads on which the conduct of business from a mobile shop is not permitted)

### Chapter 3 – Dog Control

15. After a comprehensive review in 2016 we have continued with the philosophy that dogs which have easy access to open spaces and are exercised regularly are less likely to display anti-social behaviour such as aggression and excessive barking. To achieve this, we limited the number of dog prohibited areas and leash control areas to those that have high public usage or biodiversity significance. This position has remained unchanged.
16. Schedule A: lists the dog exercise areas. There is a proposal to amend the time restriction for leash control at Ebbett Park. It is currently 7.30pm to 7.00am (adjusted to 6.00pm to 7.00am at daylight saving). It is proposed to be from 5.00pm to 8.00am and to remove the daylight saving adjustment. This is a result of the adoption of the Raureka Parks Management Plan. Council agreed to support an amendment to the bylaw regarding the provision of dog exercise areas within Ebbett Park.
17. A better description of the exercise area of Keirunga Gardens has been added—Keirunga Gardens, along the extent of the western boundary walkway accessed from Tanner Street, and including the open grass areas at the southern and northern ends of the Park. This description is in line with the current signage in the Gardens.

There are no other additions or amendments to the Dog Control Chapter.

### Chapter 4 – Alcohol Bans

18. An Alcohol Ban has been added at Te Mata Park Havelock North covering the full park and associated parking, walkways and roadways.
19. An Alcohol Ban has been added to the Hastings Cemetery and Crematorium as bounded by Maraekakaho & Orchard Roads and the eastern boundary of Heretaunga Intermediate School.

### Chapter 5 – Parking and Traffic

20. There are a number of deletions as these enforcement activities are covered under Road User Rules.
21. Added to sub-clause 5.3.1 (a):
  - (v) heavy vehicles parking in residential areas, specified in the bylaw
22. The reference to “parking ticket machines” has been deleted from sub-clauses 5.3.1(b), 5.4.1 m) and 5.4.1 o) as Council no longer uses parking ticket machines.
23. Sub-clause 5.4.1 (d) and g) have been deleted as these are covered by Road User Rules
24. “Without an approval” was added to sub-clause 5.4.1 k) relating to the display of “for sale signs” on vehicles parked on a road or public place.
25. Sub-clause 5.4.1 o) was amended to address the issue of damage to parking meters when items other than legal tender are inserted into these machines.
26. Sub-clauses 5.4.4 and 5.4.5 were deleted as these are already covered by sub-clause 5.4.3
27. Clause 5.7 Enforcement. The reference to “unpaid fines” with respect to the release of impounded vehicles was deleted. Fines must go through the appropriate legal channels.

### Chapter 6 – Food Safety

28. This chapter was deleted as it was overtaken by the new regime introduced under the Food Act 2014.

### Chapter 7 – Water Services

29. There are no additions or amendments to the Water Services Chapter.

### Chapter 8 - Deliberately left Blank

30. This chapter does not currently have a bylaw assigned to it. It will act as a “place holder” to allow for any new subject matter in the future.

### Chapter 9 – Deliberately left Blank

31. This chapter does not currently have a bylaw assigned to it. It will also act as a “place holder” to allow for any new subject matter in the future.

### Chapter 10 – Miscellaneous Matters

32. Clause 10.1 Fire Control has been deleted as this function is now covered by Fire & Emergency New Zealand (FENZ).
33. Clause 10.2 Nuisances remains unchanged.

34. Clause 10.3 Refuse - This clause is currently under review to ensure alignment with the Joint Waste Management and Minimisation Plan 2018 – 2024, with Napier City. This clause may then need to be revoked following that review process.
35. Clause 10.4 Stock, Poultry and Bees remains unchanged.

#### Dog Control Policy

36. The Dog Control policy changes mirror the Ebbett Park & Keirunga Gardens amendments in the bylaw. There are also three policy additions, none of which require a supporting bylaw:
  - Add the word 'potential' to the adoption evaluation; and
  - No dogs will be released for research, testing or teaching purposes; and
  - Council does not encourage restraining dogs by means of a chain or tether as a permanent means of controlling a dog

#### **Bylaws to be revoked**

37. If the changes set out in this statement of proposal is ultimately approved by Council, the existing Hastings District Council Consolidated Bylaw will be revoked:

#### **Draft consolidated bylaw**

38. A copy of the new draft consolidated bylaw is attached. LEG-02-3-20-456

#### **Submissions**

Opening date for submissions:	<b>15 February 2021</b>
Closing date for submissions	<b>19 March 2021</b>
Hearing dates for submissions:	<b>20 &amp; 21 May 2021</b>

Submission forms (including address details) are available at:

- <http://www.myvoicemychoice.co.nz/>
- Hastings District Council Customer Service Centre, 207 Lyndon Road East, Hastings
- Flaxmere, Hastings and Havelock North libraries





# Hastings District Council

## Consolidated Bylaw

# INDEX

<b><u>CHAPTER 1 INTERPRETATION AND GENERAL PROVISIONS</u></b> .....	<b>4</b>
<b><u>CHAPTER 2 PUBLIC PLACES</u></b> .....	<b>10</b>
<u>2.1 ACCESS WAYS</u> .....	10
<u>2.2 ACTIVITIES</u> .....	10
<u>2.3 ADVERTISING DEVICES</u> .....	10
<u>2.4 BEACHES</u> .....	12
<u>2.5 CEMETERIES AND CREMATORIUM</u> .....	12
<u>2.6 COUNCIL FACILITIES</u> .....	13
<u>2.7 CYCLES AND SKATEBOARDS</u> .....	13
<u>2.8 DAMAGE</u> .....	14
<u>2.9 ENCROACHMENTS</u> .....	14
<u>2.10 FENCES</u> .....	15
<u>2.11 FLYING ACTIVITIES</u> .....	15
<u>2.12 HAZARDS</u> .....	15
<u>2.13 PROCESSIONS AND PUBLIC MEETINGS</u> .....	16
<u>2.14 REFUSE DISPOSAL</u> .....	16
<u>2.15 SPORTS AND GAMES IN A PUBLIC PLACE</u> .....	16
<u>2.16 STREET NUMBERING AND PRIVATE ROAD SIGNS</u> .....	16
<u>2.17 STOCK</u> .....	17
<u>2.18 TRADING, BUSKING AND COLLECTIONS</u> .....	18
<u>2.19 VEHICLE CROSSINGS AND BERMS</u> .....	19
<u>SCHEDULE A TO CHAPTER 2</u> .....	20
<u>SCHEDULE B TO CHAPTER 2</u> .....	22
<u>SCHEDULE C TO CHAPTER 2</u> .....	24
<u>SCHEDULE D TO CHAPTER 2</u> .....	25
<b><u>CHAPTER 3 DOG CONTROL</u></b> .....	<b>26</b>
<b><u>CHAPTER 4 ALCOHOL BANS</u></b> .....	<b>32</b>
<u>4.1 AUTHORITY</u> .....	32
<u>4.2 DEFINITIONS</u> .....	32
<u>4.3 ALCOHOL BANS</u> .....	32
<u>4.4 LICENCES AND DISPENSATIONS</u> .....	32
<u>SCHEDULE A TO CHAPTER 4</u> .....	34
<u>SCHEDULE B – CHAPTER 4</u> .....	36
<u>SCHEDULE C TO CHAPTER 4</u> .....	40

<u>SCHEDULE D TO CHAPTER 4</u> .....	42
<u>SCHEDULE E TO CHAPTER 4</u> .....	44
<b><u>CHAPTER 5 PARKING AND TRAFFIC</u></b> .....	<b>45</b>
<u>5.1 AUTHORITY</u> .....	45
<u>5.2 DEFINITIONS</u> .....	45
<u>5.3 PARKING RESTRICTIONS AND CHARGES</u> .....	45
<u>5.4 PARKING OFFENCES</u> .....	46
<u>5.5 TRAFFIC MOVEMENT AND SAFETY</u> .....	47
<u>5.6 TRAFFIC OFFENCES</u> .....	47
<u>5.7 ENFORCEMENT</u> .....	47
<b><u>CHAPTER 7 WATER SERVICES</u></b> .....	<b>49</b>
<u>7.1 DEFINITIONS</u> .....	49
<u>7.2 CONNECTION AND DISCONNECTION</u> .....	50
<u>7.3 NETWORK CORRIDOR</u> .....	50
<u>7.4 DAMAGE TO THE NETWORK</u> .....	51
<u>7.5 OFFENCES IN RELATION TO WATER SUPPLY</u> .....	51
<u>7.6 OFFENCES IN RELATION TO WASTEWATER</u> .....	52
<u>7.7 OFFENCES IN RELATION TO STORMWATER</u> .....	52
<u>7.8 APPROVALS</u> .....	53
<u>SCHEDULE A TO CHAPTER 7</u> .....	55
<u>SCHEDULE B TO CHAPTER 7</u> .....	56
<u>TABLE 2: HEAVY METALS</u> .....	59
<u>TABLE 3: ORGANIC COMPOUNDS AND PESTICIDES</u> .....	59
<b><u>CHAPTER 8</u></b> .....	<b>61</b>
<b><u>CHAPTER 9</u></b> .....	<b>62</b>
<b><u>CHAPTER 10 MISCELLANEOUS MATTERS</u></b> .....	<b>63</b>
<u>10.2 NUISANCES</u> .....	63
<u>10.3 REFUSE</u> .....	63
<u>10.4 STOCK, POULTRY AND BEES</u> .....	64

## CHAPTER 1 INTERPRETATION AND GENERAL PROVISIONS

### 1.1 Purpose and authority

1.1.1 The purpose of this part of the Bylaw is to provide consistency in the interpretation of terms used throughout the Bylaw and to provide for general matters common to many parts of the Bylaw.

1.1.2 Unless otherwise stated every part of the Bylaw is made under s 145 of LGA 2002.

### 1.2 Commencement and revocation

1.2.1 Unless otherwise stated every part of the Bylaw will commence on the day following the date upon which Council publicly notifies its decision to adopt the Bylaw.

1.2.2 The revocation of a former bylaw will take effect the day following the date upon which Council publicly notifies its decision to revoke the former bylaw.

### 1.3 Definitions

1.3.1 The definitions in this clause apply to all parts of the Bylaw. Any definition specific to only one part of the Bylaw may be set out at the beginning of that part of the Bylaw. In the event of any conflict between a definition in this clause and the definition in another part of the Bylaw, the latter will prevail.

1.3.2 In this Bylaw:

“advertising device” has the same meaning as in the district plan

“animal” has the same meaning as in the Animal Welfare Act 1999 and, for the avoidance of doubt, includes poultry and stock

“approval” means an approval in writing granted by Council under clause 1.5 and, where the context requires, includes a resource consent granted by Council under the RMA

“berm” means the grass verge of a road

“Bylaw” means the Hastings District Council Consolidated Bylaw, any part of that Bylaw and any other bylaw made by Council from time to time under LGA 02 or any other enactment

“carriageway” means the part of a road intended for movement of vehicles, does not include the berm or footpath but does include a vehicle crossing

“constable” means a sworn officer of the New Zealand Police

“Council” means Hastings District Council and when the context requires extends to include:

- a committee of Council with delegated responsibility for the administration of the Bylaw
- an enforcement officer
- a Council officer with delegated responsibility for the administration of the Bylaw
- a parking warden and

- any other person with responsibility for administration of the Bylaw engaged by Council under s 179 LGA 02

“Council facility” means any premises owned, occupied, managed or otherwise controlled by Council

“cycle” has the same meaning as in Rule 1.6 of the Land Transport (Road User) Rule 2004.

“cycle path” means the part of a road physically separated from the roadway that is intended for the use of cyclists, but may also be used by pedestrians, and includes a cycle track formed under s 332 of the Local Government Act 1974

“district” means the district of the Council as defined in Part 2 of Schedule 2 of LGA 02

“district plan” means the plan made under the RMA for the district and includes both the operative district plan and any proposed district plan

“enforcement officer” means any person appointed by Council under s 177 LGA 02

“footpath” means that part of a road laid out or set aside for exclusive use by pedestrians and includes any berm

“hazardous substance” has the same meaning as in the district plan

“LGA 02” means the Local Government Act 2002

“LGA 74” means the Local Government Act 1974

“licence” has the same meaning as “approval”

“mobile advertising device” means an advertising device attached to a vehicle or trailer and includes a motor vehicle if the signwriting on the vehicle advertises goods or services but does not include a motor vehicle if the signwriting on the vehicle is limited to a business name, address, phone number and logo

“nuisance” means anything which is offensive or likely to be injurious to health and includes any of the nuisances deemed to be created by the circumstances listed in s 29 of the Health Act 1956

“occupier” means the person in possession of premises;

“organised event” means an assembly of people at a specific time for a specific purpose;

“owner”, in relation to premises, means the person for the time being entitled to receive the rent of the premises, whether on an own account or as the agent or trustee for any other person, or who would be so entitled if the premises were let at a rent and includes any person for the time being registered under the Land Transfer Act 1952 as the proprietor of the premises

“parking warden” means a person appointed by the Council under s 128D of the Land Transport Act 1998

“person” includes a corporation sole, a body corporate and an unincorporated body

“poultry” means all types of domestic fowls and includes geese, ducks, pigeons, swans, turkeys and roosters

“premises” means any land and/or building comprised in a single certificate of title or any self-contained and separately occupied part of any premises

“public place” means a place that, at any material time, is open to or is lawfully being used by the public, whether free or on payment of a charge, notwithstanding that any owner or occupier of that place is entitled to exclude or eject any person from that place and, for the avoidance of doubt, includes:

- a beach
- a road
- an aircraft, hovercraft, ship, ferry or vehicle carrying passengers for reward
- a cemetery or crematorium
- the foreshore
- a park
- a reserve under the Reserves Act and
- premises used by Council for the purposes of service delivery, including (but not limited to) an administrative office, community centre, swimming pool, library or art gallery

“public notice” has the same meaning as in s 5 of LGA 02 and “publicly notified” has a corresponding meaning

“RMA” means the Resource Management Act 1991

“road” has the same meaning as in s 315 of the Local Government Act 1974 and includes all land, including any berm, footpath, cycle path or carriageway, within the legal boundaries of the road

“rural area” means those parts of the district defined as “Rural Areas/Zones” in the district plan

“shared zone” means part of a road intended to be used by pedestrians and vehicles

“sports field” means any part of a public place which is laid or set aside for playing organised games or sports and includes an area used for practising a sport or game but, for the avoidance of any doubt, does not include an area beside a sports field used by spectators

“stock” means animal which may be farmed for the production of meat, milk, fibre or hides, extends to include a horse, donkey or mule and, for the avoidance of doubt, includes any animal kept as a pet

“urban area” means those parts of the district defined as “Urban Areas/Zones” in the district plan

“vehicle” has the same meaning as in the Land Transport Act 1998 and, for the avoidance of doubt, includes a bicycle, hovercraft, skateboard, in-line skates and roller skates

“working day” means a day of the week other than:

- a Saturday, Sunday or public holiday as observed throughout New Zealand
- Hawke's Bay Anniversary Day and
- Any day in the period commencing with 20 December in a year and ending with 10 January in the following year

#### **1.4 Interpretation**

1.4.1 The Interpretation Act 1999 applies to this Bylaw.

1.4.2 The interpretation rules set out below apply to all parts of the Bylaw.

1.4.3 In this Bylaw:

- (a) Words referring to the masculine, feminine or neuter gender refer also to the other genders;
- (b) Singular words include the plural and vice versa;
- (c) The phrase "part of the Bylaw" refers to a Chapter of the Bylaw or to part of a Chapter, as the context requires;
- (d) In the event of inconsistency or interpretation conflict between this part of the Bylaw and any other part of the Bylaw, the latter prevails;
- (e) In the event of any inconsistency or conflict between the provisions of any part of the Bylaw and any rule in the district plan, the latter shall prevail;
- (f) In the event of any inconsistency or conflict between the conditions of an approval and the conditions of a resource consent granted under RMA relating to the same activity, the latter prevails.

#### **1.5 Approvals and dispensations**

1.5.1 A person proposing to do anything or to cause any condition to exist for which a licence, permit, approval or dispensation (however described) is required under the Bylaw must first obtain an approval.

1.5.2 A person seeking an approval must make application on the prescribed form (if any), supply any supporting information that may be required and pay the application fee.

1.5.3 An approval may be granted for a single event, on a temporary basis, for a fixed term or until further notice and upon such terms and conditions as Council thinks fit.

1.5.4 An application for an approval, or the payment of the application fee, does not confer any right, authority or immunity on the person making that application or payment. Council shall be under no obligation to grant an approval.

1.5.5 If Council believes that a condition of an approval has been breached or is being breached Council may, without the need to give any preliminary or warning notice:

- (a) prosecute the person responsible for the breach for an offence under the Bylaw; and

- (b) suspend the approval for a specified period; or
  - (c) cancel the approval.
- 1.5.6 A person whose application for an approval was declined, or who is unhappy with a decision made under clause 1.5.3 or clauses 1.5.5(b) or (c) may apply to Council for a review of that decision.
- 1.6 Service of notices**
  - 1.6.1 Any notice or document required to be given under the Bylaw may be delivered to that person either personally or by sending it to the person's last known address, place or abode or business, and in the case of a company to its registered office, by messenger or by ordinary post.
  - 1.6.2 If the person to whom the notice or document is to be given is:
    - (a) deceased; or
    - (b) absent from New Zealand,the notice or document may be sent to that person's personal representative, executor, attorney or other authorised agent.
  - 1.6.3 If the person to whom the notice or document is to be given is not known, or is absent from New Zealand and has no known agent in New Zealand, and the notice or document relates to any premises, the notice or document may be served occupier of those premises or, if there is no occupier, may be affixed to some conspicuous part of the premises.
  - 1.6.4 Where a notice or document is sent by post it shall be deemed to have been served at the time when the letter would be delivered in the ordinary course of post.
- 1.7 Offences**
  - 1.7.1 Every person who acts contrary to any prohibition contained in the Bylaw, or to any condition of an approval, or any requirement or condition made by publicly notified resolution in accordance with the Bylaw, commits an offence against the Bylaw.

**1.8 Fees and Charges**

- 1.8.1 Council may by publicly notified resolution set or vary any fee or charge in respect of any matter provided for in this Bylaw. Where a fee or charge relates to the use of or entry to a public place, payment of the fee or charge shall be a condition of use or entry.

The Common Seal of the Hastings District Council was affixed on .....  
in the presence of:

Mayor

Chief Executive

## CHAPTER 2 PUBLIC PLACES

### 2.1 ACCESS WAYS

- 2.1.1 A person must not attempt to use or enter an access way (as defined in s 315 of LGA 74) which has been shut by locked gates in accordance with a publicly notified Council resolution.

### 2.2 ACTIVITIES

- 2.2.1 A person must not undertake any activity in a public place in a manner which may result in damage to property, injury to another person in that public place or unreasonably interfere with that other person's use and enjoyment of that public place. For the avoidance of doubt, this obligation applies notwithstanding that the activity might otherwise be able to be lawfully undertaken in a public place under this bylaw.
- 2.2.2 Notwithstanding clause 2.2.1, the safe operation of a RPA (as defined in clause 2.11.1) over an organised event in a public place with an approval and the consent of the organiser of the event will be deemed not to be an unreasonable interference of the use and enjoyment of that public place by another person
- 2.2.3 A person must not light a fire in a public place unless:
- (a) the fire is contained in a facility provided by Council; or
  - (b) the fire is contained in a portable gas barbeque in a Council controlled public place; or
  - (c) Council has given prior written approval

Any Fire and Emergency New Zealand Act 2017 provision, regulation or notice that restricts fires in a public place applies instead of subclause (1), for example a restricted or prohibited fire season.

### 2.3 ADVERTISING DEVICES

- 2.3.1 The provisions in this part of the Bylaw are in addition to any rules in the district plan dealing with advertising devices. In the event of conflict or ambiguity between a provision in this Bylaw and a rule in the district plan, the district plan rule will prevail.
- 2.3.2 The Council may by publicly notified resolution on its own motion grant dispensation from the requirements of clause 2.9.1(b) for specified types of advertising device generally or in specified locations.
- 2.3.3 The owner of an advertising device erected or standing on a public place, whether under an approval or a dispensation granted under clause 2.3.2 must at all times ensure that:
- (a) the placement of the advertising device does not interfere with the free and safe passage of people and vehicles using the public place:

- (b) the advertising device is constructed of appropriate materials and is designed and maintained so that it is unlikely to cause injury to persons damage to vehicles using the public place;
- (c) the advertising content is suitable for display in a public place;
- (d) the advertising device is maintained in good order and condition and does not become a safety hazard to people or vehicles using the public place, an eyesore or otherwise detract from the amenity of the locality;
- (e) the advertising device is removed when the premises to which it relates are closed for business or is otherwise redundant.

## 2.4 BEACHES

2.4.1 A person must not:

- (a) drive a vehicle on any part of a beach from which vehicles have been banned by publicly notified resolution of Council;
- (b) except in the case of an emergency attempt to land an aircraft, microlight, motorised glider or glider on a beach;
- (c) swim from any part of a beach from which swimming has been banned by publicly notified resolution;
- (d) appear nude or insufficiently dressed on a beach, except for a beach which Council has designated as a “clothing optional” beach by publicly notified resolution;
- (e) obstruct, hinder or interfere with any person carrying out life-saving operations, or engaged in life-saving activities, practices or competitions.

2.4.2 Clause 2.4.1(a) is made under s 22AB(1)(f) of the Land Transport Act 1998.

## 2.5 CEMETERIES AND CREMATORIUM

2.5.1 This part of the Bylaw is made under s 16 of the Burial and Cremation Act 1964.

2.5.2 in this clause:

“cemetery” means any cemetery owned or operated by Council;

“crematorium” means any crematorium owned or operated by Council and extends to include the grounds surrounding the crematorium;

“plot” means a plot in a cemetery or crematorium and extends to include any niche provided in any structure for the interment of ashes.

2.5.3 A person must not:

- (a) undertake the burial or disinterment of any body, or the cremation of any body or the interment or disinterment of any ashes in a cemetery or crematorium;
- (b) install any fence, enclosure, tombstone, vault, headstone, other monument, inscription or memorial of any kind on a plot;
- (c) undertake any other work within a cemetery or the grounds of a crematorium;

without an approval.

2.5.4 An approval is not required under clauses 2.5.3(b) or (c) if the items to be installed or the work to be done will comply with specifications set by Council from time to time, by publicly notified resolution.

- 2.5.5 The owner, or the personal representative of the owner, of a burial plot must keep all fences, enclosures, tombstones, vaults, headstones and other monuments or memorials on any plot in good tidy order and repair.
- 2.5.6 Any items installed on a plot in breach of clause 2.5.3 and 2.5.4 may be removed by Council.
- 2.5.7 Subject to clause 2.5.8 a person must not bring any animal onto a cemetery or a crematorium without an approval.
- 2.5.8 An approval is not required under clause 2.5.7 to bring onto a cemetery or crematorium:
- (a) a special purpose dog (as defined in clause 3.2.1); or
  - (b) a dog under leash control

## 2.6 COUNCIL FACILITIES

- 2.6.1 Council may by publicly notified resolution set conditions of entry and/or use of any Council facility.
- 2.6.2 A person who is admitted to a Council facility which is a swimming pool as the person having responsibility for the supervision of a child aged 8 years or younger accompanying that person, must be over the age of 16 years and must actively supervise that child at all times while in that facility.
- 2.6.3 Council may, or a constable at the request of Council may, exclude or remove any person from a Council facility:
- (a) who has acted in a manner that is contrary to conditions of entry and/or use of that facility set under clause 2.6.1;
  - (b) who is not using the facility for its intended purpose;
  - (c) who has contravened any other provision of this Bylaw;
  - (d) for any reason relating to the efficient, reasonable and fair management of the facility.

## 2.7 CYCLES AND SKATEBOARDS

- 2.7.1 This part of the Bylaw is made under s 22AB(1)(h) of the Land Transport Act 1998.
- 2.7.2 Except as provided in clause 2.7.3, a person must not ride a cycle on a footpath or on a lawn, garden, or other cultivation in a public place.
- 2.7.3 For the avoidance of doubt, clause 2.7.2 does not apply to a person who rides a cycle on a footpath:
- (a) in the course of delivering newspapers, mail, or printed material to letterboxes;

- (b) which has been designated as a shared footpath by Council by publicly notified resolution.
- 2.7.4 A person must not stop stand or park a cycle on any footpath without due care and with regard to the convenience and safety of other persons using that footpath.
- 2.7.5 A person must not use a skateboard on a footpath without exercising due care and with regard to the convenience and safety of pedestrians.
- 2.7.6 Notwithstanding clause 2.7.5, a person must not use a skateboard in a public place within the skateboard ban areas specified in Schedules A, B and C to this part of the Bylaw, or in any other part of the district designated by the Council by publicly notified resolution as a skateboard free area.

## 2.8 DAMAGE

- 2.8.1 A person must not:
- (a) dig up, disturb, damage or remove the surface of any public place;
  - (b) affix any signs or posters to any structure in or about a public place;
- without an approval.

## 2.9 ENCROACHMENTS

- 2.9.1 A person must not:
- (a) erect any building, fence, tent, temporary shelter, kiosk or stall;
  - (b) place or leave any hoarding, advertising device, furniture, material or thing; or
  - (c) hang any gate or door so that it opens;
- on or over a public place except as expressly provided in this Bylaw or in an approval.
- 2.9.2 Without limiting the generality of clause 2.9.1, Council may give approval to the following activities:
- (a) the erection of retail displays, kiosks or stalls on a public place;
  - (b) the provision of seating, tables or other furniture for use in association with trading activities being conducted from contiguous premises;
  - (c) the erection or construction of an advertising device, awning, verandah, balcony, window box or other device attached to a building on contiguous premises which does not obstruct free passage along or over the public place.

## 2.10 FENCES

- 2.10.1 A person must not incorporate barbed wire in a fence on the boundary between any premises within the urban area and a public place unless the barbed wire is at least 2 metres above ground level (when measured on the outside of the fence at a distance of 1 metre from the base of the fence).

## 2.11 FLYING ACTIVITIES

- 2.11.1 In this clause:

“aircraft” has the same meaning as in the Civil Aviation Rule and includes an aeroplane, balloon, glider, hang glider, helicopter or microlight

“RPA” means any remotely piloted aircraft and includes: an unmanned or free flight aircraft and a model aircraft under line control

- 2.11.2 A person must not take off or land, or attempt to take off or land, an aircraft in a public place except in the case of an emergency or with an approval.
- 2.11.3 A person must not operate an RPA over a public place in breach of clause 2.2
- 2.11.4 A person must not operate a RPA from or over a road, cemetery or crematorium without an approval.
- 2.11.5 Nothing in clause 2.11.4 applies to a person operating a RPA for the purposes of a civil defence, accident or other emergency service response, at the direction of the person in charge of that response.

## 2.12 HAZARDS

- 2.12.1 A person must not place or leave any hazardous substance, or any other material or substance which may cause injury to any person, in or about a public place.
- 2.12.2 The owner or occupier of premises contiguous to a public place must:
- (a) ensure that any advertising device, wall, fence, balcony, window box, awning or verandah on those premises does not fall into such a condition or state of disrepair that it constitutes a health and safety risk to persons using the public place;
  - (b) ensure that no tree or shrub is allowed to grow from the premises into the public place, or overhang the public place, so as to obstruct passage over or along the public place or any lighting in the public place;
  - (c) ensure that any railing, gate, fence or cover protecting the entrance to a cellar under the premises is maintained in safe condition and that appropriate steps are taken when the entrance is open for use to prevent any accident or injury to vehicles or persons using the public place;
  - (d) not fail to remedy any non-compliance with clauses 2.12.2 (a), (b) or (c) within a reasonable time of service of a notice by Council specifying the

matters of non-compliance and requiring that remedial work be undertaken.

## 2.13 EVENTS DEMONSTRATIONS COMPETITIONS PARADES PROCESSIONS OR OTHER PUBLIC MEETINGS

- 2.13.1 A person must not hold a public meeting or conduct a procession in a public place without an approval.
- 2.13.2 An approval under clause 2.13.1 will not be required for a public meeting held in any place within the district which is identified in a publicly notified resolution as suitable for the conduct of public meetings and forums, subject to compliance with any terms and conditions set out in the resolution.
- 2.13.3 A person must not expose to view in or from a public place any object or material which is lewd, indecent, or intended to give or likely to give offence.
- 2.13.4 A person must not display any placard, handbill or poster which is visible from or within a public place the contents of which are lewd, indecent or intended to give, or likely to give offence.

## 2.14 REFUSE DISPOSAL

- 2.14.1 A person must not dispose of any household refuse, hazardous substance, commercial waste or offensive matter in a Council refuse receptacle provided in a public place.

## 2.15 SPORTS AND GAMES IN A PUBLIC PLACE

- 2.15.1 A person must not use a sports field which has been closed for use by Council.
- 2.15.2 A person must not enter onto or remain on a sports field while any game, sport or practice is in progress.
- 2.15.3 A person must not use any part of a public place for planned team games and sporting activities, marching drill, musical or other group activity without an approval.

## 2.16 STREET NUMBERING AND PRIVATE ROAD SIGNS

- 2.16.1 In this clause:
- “private road” means a private road as defined in s 315 LGA 74 and extends to include an access way, access lot or right of way serving more than 5 premises.
- 2.16.2 An owner or occupier of premises must ensure that:
- (a) the premises are marked with the street number allocated by Council;
  - (b) the marking complies with the minimum dimensions and specifications set by Council by publicly notified resolution;
  - (c) the marking is suitably located upon or about the premises so that it is clearly visible from the road at all times.

- 2.16.3 Clause 2.16.2 is made under s 22AB(1)(x) of the Land Transport Act 1998.
- 2.16.4 An owner of premises served by a private road must ensure that all times the private road is adequately identified by signage which meets the requirements laid down by Council or such signage and that the sign is maintained in a good and legible condition at all times.

## 2.17 STOCK

- 2.17.1 A person in charge of stock must:
- (a) take all reasonable steps to ensure that they do not wander onto a public place;
  - (b) ensure that they are under proper control and supervision at all times when driven or passing across or along a road;
  - (c) not drive stock along or across a carriageway when a reasonable alternative is available;
  - (d) not lead, ride or swim any stock on a beach in circumstances where a nuisance, danger or inconvenience is or may be created for other users of the beach;
  - (e) not lead, drive or permit stock to go along or over any footpath, cycle path, or grass plot or flower bed within a public place;
  - (f) not allow stock to graze on a public place without an approval from Council, or as permitted under clause 2.17.2;
  - (g) immediately dispose of any droppings left in a public place;
  - (h) in any case where stock are driven or pass across or along a road on a recurring basis, ensure that there is no buildup of mud or faecal matter on the carriageway over time;
  - (i) immediately report any damage caused to road markers, road signs, culverts, water tables or other roading infrastructure and reimburse the reasonable cost of repair or replacement to Council.
- 2.17.2 An approval to graze stock on a road in the rural area is not required under clause 2.17.1(f) if:
- (a) grazing is undertaken on the berm contiguous to premises:
    - (i) owned or occupied by the person in charge of the stock; or
    - (ii) owned by some other person who has given consent to that grazing;
  - (b) measures are taken (by means of tethering or the erection of temporary fences) to ensure that stock cannot graze within one metre of the carriageway;

- (c) all other reasonable precautions are taken to ensure the safety and convenience of neighbours, people driving stock on the road and any other persons or traffic using the road;
  - (d) any other conditions, including the payment of grazing fees, laid down by Council by publicly notified resolution are observed.
- 2.17.3 For the purposes of clause 2.17.1(b) stock is deemed to be under proper control and supervision if the guidelines in the New Zealand Transport Agency publication “Stock under control (crossing and droving)”, or some other guideline approved by Council by publicly notified resolution, have been observed.

## 2.18 TRADING, BUSKING AND COLLECTIONS

- 2.18.1 The provisions in this part of the Bylaw are in addition to any rules in the district plan dealing with trading in public places. In the event of conflict or ambiguity between a provision in this Bylaw and a rule in the district plan, the district plan rule will prevail.
- 2.18.2 In this clause
- “mobile shop” means any vehicle from which goods or services can be purchased, hired or ordered.
- 2.18.3 A person must not:
- (a) carry on any business trade or profession;
  - (b) sell, or offer for sale or hire, any goods or services;
  - (c) sing or play any musical instrument;
  - (d) use or operate any broadcasting system or loud speaker;
  - (e) accept or solicit donations or gifts;
  - (f) undertake a street appeal or charity fundraiser;
- in a public place without an approval from Council.
- 2.18.4 A person holding an approval under clause 2.18.3(b) to operate a mobile shop must not conduct business from that vehicle:
- (a) within those parts of Hastings, Havelock North and Flaxmere which are zoned “Central Commercial” (including the Central Character Precinct) or Large Format Retail, Havelock North Village Centre Retail or Havelock North Village Centre Business, Flaxmere Commercial or Flaxmere Commercial Service in the district plan without an approval;
  - (b) from the berm, or premises adjoining the berm, of a road which has a speed limit of 70 km/h or more; and
  - (c) on any of the roads listed in Schedule D to this Chapter

## 2.19 VEHICLE CROSSINGS AND BERMS

2.19.1 The owner or occupier of premises must:

- (a) obtain an approval from Council before commencing construction, widening, alteration or removal of a permanent or temporary vehicle crossing serving those premises;
- (b) not use a vehicle crossing, or operate a vehicle on a footpath, cycle path or berm for construction purposes without an approval;
- (c) maintain the vehicle crossing in good repair at all times, in the manner and to the standard prescribed by Council from time to time by publicly notified resolution;
- (d) maintain the berm in front of the premises in a neat and tidy condition reasonably free from windblown litter and other rubbish and, but only if the berm is sown in grass, regularly mow the berm and remove the clippings;
- (e) repair any damage to the berm caused by the owner, the occupier or their invitees.

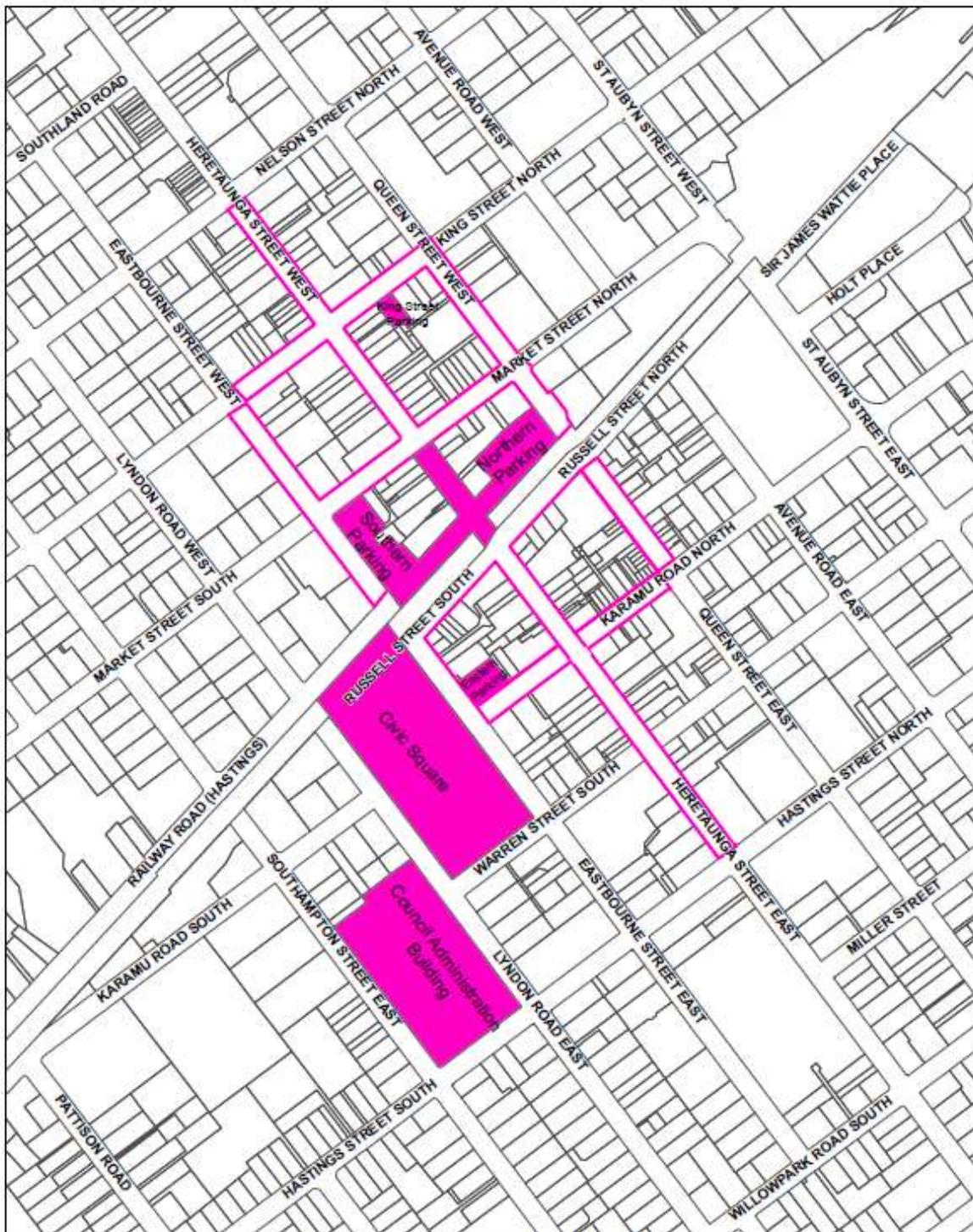
## SCHEDULE A TO CHAPTER 2

(Clause 2.7.6)

### **Hastings skateboard ban area**

Any part of the roads (including footpaths) and other public places listed below, as shown on the attached plan (number 1)

- Heretaunga Street (both sides) between Hastings Street and Nelson Street
- The pedestrian mall in the Commercial area between Russell Street and Market Street
- Queen Street between Karamu Road and King Street
- Eastbourne Street between Karamu Road and King Street
- King Street between Eastbourne Street and Queen Street
- Market Street between Eastbourne Street and Queen Street
- Railway Road between Eastbourne Street and Queen Street
- Russell Street between Eastbourne Street and Queen Street
- Karamu Road between Eastbourne Street and Queen Street
- Northern, Southern, Eastern and King Street parking areas
- Council Administration Building Lyndon Road East and associated grounds
- Civic Square
- “Hastings City Square” which includes the water feature and stage area.



### Plan Number 1 - Hastings

 <p><b>HASTINGS</b> DISTRICT COUNCIL</p> <p>Map Produced using ArcMap</p>	<p>Scale 1:5,000</p>  <p>Projection: NZTM Datum: D_NZGD_2000</p> <p>Original Size: A4 Date: Thursday, 28 January 2016</p>	<p><small>DATA SOURCE: Cadastral information derived from the Land Information New Zealand's Core Record System (CRS). CROWN COPYRIGHT RESERVED</small></p> <p><small>COPYRIGHT: Copyright in this drawing is owned by the Hastings District Council. Any unauthorised copying or adaptation of the whole or a substantial part of the work in two or three dimensions is an infringement of copyright.</small></p> <p><small>DISCLAIMER: The Hastings District Council cannot guarantee that the data shown on this map is 100% accurate.</small></p>
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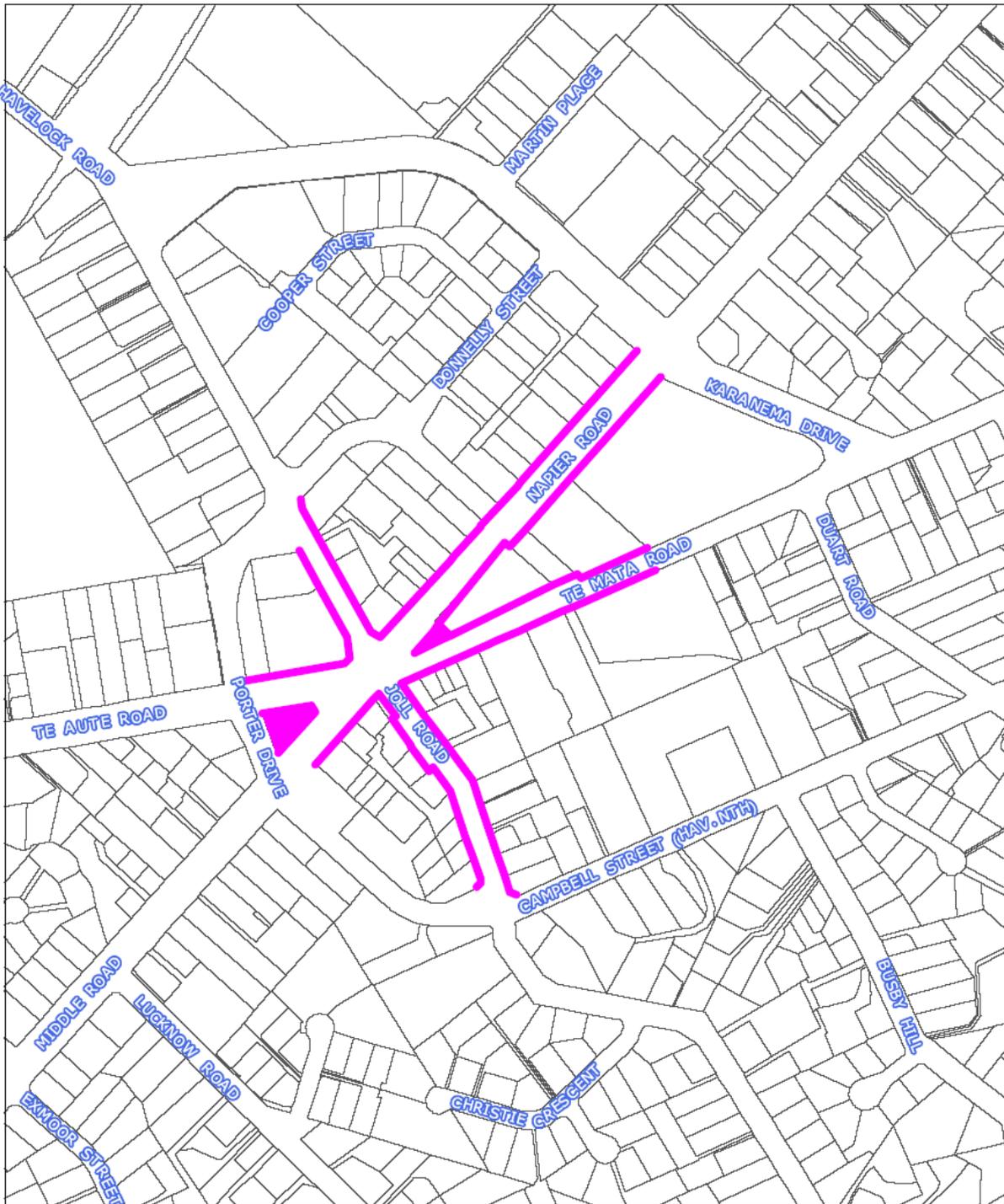
## SCHEDULE B TO CHAPTER 2

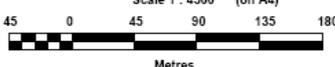
(Clause 2.7.6)

### **Havelock North skateboard ban area**

Any part of the roads (including footpaths) and other public places listed below as shown on the attached plan (number 2):

- Joll Road from the Central Roundabout to the intersection with Campbell Street
- Middle Road from the Central Roundabout to the intersection with Porter Drive
- Te Aute Road from the Central Roundabout to the intersection with Porter Drive
- Havelock Road from the Central Roundabout to the intersection with Porter Drive
- Napier Road from the Central Roundabout to the intersection with Karanema Drive
- Te Mata Road from the Central Roundabout to the boundary between the Havelock North Function Centre and 38 Te Mata Road
- Cenotaph and surrounding paved area
- The Village Green, including the paved areas surrounding the information site/ toilet block, water feature and surrounding paved area.



 <p><b>HASTINGS DISTRICT COUNCIL</b></p> <p>GIS Powered by </p>	<h2>PLAN NUMBER 2 HAVELOCK NORTH</h2> <p>Grid: New Zealand Map Grid Height Datum: Mean Sea Level Coordinates in Metres Geodetic Datum 1949</p> <p>Date : Wed Nov 21 2007</p> <p>Scale 1 : 4500 (on A4)</p>  <p>Metres</p>	<p><small>DATA SOURCE: Cartographic information derived from the Land Information New Zealand's Core Project System (CPS). CROWN COPYRIGHT RESERVED</small></p> <p><small>COPYRIGHT: Copyright in this drawing is owned by the Hastings District Council. Any unauthorised copying or adaptation of the whole or a substantial part of the work in two or three dimensions is an infringement of copyright.</small></p> <p><small>DISCLAIMER: The Hastings District Council cannot guarantee that the data shown on this map is 100% accurate.</small></p>
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SCHEDULE C TO CHAPTER 2

(Clause 2.7.6)

**Flaxmere skateboard ban area**

All of the land described as Lot 2 DP 14853 and known as the Flaxmere Shopping Centre.

SCHEDULE D TO CHAPTER 2

(Clause 2.18.4)

Roads on which the conduct of business from a mobile shop is not permitted

**Entire length**

Pakowhai Road

Maraekakaho Road

Heretaunga Street

Omahu Road

Railway Road

Karamu Road North

Southampton Street

St Aubyn Street

Hastings – Havelock Road

Karanema Drive

Porter Drive

Columba Way

Te Mata Road

Without an approval.

**Part only**

Napier Road, Middle Road and Te Aute Road, from the end of the 80km/h or 100 km/h speed restriction to the Havelock North Village Centre zone boundary.

The Common Seal of the Hastings District Council was affixed on .....

in the presence of:

Mayor

Chief Executive

## CHAPTER 3 DOG CONTROL

### 3.1 Authority

3.1.1 This part of the Bylaw is made under s 20 of the Dog Control Act 1996

### 3.2 Definitions

3.2.1 In this part of the Bylaw

“at large” means that the dog is not under leash control when required under this bylaw”

“DCA” means the Dog Control Act 1996

“dog exercise area” means an area within the district where dogs may be exercised off leash and includes the areas listed in Schedule A to this chapter and any other area of the district designated by Council, by publicly notified resolution as a dog exercise area.

“dog prohibited area” means an area within the district listed in Schedule B to this chapter, and any other area of the district designated by Council by publicly notified resolution as an area prohibited to dogs

“leash controlled area” means:

- any public place or private way within the urban area of the district; or
- any park, reserve, beach, walkway or cycleway within the rural area of the district; or
- the beach front of the Ocean Beach settlement north to the surf club during daylight saving hours between 7.30am and 7.30pm and during the remainder of the year between 7am and 6pm; or
- the beach front at Waipatiki Beach Settlement, on the seaward side of the reserve, during daylight saving hours between 7.30am and 7.30pm and during the remainder of the year between 10.00am and 4.00pm; and

not otherwise being an area or place referred to in Schedules A or B to this Chapter)

“neutered” means spayed or castrated

“owner” has the same meaning as in s 2 of DCA

“private way” has the same meaning as in s 315(1) of the Local Government Act 1974

“road” has the meaning given to it in Chapter 1 but extends to include a state highway or a motorway

“special purpose dog” means all working dogs other than dogs kept principally for the purposes of herding or driving stock

“working dog” has the same meaning as in s 2 of DCA

### 3.3 Dog prohibited areas

3.3.1 An owner must not allow a dog to enter, or take a dog into, a dog prohibited area.

3.3.2 Nothing in clause 3.3.1 applies to the owner of a special purpose dog.

### 3.4 Leash control

3.4.1 An owner must keep a dog under leash control at all times when:

- (a) within a leash controlled area
- (b) the dog is in some other place and is causing or is likely to cause danger, distress or nuisance to a person or another animal

3.4.2 Nothing in clause 3.4.1 (a) applies to the owner of a special purpose dog or to the owner of a dog which is kept solely or principally for the purposes of herding or driving stock when the dog is engaged in that activity.

3.4.3 An owner must not leave a dog unattended within, or on the open tray of, a vehicle without ensuring that the dog is restrained by a leash, or some other effective means, from leaving the vehicle and lunging or snapping at people passing by the vehicle.

### 3.5 Limiting the number of dogs kept

3.5.1 A person must not keep, or allow to be kept, more than two dogs on any premises within the urban area, without an approval.

3.5.2 Nothing in clause 3.5.1 applies to a dog under the age of 3 months.

### 3.6 Dog fouling

3.6.1 An owner of a dog which fouls in a public place, private way or on premises which are not occupied by the owner must immediately remove the faecal matter and carry it away for sanitary disposal.

3.6.2 An owner who takes a dog outside the owner's premises must at all times carry a suitable receptacle to enable compliance with clause 3.6.1.

3.6.3 For the avoidance of doubt, placing a dog's faeces in a securely tied plastic or leak proof bag in a disposal bin or a litter bin provided in a public place by the Council will satisfy the owner's obligation under clause 3.6.1.

### 3.7 Bitch in season

3.7.1 An owner of every bitch in season must keep it confined, but adequately exercised, while in season.

### 3.8 Impounding and neutering

3.8.1 A dog found at large in breach of this bylaw may be impounded by Council.

3.8.2 Council may give written notice to an owner of a dog which has been impounded by Council under clause 3.8.1 on more than 3 occasions within a continuous period of 24 months, requiring that dog to be neutered at the owner's expense (whether or not the owner of the dog has been convicted of an offence against sections 52A or 53 of the Dog Control Act 1996).

3.8.3 An owner given notice under clause 3.8.2 must produce to Council, within one month after service of the notice a certificate issued by a registered veterinarian that the dog has been neutered.

3.8.4 An owner who fails to comply with clauses 3.8.2 and 3.8.3 commits an offence under this bylaw.

**3.9 Care and accommodation of dogs**

3.9.1 An owner of a dog which is suffering from a communicable disease or infection must ensure that the dog is properly treated for the disease or complaint and, except for taking the dog for treatment, must ensure that the dog is confined to the owner's premises while it is so affected.

3.9.2 An owner of a dog must ensure that it is accommodated in a manner, and in a location, on the premises whereby the presence of the dog does not give rise to noises (other than barking) or smells which are a nuisance or annoyance to the occupier of adjoining premises.

## Schedule A to Chapter 3

### Dog Exercise areas

#### Havelock North

- Tainui, Tanner and Hikanui Reserves
- Tauroa Road Reserve
- Te Mata and Arataki Road Reserve
- Kingsgate Reserve from Te Mata Road to Reeve Drive, Ritchie Place, Fulford Place and Durham Drive
- The banks of the Karamu Stream, from a point adjacent to the southernmost edge of Anderson Park, Havelock North to the vehicle over bridge on Havelock Road
- The southern boundary walkway of Keirunga Gardens Havelock North, along the extent of the western boundary walkway accessed from Tanner Street, and including the open grass areas at the southern and northern ends of the Park.
- Te Mata Peak Park
- James Cook Street Reserve
- Palmbrook Reserve

#### Hastings

- Karamu Road South, from Pattison Road south to Murdoch Road
- Ebbett Park from 5.00pm to 8.00am
- Duke Street Reserve.
- Pakowhai Country Park.

#### Flaxmere

- Portsmouth Road, from Wilson Road, west to the end of Portsmouth Road
- The Flaxmere Green Belt to the west of Tarbet Street, Arklow Place and Frobisher Street between Kirkwood Road and Flaxmere Avenue.

#### Haumoana and Te Awanga

The Haumoana-Te Awanga coastal beach front area from the mouth of the Tukituki River south to the boundary of the Clifton No. 2 camp, Te Awanga, excluding the beach front between numbers 3 and 41 Clifton Road Haumoana.

#### Waimarama and Ocean Beach

- The beach front of the Ocean Beach settlement north to the surf club during daylight saving hours between 7.30pm and 7.30am the following day, and 6pm and 7am the following day during the remainder of the year
- Ocean Beach north of the surf lifesaving club to 100m south of the predator proof fence
- Waimarama Beach north to the Puhokio Stream river mouth during daylight saving hours between 7.30pm and 7.30am the following day, and during the remainder of the year 6pm and 7am the following day
- Waimarama Beach north of the Puhokio Stream river mouth to Pututaranui Point at any time

#### Whirinaki and Eskdale

- The North Shore and Whirinaki to Tangoio Beach road reserve
- Eskdale Park along the southern or right-hand side of, and to the end of the park driveway.

## **Waipatiki Beach**

The beach front of Waipatiki Beach Settlement, coast-wards of the reserve, during daylight savings hours between 7:30pm and 7:30am the following day, and during the remainder of the year.4:00pm to 10:00am the following day

Wapatiki beach north and south of the area referred to above

Schedule B to Chapter 3

Prohibited Areas

1. The Hastings District Council Civic Building.
2. Public libraries.
3. Swimming pools and paddling pools.
4. Children's playing areas.
5. Sports fields.
6. Rangaiika Beach at Ocean Beach/Cape Kidnappers.

The Common Seal of the Hastings District Council was affixed on .....  
in the presence of:

Mayor

Chief Executive

## CHAPTER 4 ALCOHOL BANS

### 4.1 AUTHORITY

4.1.1 This part of the Bylaw is made under s 147 of LGA 02.

### 4.2 DEFINITIONS

4.2.1 In this part of the Bylaw: -

“alcohol” has the same meaning as in s 5(1) of the Sale and Supply of Alcohol Act 2012

“alcohol ban” means a ban:

- under clause 4.3.1; or
- made by resolution under s 151(2) of LGA 02, in accordance with clause 4.3.2.

“alcohol ban area” means an area from which alcohol is banned in accordance with 4.3

“licensed premises” has the same meaning as in s 5(1) of the Sale and Supply of Alcohol Act 2012

“public place” has the same meaning as in s 147(1) of LGA 02

“restricted place” means a public place where an alcohol ban is in force

### 4.3 ALCOHOL BANS

4.3.1 A person must not consume, bring into, or possess alcohol in a public place within the areas specified in Schedules A, B, C, D and E to this part of the Bylaw at the times and during the periods specified in the Schedules.

4.3.2 Council may at any time and from time to time by publicly notified resolution declare that alcohol may not be consumed, brought into or possessed in any other public place or area within the district, at the times and during the periods specified in the resolution.

4.3.3 A person who consumes, brings into, or possesses alcohol in an area for which alcohol is banned at any time when an alcohol ban is in force commits an offence against this Bylaw.

### 4.4 LICENCES AND DISPENSATIONS

4.4.1 For the avoidance of doubt, nothing in this part of the Bylaw restricts the ability of Council to grant:

- (a) a licence under the Sale and Supply of Alcohol Act 2012 to premises within an alcohol ban area; or
- (b) a dispensation under clause 1.5 of the Bylaw from the operation of an alcohol ban to a specified place for a special event.

## SCHEDULE A TO CHAPTER 4

### **Havelock North alcohol ban area**

All public places in Havelock North, as shown on the attached plan, within the area bounded by:

- The northern side of Karanema Drive from the Havelock North Bridge over the Karamu Stream to and including the intersections of Martin Place, Havelock Road, Napier Road and Te Mata Road,
- The southern side of Te Mata Road to and including the intersections with Karanema Drive and Duart Road,
- The eastern side of Duart Road to and including the intersections of Te Mata Road and Campbell Street,
- The southern side of Campbell Street to and including the intersections with Duart Road, Shortland Place, Busby Hill, Joll Road and Porter Drive,
- The south western and western side of Porter Drive to and including the intersections with Campbell Street, Middle Road, and Te Aute Road to the pedestrian access way into Anderson Park off Porter Drive,
- The southern side of the pedestrian access way between Porter Drive and Anderson Park,
- The southern and western boundaries of Anderson Park, including the car park and environs of the Havelock North Rugby Club accessed from Te Aute Road,
- The Karamu Stream boundary of Anderson Park, and
- The intersection of Havelock Road and the Karamu Stream Bridge
- Te Mata Park, including all parking and associated roadways and walkways as indicated in below map

This ban prohibits the consumption, bringing into, or possession of alcohol within the ban area on every day and at any time.

### Plan of the Havelock North Alcohol Ban Area





## SCHEDULE B – CHAPTER 4

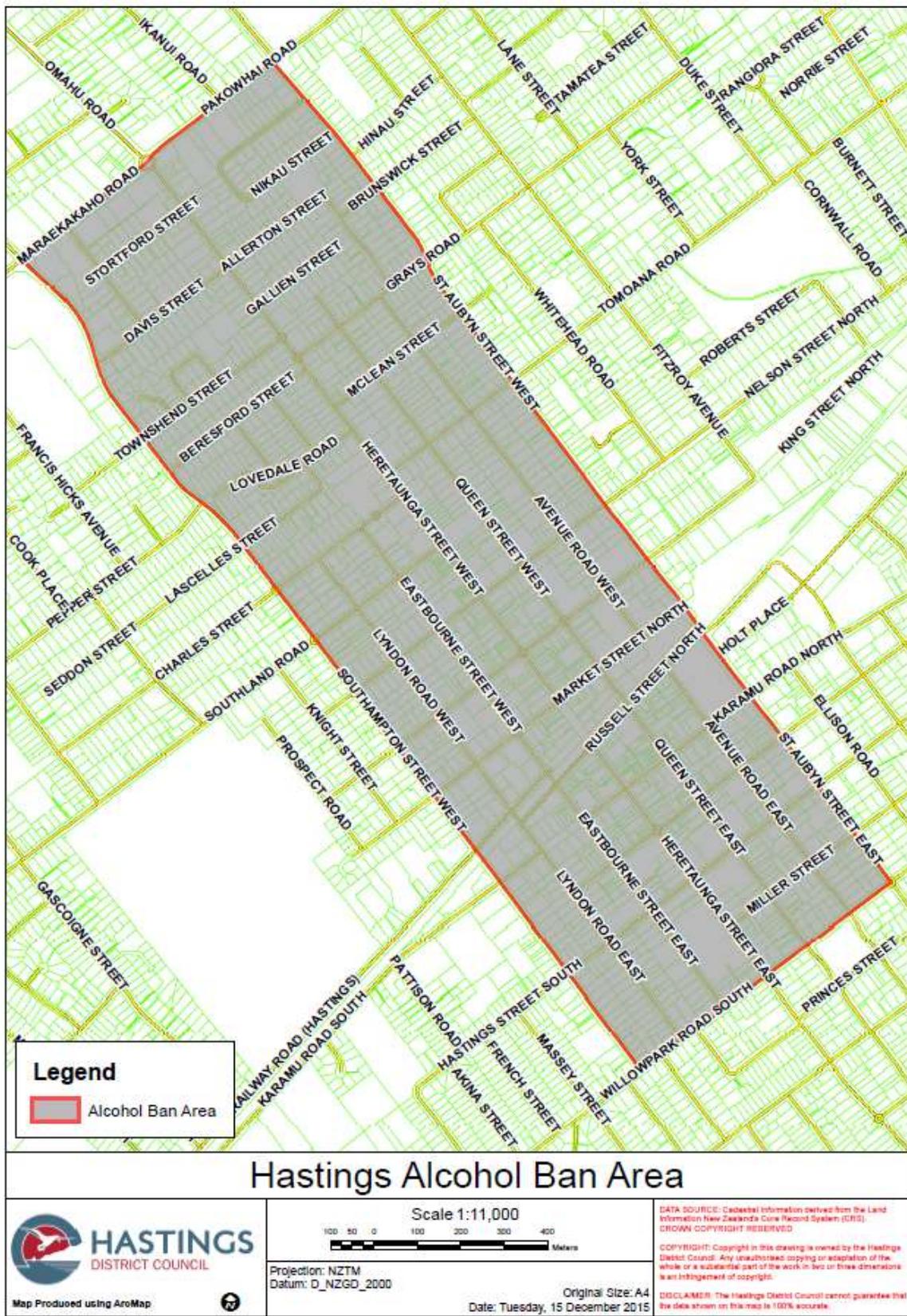
### Hastings alcohol ban area

All public places in Hastings City, as shown on the attached plan, within the area bounded by:

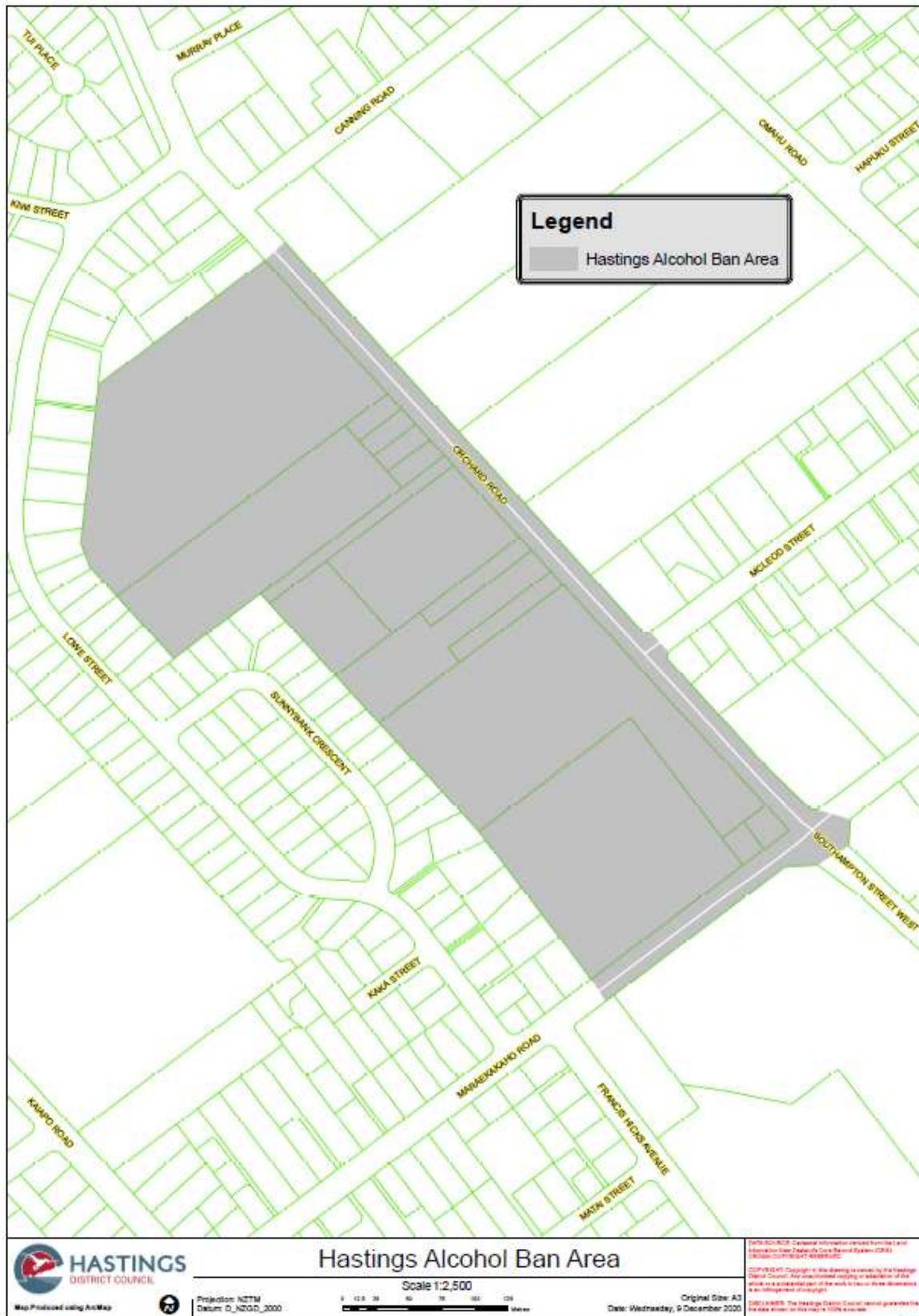
- The eastern side of Willowpark Road (North and South) up to the boundary of private property, from St Aubyn Street East to and including the intersection with Southampton Street East, including the intersections with Avenue Road East, Queen Street East, Heretaunga Street East, Maddison Street, and Buller Street,
- The southern side of Southampton Street (East and West) up to the boundary of private property, from Willowpark Road South to and including the intersection with Maraekakaho Road, including the intersections with Hastings Street South, Karamu Road South, Railway Road, Market Street South, King Street South, Nelson Street South, Southland Road, Charles Street, Lascelles Street, Pepper Street, and Townshend Street,
- The western side of Maraekakaho Road up to the boundary of private property, from Orchard Road to and including the intersection with Omahu Road,
- The western side of Pakowhai Road up to the boundary of private property, from Heretaunga Street West to and including the intersection with St Aubyn Street West, including the intersection with Ikanui Road,
- The northern side of St Aubyn Street (West and East) up to the boundary of private property, from Pakowhai Road to and including the intersection with Willowpark Road North, including the intersections with Hinau Street, Brunswick Street, Grays Road, McLean Street, Tomoana Road, Nelson Street North, King Street North, Sir James Wattie Place, Holt Place, Karamu Road North, Warren Street North, Hastings Street North, and Miller Street North,
- Hastings Cemetery and Crematorium as bounded by Maraekakaho & Orchard Roads and the eastern boundary of Heretaunga Intermediate School,

This ban prohibits the consumption, bringing into, or possession of alcohol within the ban area on every day and at any time.

Plan of the Hastings Alcohol Ban Area



### Plan of the Hastings Cemetery & Crematorium Alcohol Ban Area



## SCHEDULE C TO CHAPTER 4

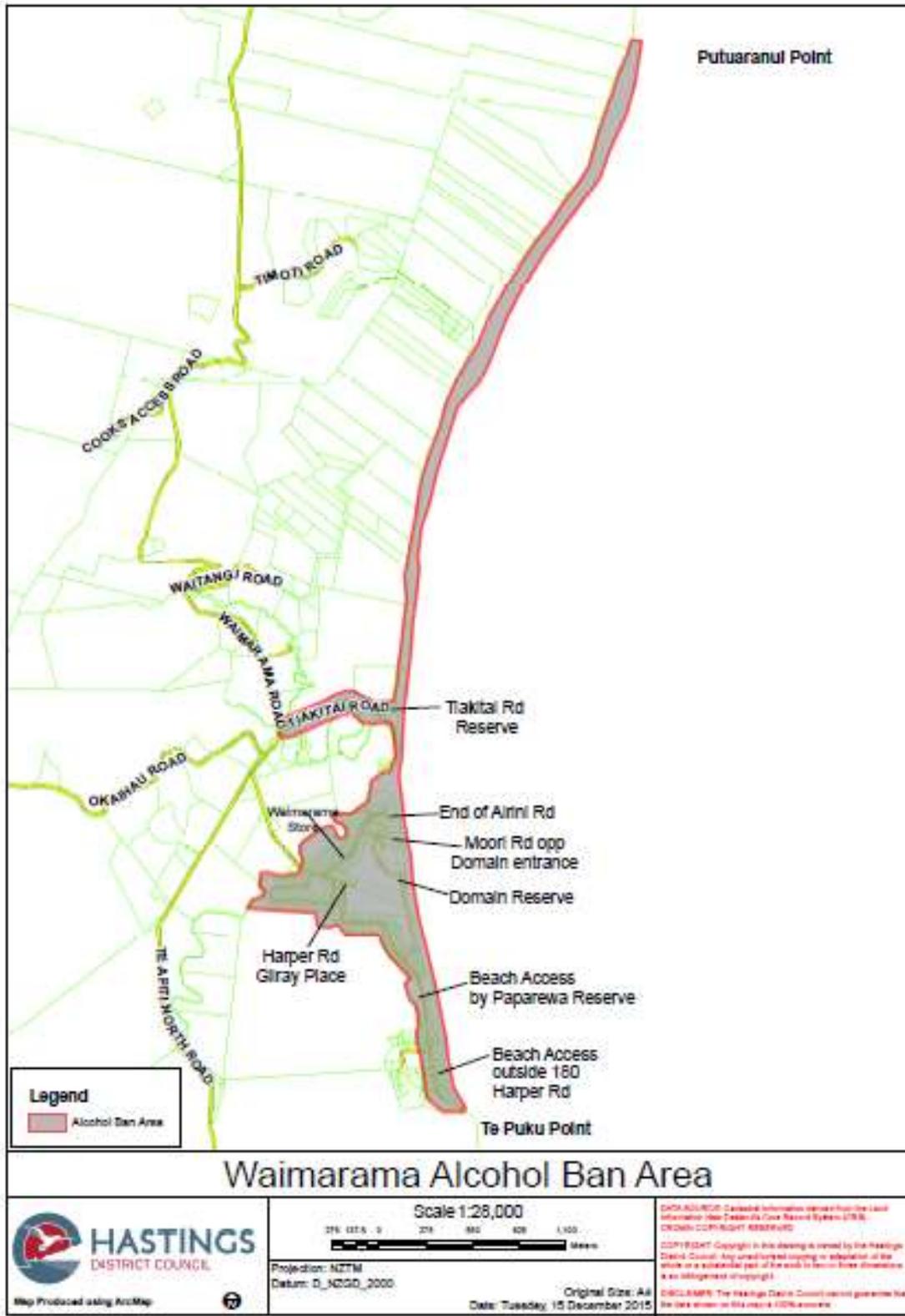
### Waimarama alcohol ban area

All public places in Waimarama as shown on the attached plan, including

- All beaches and beach reserves from Pututaranui Point in the north to Te Puku Point in the south, and bounded to the west by land in private ownership and to the east by the water's edge;
- All roads, footpaths, carparks and parks within the residential area of Waimarama, from the Waimarama Bridge and the Puhokio Stream in the north to Te Puku Point in the south; and
- Tiakitai Road from its intersection with Waimarama Road.

This ban prohibits the consumption, bringing into, or possession of alcohol within the ban area at any time within the forty-two hour period commencing at 6.00 am on New Year's Eve 31 December and ending at 12 midnight on the following New Year's Day 1 January in each year.

Plan of the Waimarama Alcohol Ban Area



## SCHEDULE D TO CHAPTER 4

### Flaxmere alcohol ban area

All public places in Flaxmere, as shown on the attached plan, within the area bounded by:

- The western side of Caernarvon Drive up to the boundary of private property, from and including the more southern intersection with Swansea Road, to and including the intersection with Chatham Road, and including the intersections with Berwick Street and Tenby Terrace,
- The northern side of Chatham Road up to the boundary of private property, from Caernarvon Drive to a line level with the northwestern boundary of Flaxmere College, and including the intersections with Amundsen Avenue, Baffin Place, and the two intersections with Columbus Crescent,
- The western boundary of 105 Chatham Road, then the south-eastern boundaries of 105 and 103 Chatham Road, the north-eastern boundary of Flaxmere College from Chatham Road to Henderson Road along the western boundary of 36 Henderson Road,
- Henderson Road from a line level with the western boundary of 35 Henderson Road to the north-western boundary of Flaxmere Park,
- The north-eastern boundary of Flaxmere Park from Henderson Road up to and including the footpath running between Flaxmere Road and Plymouth Road, and including that area of Flaxmere Park which is bounded by Flaxmere Avenue,
- The footpath running through Flaxmere Park from between 95 and 101 Flaxmere Avenue to between 30 and 32 Plymouth Road,
- The south-western boundary of Flaxmere Park from the footpath running between Flaxmere Road and Plymouth Road, to Bristol Crescent, and including the grounds of Council owned property at 38 Bristol Crescent,
- The boundary of Flaxmere Park with the boundary of 40 Bristol Crescent to the intersection of Bristol Crescent and Swansea Road,

- The southern side of Swansea Road up to the boundary of private property, between and including the intersections with Bristol Crescent and Caernarvon Drive, and including the intersections with Peterhead Avenue and Sunderland Drive.

This ban prohibits the consumption, bringing into, or possession of alcohol within the ban area on every day and at any time.

**Plan of the Flaxmere Alcohol Ban Area**



SCHEDULE E TO CHAPTER 4

**Spring Carnival alcohol ban area**

The roads or parts of roads in Hastings City shown on the attached plan, being:

- All of Knight Street and Prospect Road
- Market Street South, from Southampton Street to the racecourse entrance
- King Street, from Southampton Street to Prospect Road
- Nelson Street, from Southampton Street to Knight Street
- Southland Road, between Southampton Street and Gordon Road
- Henry Street between Charles Street and Southland Road

This ban prohibits the consumption, bringing into, or possession of alcohol within the ban area on the first Saturday in October between 7.00am and 11.00pm.

**Plan of Spring Carnival Alcohol Ban Area**



The Common Seal of the Hastings District Council was affixed on .....

in the presence of:

Mayor

Chief Executive

## CHAPTER 5 PARKING AND TRAFFIC

### 5.1 AUTHORITY

- 5.1.1 This part of the Bylaw is made under s 145 of LGA 02 and s 22AB of the Land Transport Act 1998.

### 5.2 DEFINITIONS

- 5.2.1 In this part of the bylaw
- “container” means a shipping container or crate and extends to include any bin used for the temporary storage or disposal of demolition material, building material, soil or refuse
  - “emergency vehicle” has the same meaning as in rule 1.6 of the Land Transport (Road User) Rule 2004
  - “LGA 74” means the Local Government Act 1974
  - “mobility parking permit” means a current mobility parking permit issued by CCS Disability Action or any other permit approved or issued by Council
  - “parking” has the same meaning as in s 2 of the Land Transport Act 1998
  - “parking space” means an area marked out to indicate where a vehicle may be parked
  - “private road” has the same meaning as in s 315 of LGA 74
  - “private way” has the same meaning as in s 315 of LGA 74
  - “road” has the same meaning as in s 2 of the Land Transport Act 1998 and reference to “road” includes a reference to part of a road
  - “time expired” means that the permitted time limit has been exceeded or in the case of a parking space for which payment must be made means that the period for which payment has been made has been exceeded.

### 5.3 PARKING RESTRICTIONS AND CHARGES

- 5.3.1 Council may from time to time by publicly notified resolution:
- (a) limit, restrict or prohibit the parking of:
    - (i) all vehicles;
    - (ii) vehicles of any specified class or description;
    - (iii) vehicles belonging to or used by particular persons or class of persons;
    - (iv) vehicles used for particular purposes;
    - (v) heavy vehicles in residential areason any road, public place or other land under the control of Council;
  - (b) fix charges to be paid in connection with the use of any parking space, as measured by parking meters.

- 5.3.2 The limitations, restrictions or prohibitions imposed by Council under clause 5.3.1(a), and the charges fixed under clause 5.3.1(b), will apply on the days, for the periods or at the times specified in the resolution.

#### 5.4 PARKING OFFENCES

5.4.1 A person must not:

- a) park a vehicle in contravention of any limitation, restriction, or prohibition imposed by the Council under clause 5.3.1(a);
- b) fail to pay any charges fixed under clause 5.3.1(b) for a parking space, or spaces, occupied by the vehicle;
- c) fail to remove a vehicle from a parking space before it becomes time expired;
- d) park a vehicle in a parking space so that the vehicle is not entirely contained within the boundaries of the parking space, as near as reasonably possible to the middle of the space;
- e) park a vehicle in a parking space or metered parking space which is already occupied by another vehicle;
- f) park or place any container on a parking space which is the subject of a parking limitation, restriction or prohibition made under clause 5.3.1(a) or for which charges have been fixed under clause 5.3.1(b) without an approval
- g) park or place any container on any other parking space, or on a road or public place in a manner which causes, or is likely to cause, a traffic safety hazard;
- h) park a vehicle on a road or public place for a continuous period of more than 7 days;
- i) display a "for sale" sign on a vehicle parked on a road or public place without an approval;
- j) park a vehicle which is leaking oil, grease or fuel in a parking place or on a road, public place or other land under the control of Council;
- k) park a cycle on the carriageway;
- l) insert or attempt to insert in a parking meter or parking ticket machine where payment in a parking meter anything other than payment which is legal tender in New Zealand.

5.4.2 Nothing in clauses 5.4.1(a) or (b) or (c) applies to the driver of an emergency vehicle, the driver of a Council vehicle who is actively engaged in the enforcement of this Bylaw or the driver of any other vehicle for which a dispensation has been given by Council under clause 1.5 of the Bylaw.

5.4.3 Nothing in clause 5.4.1(e) applies to the parking of a vehicle which cannot be safely parked without encroaching over more than one parking space and, if charges are payable for the use of the parking spaces so occupied, a parking fee has been paid for every parking space occupied.

## 5.5 TRAFFIC MOVEMENT AND SAFETY

- 5.5.1 Council may from time to time by publicly notified resolution:
- (a) prohibit or restrict any specified class of traffic, or any specified vehicle or class of vehicle from using any road;
  - (b) prohibit or restrict the use of vehicles on beaches;
  - (c) regulate the type of vehicle that may use a cycle track or shared zone;
  - (d) restrict the direction of travel on any road to one direction;
  - (e) prohibit turning, or restrict the type of vehicle which may turn, from one road to another road or prohibit turning turnabout on a road (to face the other direction);
  - (f) prohibit or restrict the display on private property of any advertisement, sign, notice or light which is visible from a road in the immediate vicinity of a pedestrian crossing or an intersection and is causing or is likely to cause confusion to persons using the road;

## 5.6 TRAFFIC OFFENCES

- 5.6.1 A person must not:
- (a) drive a vehicle in contravention of any regulation, restriction or prohibition imposed under clause 5.5.1(a) – (e) inclusive;
  - (b) fail to comply with a prohibition or restriction under clause 5.5.1(f);
  - (c) drive a vehicle in a manner which interferes with or obstructs a funeral procession or a procession approved by Council;
  - (d) drive a vehicle over a fire hose which is in use unless a hose bridge has been provided or unless directed to do so by a constable, an enforcement officer or a fireman;
  - (e) drive a vehicle which is leaking oil, grease or fuel on a road, public place or other land under the control of Council.

## 5.7 ENFORCEMENT

- 5.7.1 Any vehicle container or other thing (in this clause all referred to as “vehicle”) parked in contravention of this Bylaw may be towed away or removed by Council and impounded. An impounded vehicle may be recovered upon payment of all reasonable towing, removal and storage charges relating to that vehicle. If the vehicle has not been recovered within 14 days of impounding Council may proceed to sell or otherwise dispose of the vehicle in the same manner as if it was a vehicle removed by Council under s 356 LGA 74.
- 5.7.2 The power in clause 5.7.1 may be exercised in addition to any other enforcement action that Council may lawfully take.

5.7.3 The provisions of this bylaw may be enforced by a parking warden, an enforcement officer or a constable.

The common seal of the Hastings District Council was affixed on .....  
in the presence of:

Mayor

Chief Executive

## CHAPTER 7 WATER SERVICES

### 7.1 DEFINITIONS

7.1.1 In this part of the Bylaw unless the context otherwise requires:

“Controlled Stormwater” means stormwater with the characteristics listed in Schedule A to this Chapter. (Controlled Stormwater may only be discharged into the Network with an approval).

“Controlled Wastewater” means wastewater with the characteristics listed in Schedule B to this Chapter. (Controlled Wastewater may only be discharged into the Network with an approval).

“Contaminant” has the same meaning as in the Resource Management Act 1991.

“Culturally Offensive Characteristics” means those human wastes which, if discharged into the sea or other waters, are culturally offensive to Māori.

“Maximum Concentration” means the instantaneous peak concentration that may be discharged at any instant in time.

“Network” means the system of pipes, pumps, drains, treatment works, channels and water courses owned or used by Council for:

- (a) extracting, treating, conveying and supplying water (“Water Supply Network”);
- (b) managing, collecting, treating, conveying and disposing of Stormwater (“Stormwater Network”);
- (c) collecting, treating, conveying and disposing of Wastewater (“Wastewater Network”); and
- (d) collecting, treating, conveying and disposing of Trade Waste separately from Wastewater (Separated Trade Waste Network”);

within Council’s district. The Network does not extend beyond:

- in the case of water supply, the Point of Supply; or
- in the case of Stormwater and Wastewater, the Point of Discharge;

“Network Corridor” has the meaning as in Council’s Engineering Code of Practice.

“Point of Discharge” has the meaning as in Council’s Engineering Code of Practice.

“Point of Supply” has the meaning as in Council’s Engineering Code of Practice.

“Sewage” means human waste and includes septage and swimming pool and spa pool water.

“Stormwater” means surface water resulting from precipitation and any other water which is Controlled Stormwater.

“Tankered Waste” means Sewage or Trade Waste collected by tanker prior to discharge into the Wastewater Network or the Separated Trade Waste Network.

“Trade Waste” means any wastewater generated from activities which are not primarily residential in nature (but may include Sewage).

“Warning Notice” means a written notice given by Council to an Owner or Occupier when Council has reasonable grounds to believe that a condition of an Approval is being breached which specifies:

- the nature of the alleged breach;
- the steps required to be taken to remedy the breach; and
- the period within which the breach must be remedied.

“Wastewater” means Sewage, Tankered Waste and/or Trade Waste.

## 7.2 CONNECTION AND DISCONNECTION

7.2.1 No person may:

- (a) connect a pipe to any part of the Network; or
- (b) access any part of the Network by any other means; without an approval.

7.2.2 No person may disconnect a pipe from the Network without an approval.

7.2.3 Every person who fails to comply with:

- (a) clause 7.2.1 or clause 7.2.2; or
- (b) any condition of an Approval when undertaking work described in clauses 7.2.1 and 7.2.2;

commits an offence under this Bylaw.

7.2.4 For the purposes of section 163 of the Local Government Act 2002, Council is authorised to remove or alter any work undertaken in breach of clauses 7.2.1, 7.2.2 or 7.2.3(b) and to recover the costs of that removal or alteration from the responsible party.

## 7.3 NETWORK CORRIDOR

7.3.1 No person may:

- (a) erect any building, fence, retaining wall or other structure;

- (b) place any material or fill;
  - (c) undertake any works or excavation; or
  - (d) allow any tree or shrub to grow  
within the Network Corridor without an Approval.
- 7.3.2 When the relevant Network Corridor is an open watercourse, no person may plant any vegetation, or allow any vegetation to grow, within the Network Corridor which may interfere with the free flow of water within the watercourse.
- 7.3.3 A person who fails to comply with:
- (a) clause 7.3.1; or
  - (b) any condition of an Approval when undertaking an activity described in clause 7.3.1; or
  - (c) a notice given by Council to remove vegetation which contravenes clause 7.3.2;
- commits an offence under this Bylaw.
- 7.3.4 For the purposes of section 163 of the Local Government Act 2002, Council is authorised:
- (a) to remove or alter any work undertaken in breach of clauses 7.3.1 (a) (b) and (c); or clause 7.3.3(b):
  - (b) to trim or remove any tree or shrub that contravenes clause 7.3.1(d);and
  - (c) to remove vegetation specified in a notice given under clause 7.3.3(c) which has not been removed within the time specified in the notice;
- and to recover the costs of that removal, alteration or trimming work from the responsible party.

## 7.4 DAMAGE TO THE NETWORK

- 7.4.1 Every person who causes damage to any part of the Network and who fails to immediately report that damage to Council commits an offence under this Bylaw.

## 7.5 OFFENCES IN RELATION TO WATER SUPPLY

- 7.5.1 Every person must comply with each and every restriction on the use of water from the Water Supply Network which may be Publicly Notified by Council from time to time.
- 7.5.2 No person may:
- (a) take water from a fire hydrant except:

- (i) in the case of a fire emergency; and
    - (ii) for the purposes of that emergency; and
    - (iii) at the direction of Council or a member of the New Zealand Fire Service or Rural Fire Authority;
  - (b) use the pressure of water directly from the Water Supply Network for driving plant or equipment without an Approval;
- 7.5.3 No person may alter or remove a flow restrictor which has been fitted to the Water Supply Network by Council without an Approval.
- 7.5.4 Any person who fails to comply with
- (a) clauses 7.5.1 – 7.5.3;
  - (b) any condition of an Approval given for work described in clauses 7.5.2 and 7.5.3;
- commits an offence under this Bylaw.

## 7.6 OFFENCES IN RELATION TO WASTEWATER

- 7.6.1 No person may:
- (a) discharge Controlled Wastewater into the Wastewater Network or the Separated Trade Waste Network without an Approval;
  - (b) discharge Wastewater containing Culturally Offensive Characteristics into the Separated Trade Waste Network;
  - (c) discharge Tankered Waste to the Wastewater Network or the Separated Trade Waste Network without an Approval;
- 7.6.2 Any person who fails to comply with
- (b) clause 7.6.1; or
  - (c) any condition of an Approval for a discharge described in clause 7.6.1(a) or (c);
- commits an offence under this Bylaw.

## 7.7 OFFENCES IN RELATION TO STORMWATER

- 7.7.1 No person may discharge Controlled Stormwater into the Stormwater Network without an Approval.

7.7.2 Any person who fails to comply with

- (b) clause 7.7.1;
- (c) any condition of an Approval for making a discharge described in clause 7.7.1;

commits an offence under this Bylaw.

## 7.8 APPROVALS

7.8.1 Without limiting the generality of Clause 1.5.3 of this Bylaw Council may grant an Approval for a discharge of Stormwater or Wastewater to the Network:

- (a) limiting the rate and volume of the discharge (assessed on a daily, weekly or monthly basis);
- (b) limiting the hours in each day during which a discharge may occur;
- (c) subject to the payment of charges for conveyance, treatment and disposal of the discharge by Council (at the rates prescribed by Council from time to time in accordance with the Local Government Act 2002);
- (d) on the condition that the applicant at its own expense:
  - (i) undertake on-site detention, screening or pre-treatment prior to discharge;
  - (ii) maintain equipment installed in clause 7.8.1(d)(i) to ensure correct operation at all times
  - (iii) monitor the discharge and provide the results of that monitoring to Council; or
  - (iv) provide an inspection chamber to enable Council to undertake sampling and monitoring of the discharge at any time and from time to time.

7.8.2 Without limiting the generality of clause 1.5.5 of this Bylaw an Approval may be cancelled by Council by notice in writing if:

- (a) the owner or occupier of the premises to which the Approval relates is convicted of an offence under this Bylaw; or
- (b) Council gives a Warning Notice and the Owner or Occupier of the premises to which the Approval relates fails to take the steps required by Council within the time period specified in the Warning Notice; or

- (c) Council has issued a Warning Notice on three (3) occasions in the previous 12 months, notwithstanding that on each occasion the steps required by Council have been taken within the time period specified in the notices.
  
- 7.8.3 Written notice of cancellation of an Approval given under clause 7.8.2 shall have immediate effect and any discharge to which that Approval relates must be immediately discontinued.
  
- 7.8.4 Any person who fails to discontinue making a discharge immediately upon service of notice of cancellation commits an offence under this Bylaw.

## SCHEDULE A TO CHAPTER 7

(Controlled Stormwater)

Stormwater, and any other water which:

- (a) discharges from impervious areas that exceed the square metre per site requirement or such larger area as may be specified in Council's Engineering Code of Practice from time to time;
- (b) discharges exceeding the flow rate as may be specified in Council's Engineering Code of Practice from time to time;
- (c) discharges from premises on which activities are carried out that may result in the production of Stormwater containing Hazardous Substances or Contaminants;
- (d) contains:
  - (i) Hazardous Substances or Contaminants;
  - (ii) grease, oil and scum;
  - (iii) water from ground water systems, bores, water which has been heated or water from geothermal activity;
  - (iv) swimming or spa pool water arising from emptying or backwashing;
  - (v) detritus solids or silt in concentrations that will cause any build-up of sediment within the Network;
  - (vi) any other substance or characteristic which Council is required to manage as a condition of a discharge consent for the Network held by Council under the Resource Management Act 1991 from time to time.

**Advisory Note:**

*The HDC Engineering Code of Practice provides guidance on the assessment of applications to discharge 'Controlled Stormwater' to the Stormwater Network. An Approval may require the applicant to comply with any conditions imposed as part of a resource consent and/or any applicable industry guidelines.*

## SCHEDULE B TO CHAPTER 7

(Controlled Wastewater)

Wastewater which has any one or more of the following characteristics;

- Flow volume exceeding 10 m<sup>3</sup> in any 24 hour period;
- Peak Flow (the highest average flow rate in any 2 hour period during any 24 hour period) exceeding 1 litre per second;
- Temperature exceeding 40 ° Celsius;
- Non-faecal gross solids with a maximum dimension exceeding 15 mm.
- Suspended solids exceeding 2000 grams per m<sup>3</sup>;
- Settleable solids exceeding 50 milliliters per litre;
- Non-faecal gross solids which cannot be passed through a 2mm maximum gap size screen;
- Non-faecal gross solids with a quiescent settling velocity exceeding 50mm per minute;
- Colour or colouring substances that cause the discharge to be coloured to the extent that it impairs wastewater treatment processes or compromises the treated wastewaters discharge Consent;
- Fibrous, woven, or sheet film or any other materials which may interfere with the free flow of Wastewater in the Network;
- Floatable oil and grease exceeding 30 milligrams per litre for a grab sample and/or exceeding 15 milligrams per litre for a 24 hour flow proportional sample;
- Total Oil and Grease exceeding 100 grams per m<sup>3</sup>;
- The presence of a free layer (whether floating or settled) of solvents or organic liquids;
- Emulsions of paint, latex, adhesive rubber or plastic exceeding 1000 grams per m<sup>3</sup>;
- pH outside the range 6.0 and 10.0 at any time;
- Biochemical oxygen demand exceeding 1000 grams per m<sup>3</sup>;
- Any solid, liquid or gaseous substances which alone or in combination with any other matter will immediately or in the course of time interfere with the free flow of Wastewater within the Network or damage any part of the Network;
- Any solid, liquid or gaseous substances which alone or in combination with any other matter cause a health and safety risk to sewage workers;

- Any solid, liquid or gaseous substances which alone or in combination with any other matter will cause malodourous gases or substances to form which are of a nature or sufficient quantity to create a public nuisance;
- Solids, including dry solid wastes and materials which combine with water to form a cemented mass;
- Asbestos;
- Tin (as tributyl and other organo-tin compounds);
- Organo-chlorine pesticides;
- Genetically modified organisms wastes (except when discharged into the Wastewater Network in accordance with an approval given under the Hazardous Substances and New Organisms Act 1996);
- Health care waste prohibited for discharge to a Wastewater Network by NZS 4304 2002, or any pathological or histological wastes, and Trade Waste containing cytotoxic substances;
- Trade Waste containing liquid pharmaceuticals in excess of the following limits:

<b>Volume Limit</b>	<b>Active Concentration</b>
10 Litres	125mg / 5 ml
5 Litres	250mg / 5 ml
3 Litres	Above 250mg / 5 ml

- Any substance in concentrations which may cause Council to be in breach of any discharge consent for the Wastewater Network held by Council under the Resource Management Act 1991 from time to time; and
- Any substance exceeding any one or more of the maximum concentrations listed in the following tables 1, 2 and/or 3 below.

Table 1: General Chemical Characteristics

Characteristic	Maximum concentration (g/m <sup>3</sup> )
MBAS (Methylene blue active substances)	500
Ammonia (measured as N)	
– free ammonia	50
– ammonium salts	200
Kjeldahl nitrogen	150
Total phosphorus (as P)	50
Sulphate (measured as SO <sub>4</sub> )	500 1500 (with good mixing)
Sulphite (measured as SO <sub>2</sub> )	15
Sulphide – as H <sub>2</sub> S on acidification	5
Chlorine (measured as Cl <sub>2</sub> )	
– free chlorine	3
– hypochlorite	30
Dissolved aluminium	100
Dissolved iron	100
Boron (as B)	25
Bromine (as Br <sub>2</sub> )	5
Fluoride (as F)	30
Cyanide – weak acid dissociable (as CN)	5

TABLE 2: HEAVY METALS

Metal	Maximum concentration (g/m <sup>3</sup> )	Metal	Maximum concentration (g/m <sup>3</sup> )
Antimony	10	Manganese	20
Arsenic	5	Mercury	0.005
Barium	10	Molybdenum	10
Beryllium	0.005	Nickel	10
Cadmium	0.5	Selenium	10
Chromium	4	Silver	2
Cobalt	10	Thallium	10
Copper	10	Tin	20
Lead	10	Zinc	10

TABLE 3: ORGANIC COMPOUNDS AND PESTICIDES

Compound	Maximum concentration (g/m <sup>3</sup> )
Formaldehyde (as HCHO)	50
Phenolic compounds (as phenols) excluding chlorinated phenols	50
Chlorinated phenols	0.02
Petroleum hydrocarbons	30
Halogenated aliphatic compounds	1
Monocyclic aromatic hydrocarbons	5
Polycyclic (or polynuclear) aromatic hydrocarbons (PAHs)	0.05
Halogenated aromatic hydrocarbons (HAHs)	0.002
Polychlorinated biphenyls (PCBs)	0.002
Polybrominated biphenyls (PBBs)	0.002 each
Pesticides (general)  (includes insecticides, herbicides, fungicides and excludes organophosphate, organochlorine and any pesticides not registered for use in New Zealand)	0.2 in total
Organophosphate pesticides	0.1

The Common Seal of the Hastings District Council was affixed on .....  
in the presence of:

Mayor

Chief Executive

## CHAPTER 8

(Deliberately left blank)

## CHAPTER 9

(Deliberately left blank)

## CHAPTER 10 MISCELLANEOUS MATTERS

### 10.2 NUISANCES

- 10.2.1 This part of the bylaw is made under s 64 of the Health Act 1956.
- 10.2.2 A person must not cause a nuisance, or allow a nuisance to be caused, on any premises.
- 10.2.3 Without limiting the generality of clause 10.2.2, a person must not cause a nuisance, or allow a nuisance to be caused, by any of the following:
- (a) the burning of any matter or thing on any premises;
  - (b) the emission of offensive odours, smoke, fumes, dust, sawdust or other matter from any premises;
  - (c) the deposit or accumulation of rubbish, recyclable material, inorganic material, dead animals, dung, manure or fertiliser on any premises;
  - (d) the failure to control or eradicate the conditions on any premises giving rise, or conducive to giving rise, to breeding by rats and other vermin, flies, mosquitoes, mites, ticks or any other insect capable of causing or transmitting disease;
  - (e) the failure to eradicate an infestation of rats and other vermin, or flies, mosquitoes, mites, ticks, cockroaches or other insects, on any premises;
  - (f) the failure to cleanse any drain, water closet, septic tank or outbuilding, including any outbuilding used to house animals, any premises;
  - (g) the keeping of an animal on any premises, notwithstanding that the keeping of that animal may be in accordance with clauses 10.4.3 to 10.4.6 (inclusive) of this Bylaw, or the undertaking of an activity related to the keeping of that animal.

### 10.3 REFUSE

- 10.3.1 In this clause:
- “approved receptacle” means a receptacle approved by Council for storage and disposal of waste and includes receptacles for household refuse, green waste, recycling material or kitchen waste;
- “collection” means collection by Council or its contractor from the kerbside in accordance with any requirements for collection set by Council by publicly notified resolution from time to time
- “collection day” is a day nominated by council for the collection of refuse or recycling material from premises within any part of the district
- “green waste” means any compostable garden waste that Council accepts for collection
- “household refuse” means waste generated from domestic residential activities but does not include green waste, demolition material, building material, inorganic waste or recycling material
- “inorganic waste” means any inorganic material that is too large to be placed in an approved receptacle and includes demolition material and building material

“kitchen waste” means food scraps and other compostable materials that Council accepts for collection

“medical waste” means waste generated from any facility where illness and injuries are treated or medical procedures are carried out and includes hypodermic needles used for any purpose

“recycling material” means any material that Council accepts for recycling

“refuse” means household refuse, green waste and kitchen waste

10.3.2 A person must not:

- (a) put out for collection any hazardous substance or medical waste;
- (b) if the approved receptacle is a plastic bag, put out for collection a bag which contains any sharp objects;
- (c) dispose, or attempt to dispose, of any hazardous substance or medical waste at a facility provided by Council for the disposal of refuse or recycling material;
- (d) put out household refuse or recycling material for collection which is not entirely contained within, without overflowing, an approved receptacle;
- (e) put out an approved receptacle earlier than the day before the collection day for the area where the premises are located;
- (f) fails to remove an approved receptacle by the end of the day following the collection day for the area where the premises are located;
- (g) put out for collection as recycling material, material which is not accepted by Council;
- (h) put out inorganic waste for collection except at the times directed by Council
- (i) remove any item from an approved receptacle for recycling materials or from a pile of inorganic waste put out for collection in accordance with clause 10.3.2(h), unless that person is a resident of the premises from which the material originated

#### 10.4 STOCK, POULTRY AND BEES

10.4.1 The provisions in this part of the Bylaw are in addition to any rules in the district plan dealing with the keeping of pigs, poultry, stock or bees. In the event of conflict or ambiguity between a provision in this Bylaw and a rule in the district plan, the district plan rule will prevail.

10.4.2 A person must not keep stock on premises within the urban area without an approval.

10.4.3 A person must not keep on premises within the urban area:

- (a) a rooster; or

- (b) more than 12 head of poultry.
- 10.4.4 If poultry are kept on premises within the urban area:
- (a) the premises must be adequately fenced to prevent escape; or
  - (b) if confined to a poultry house or poultry run, the house or run must be located more than 2 metres from any boundary of the premises and adequately enclosed to prevent escape.
- 10.4.5 A person must not keep bees on premises if the keeping of those bees is, or is likely to become, a danger to the public or a nuisance.
- 10.4.6 A person must not keep, provide food to or provide shelter for, on any premises:
- (a) if the premises are a stand-alone self-contained residential unit, more than four cats over the age of six months;
  - (b) if the premises are one of two self-contained residential units, more than two cats over the age of six months in each residential unit;
  - (c) if the premises are one of three or more self-contained residential units, more than one cat over the age of six months in each residential unit;
  - (d) subject to clause 10.4.7, if the premises are not used for residential purposes, more than four cats over the age of six months on those premises.
- 10.4.7 The prohibition in clause 10.4.6(d) does not apply to a veterinary clinic, a commercial cat boarding facility or an approved animal shelter.
- 10.4.8 A person who keeps a goat in the urban area must ensure that the goat is securely tethered at all times.
- 10.4.9 A person who grazes stock on any premises, or permits stock to graze on any premises, must ensure that the premises are fully enclosed by adequate stock proof fences and gates at all times.

The Common Seal of the Hastings District Council was affixed on .....  
in the presence of:

Mayor

Chief Executive

# DOGS POLICY 2021

(Made under s 10 of the Dog Control Act 1996)



## PURPOSE

The purpose of this policy is to provide a framework for the care and control of dogs throughout Hastings District. The policy is made under s10 of the Dog Control Act 1996. Under s10(4) Council is required when adopting a policy to have regard to:

- “(a) the need to minimise danger, distress, and nuisance to the community generally; and*
- (b) the need to avoid the inherent danger in allowing dogs to have uncontrolled access to public places that are frequented by children, whether or not the children are accompanied by adults; and*
- (c) the importance of enabling, to the extent that is practicable, the public (including families) to use streets and public amenities without fear of attack or intimidation by dogs; and*
- (d) the exercise and recreational needs of dogs and their owners.”*

The anticipated outcomes of this policy are:

1. Minimising the potential for danger, distress, and nuisance to the community from dogs
2. Promoting responsible dog ownership
3. Promoting effective dog control, particularly in public places where children or families are present
4. Minimising the risk of intimidation and attacks by dogs
5. Promoting positive interaction between dog owners and members of the community
6. Providing for the exercise and recreational needs of dogs and their owners.

## POLICIES

### ***POLICY 1 – Nature and Application of Bylaws***

1.1 Council will make and enforce bylaws for the following matters covered by this policy:

- Dog prohibited areas (Policy 2)
- Leash control (Policy 3)
- Dog exercise Areas (Policy 4)
- Limiting the number of dogs kept (Policy 6.1 )
- Dog fouling (Policy 6.2)

- Confining bitches in season (Policy 6.3)

### ***Explanation***

Council may make Bylaws in accordance with the Local Government Act 2002 and Dog Control Act 1996. These bylaws give legal powers necessary to implement and enforce the Dogs Policy within Hastings District.

## ***POLICY 2 – Dog Prohibited Areas***

2.1 Council will make a bylaw prohibiting dogs from the following areas:

1. The Hastings District Council Civic Building.
2. Public libraries.
3. Swimming pools and paddling pools.
4. Children's playing areas.
5. Sports fields.
6. Rangaiika Beach at Ocean Beach/Cape Kidnappers.

### ***Explanation***

Dogs are prohibited from areas where the presence of dogs is likely to interfere with the use of public amenities or are frequented by children or are areas of high ecological sensitivity.

## ***POLICY 3 – Leash Control***

3.1 Council will make a bylaw which requires that dogs be under leash control:

- in all public places and private ways in the urban areas of the district and in parks, reserves, beaches walkways and cycle ways in the rural area which are not otherwise designated as a dog exercise area under the bylaw and
- in any other place if the dog is causing or is likely to cause danger, distress or nuisance to a person or another animal.

### ***Explanation***

Uncontrolled dogs can have a significant impact on the community. Leash control of dogs assists to minimise danger, distress and nuisance to the community generally and to achieve the other matters in s10(4)(b) and (c) of the Dog Control Act 1996 without affecting the exercise and recreational needs of dogs and their owners.

Allowing dogs to roam without owner control contributes to:

- Dog aggression, resulting in fear and intimidation of the public
- Faeces contamination of public places
- Traffic hazards
- Stock worrying
- Dog fights
- Unwanted puppies
- The spread of disease
- Increased level of complaints requiring investigation

The infringement penalties under the Dog Control Act 1996 are substantial. Infringement fees for offences relevant to this policy are set by Parliament:

- |   |       |
|---|-------|
| • Failure to carry a leash - s54A                           | \$100 |
| • Dog not controlled or confined on its own property – s52A | \$200 |
| • Dog not under control - s53(1)                            | \$200 |
| • Dog in a public place in contravention of bylaw – s20(5)  | \$300 |
| • Dangerous or menacing dog at large – s32(2) & s33EC(1)    | \$300 |

## ***POLICY 4 – Dog Exercise Areas***

4.1 Council will make a bylaw allowing the exercise of dogs off leash in the areas listed below. Two of the areas are time limited, depending on the time of the year:

### Havelock North

- Tainui, Tanner and Hikanui Reserves
- Tauroa Road Reserve
- Te Mata and Arataki Road Reserve
- Kingsgate Reserve from Te Mata Road to Reeve Drive, Ritchie Place, Fulford Place and Durham Drive
- The banks of the Karamu Stream, from a point adjacent to the southern most edge of Anderson Park, Havelock North to the vehicle over bridge on Havelock Road
- Keirunga Gardens along the extent of the western boundary walkway accessed from Tanner Street, and including the open grass areas at the southern end northern ends of the Park.
- Te Mata Peak Road and Te Mata Peak Park
- James Cook Street Reserve
- Palmbrook Reserve

### Hastings

- Karamu Road South, from Pattison Road south to Murdoch Road
- Ebbett Park between 5.00pm and 8.00am the following day

- Duke Street Reserve.
- Pakowhai Country Park.

#### Flaxmere

- Along Portsmouth Road, from Wilson Road west to the end of Portsmouth Road
- The Flaxmere Green Belt to the west of Tarbet Street, Arklow Place and Frobisher Street between Kirkwood Road and Flaxmere Avenue.

#### Haumoana and Te Awanga

The Haumoana-Te Awanga coastal beach front area from the mouth of the Tukituki River south to the boundary of the Clifton No. 2 camp, Te Awanga, excluding the beach front between numbers 3 and 41 Clifton Road Haumoana.

#### Waimarama and Ocean Beach

- The beach front of the Ocean Beach settlement north to the surf club during daylight saving hours between 7.30pm and 7.30am the following day, and 6pm and 7am the following day during the remainder of the year
- Ocean Beach north of the surf lifesaving club to 100m south of the predator proof fence
- Waimarama Beach north to the Puhokio Stream river mouth during daylight saving hours between 7.30pm and 7.30am the following day, and during the remainder of the year 6pm and 7am the following day
- Waimarama Beach north of the Puhokio Stream river mouth to Pututaranui Point at any time

#### Whirinaki and Eskdale

- The North Shore and Whirinaki to Tangoio Beach road reserve
- Eskdale Park along the southern or right-hand side of, and to the end of the park driveway.

#### Waipatiki Beach

- The beach front of Waipatiki Beach Settlement, coast-wards of the reserve, during daylight savings hours between 7:30pm and 7:30am the following day, and during the remainder of the year 4:00pm to 10:00am the following day
- Wapatiki beach north and south of the area referred to above

### ***Explanation***

There are many areas where dogs can be exercised in the district. Council accepts that the majority of dog owners are responsible people. Dogs are able to be exercised off a leash in all public places in the district other than the prohibited areas and leash control areas.

## **POLICY 5 – Menacing Dogs**

- 5.1 Council will require that all dogs classified by it as menacing under sections 33A or 33C of the Dog Control Act 1996 be neutered under section 33E(1)(b) of the Dog Control Act 1996.
- 5.2 Council will require that dogs classified as menacing under section 33A or 33C of the Dog Control Act 1996 by any other territorial authority are required to be neutered under section 33EB(2) of the Dog Control Act 1996 if the dog is transferred to the Hastings District.

### **Explanation**

Section 33A(1)(b) of the Dog Control Act 1996 allows Council to classify dogs as menacing if it considers the dog “*may pose a threat to any person, stock, poultry, domestic animal, or protected wildlife because of:*

- (i) *Any observed or reported behaviour of the dog.*
- (ii) *Characteristics typically associated with the dog’s breed or type.”*

Section 33C of the Dog Control Act 1996 requires that Council must classify the breeds or types of dogs listed in Schedule 4 of the Dog Control Act 1996 as menacing. Currently those breeds or types are:

#### **Breeds:**

Brazilian Fila  
Dogo Argentino  
Japanese Tosa  
Perro de Presa Canario

#### **Type:**

American Pit Bull Terrier

Council believes it is appropriate that dogs classified as menacing be required to be neutered. Neutered dogs appear to feature less in reported dog bite statistics.

## **POLICY 6 – Other matters**

- 6.1 Council will make a bylaw which limits the number of dogs over the age of 3 months that may be kept on any premises within the urban areas of the district.
- 6.2 Council will make a bylaw which requires a dog owner to remove, carry away and dispose of in a sanitary manner, any faeces which may be left in a public place, private way or other premises not occupied that owner.
- 6.3 Council will make a bylaw which requires the owner of a bitch in season to keep it confined, but properly exercised, while in season.

### ***Explanation***

Minimising nuisance to the community generally is one of the matters to which Council must have regard under s 10(4) of the Dog Control Act 1996. Each of the matters covered by this policy are addressed to that issue:

- The more dogs on an urban property the greater the potential for escape, complaints about barking and complaints about nuisance caused by smell and flies;
- The fouling of public places by dog faeces is a general community nuisance issue. It is also a public health issue, arising from the fouling of footpaths and sports fields and the insanitary disposal of dog faeces;
- If bitches in season are allowed to roam freely there is increased risk of aggressive behaviour from any male dogs which are also roaming at the same time. Many people find the sight of dogs coupling in public places to be offensive. If bitches remain confined the risk of unplanned pregnancies is largely removed. Again this policy is aimed at minimising nuisance to the community.

## ***POLICY 7 - Fees***

- 7.1 Dog control fees will be set by Council resolution having regard to the levels of service in the Council's Long Term Plan and the costs actually incurred by Council to provide the dog control function.
- 7.2 Dog registration fees will be set based on the location where the dog is normally kept. Fees for dogs kept in the urban area will be higher than for dogs kept in the rural area.
- 7.3 The proportion of funding of Dog Control operations to be borne by rates, and the proportion to be borne by dog owners will be determined based on a public and private benefit assessment made by Council.
- 7.4 Pound fees will be set to recover costs and encourage retrieval of impounded dogs.
- 7.5 Pound fees will be increased for any subsequent impounding of that same dog to impose a greater penalty element.
- 7.6 Sustenance charges will be set to recover all the costs of feeding and care.
- 7.7 A lesser dog registration fee will be offered to those who register their dogs before 1 August.
- 7.8 A reduced dog registration fee will be offered to owners approved under the Selected Owner Policy.

### ***Explanation***

The dog control fees reflect the costs of the dog control service, less a small element of public good which is subsidised by rate funding.

Because the majority of the work undertaken by the Dog Control staff occurs in urban areas, it is considered fair and reasonable that a greater cost is carried by those dog owners.

Impounding fees and sustenance charges are user-pays charges and lie with the owner of the dog. These fees will not be subsidised by ratepayers.

### ***POLICY 8 - Public Education***

- 8.1 Council will encourage responsible dog ownership through education programmes and seminars which will be particularly targeted at dog owners and schools. Dog owners will be encouraged to attend puppy socialisation and dog obedience courses.
- 8.2 Media publicity and Council's website will be used to promote public awareness of dog registration obligations, this policy and the Dog Control Bylaw.
- 8.3 Counselling and consultation will be undertaken with alleged offenders by dog control staff.

#### ***Explanation***

A strong focus is placed on providing dog owners with the necessary knowledge to better manage their dogs. An education focus is a crucial first line approach to compliance, however there are some instances where enforcement action is required.

Through public and school education, people will be given the knowledge to deal with some of the situations and nuisances that they may come in contact with, including advice on "bite prevention". That education may also lead to a more responsible attitude towards dog ownership in the future.

### ***POLICY 9 – Enforcement***

- 9.1 Council will actively enforce the statutory obligations of dog owners under the Dog Control Act and under the Dog Control Bylaw. When offences are committed infringement notices and/or prosecutions will be commenced of dogs which have been classified as menacing under the Dog Control Act 1996.
- 9.2 The following infringements fees are set under the Dog Control Act 1996. Council has no discretion to alter these fees:

<b>Offence</b>	<b>Penalty</b>
Wilful obstruction of a Dog Control Officer	\$750
Failure or refusal to supply information or providing false particulars	\$750
Failure to supply information or providing false particulars about a dog	\$750
Failure to comply with any Dog Control Bylaw	\$300
Failure to undertake education programme or obedience course	\$300

Failure to comply with obligations of probationary owner	\$750
Failure to comply with the effects of disqualification	\$750
Failure to comply with requirements of dangerous dog classification	\$300
Fraudulent sale or transfer of a dangerous dog	\$500
Failure to comply with requirements of menacing dog classification	\$300
Failure to advise person of muzzle and leashing requirements s33F(3)	\$100
Failure to implant a microchip transponder in dog	\$300
False statement relating to dog registration	\$750
Falsely notifying death of dog	\$750
Failure to register dog	\$300
Fraudulent procurement or attempt to procure replacement dog registration label or disc	\$500
Failure to advise change of dog ownership	\$100
Failure to advise change of address	\$100
Removal, swapping, or counterfeiting of registration label or disc	\$500
Failure to keep dog controlled or confined	\$200
Failure to keep dog under control	\$200
Failure to provide proper care and attention, to supply proper and sufficient food, water, and shelter, and to provide adequate exercise	\$300
Failure to carry leash in public	\$100
Failure to comply with barking dog abatement notice	\$200
Allowing a known dangerous dog at large unmuzzled or unleashed	\$300
Failure to advise person of muzzle and leashing requirements s62(5)	\$100
Releasing dog from custody	\$750

### ***POLICY 10 - Dog Adoption***

- 10.1 The adoption of any dog from the Animal Welfare Centre will be subject to:
- a) the dog remaining unclaimed more than seven days after impounding;
  - b) the dog having a suitable temperament/potential for adoption and being healthy, neutered, vaccinated, wormed, flea treated, registered and micro-chipped;
  - c) approval of the new owner by Council;
  - d) Payment of an adoption fee.
- 10.2 No dogs will be released for research, testing or teaching purposes.

### ***Explanation***

The Dog Control Act 1996 allows Council to sell, destroy or otherwise dispose of an impounded, unclaimed dog after the expiration of seven days. Adoption fees will be set to recover the costs incurred under Policy 10.1(b), without deterring purchasers.

## ***POLICY 11 - Unwanted Dogs***

- 11.1 Council may accept unwanted dogs into the pound for disposal either by adoption or by euthanasia subject to a payment of the fee for the service

### ***Explanation***

This policy is intended to prevent the release of unwanted dogs into the community, or to solve a problem where the owner is having difficulties managing or caring for the dog. If euthanasia is the only option for disposal owners will be encouraged to use veterinary practices in the first instance.

## ***POLICY 12 - Selected Owner Policy***

- 12.1 Dog owners who demonstrate through a dog ownership scheme run by Council (the Selected Owner Scheme) that they are responsible owners will receive a reduction in registration fees payable for their dogs. The Selected Owner Scheme is not available to:

- An owner of a dangerous dog
- A dog owner who does not complete the requirements of the scheme and/or pay the scheme fee before 31 March in each year;
- A dog owner who has been disqualified under policy 12.2 within the preceding two registration years

- 12.2 A dog owner will be disqualified from membership under the Selected Owner Policy immediately upon the occurrence of any of the following events:

- The owner is convicted of an offence under the Dog Control Act 1996 or the Dog Control Bylaw, or
- The owner is convicted of an offence under the Animal Welfare Act 1999 in respect of a dog, or
- A dog belonging to the owner is impounded, or
- A dog belonging to the owner is the subject of more than one complaint, which upon investigation by Council is found to be justified, in any registration year, or
- A dog belonging to the owner remains unregistered after the penalty date in any registration year.

***Explanation***

Owners who can demonstrate that they are responsible dog owners should be rewarded by a reduction in dog registration fees.

***POLICY 13 – Tethering of Dogs***

13.1 Council does not encourage restraining dogs by means of a chain or tether as a permanent means of controlling a dog.

***Explanation***

Chaining or tethering a dog poses serious threats to a dogs physical, psychological and emotional wellbeing. Research confirms that chained dogs are more aggressive. Chained or tethered dogs can feel threatened, fearful and frustrated, causing them to become antisocial and aggressive.

Other reasons why you should not chain or tether your dog for long periods:

- Without the physical barrier of a cage, tethered dogs can feel unprotected
- Natural instincts of survival, fight and flight are disengaged
- Dogs can easily tip over their food and water
- Have been known to die from accidental strangulation
- Can get easily tangled
- More likely to get parasites, disease, injuries and infections
- Lunging and pulling against the tether can cause abrasions to the neck
- Forced to defecate and urinate in the same place they sleep, eat and run
- Barking continuously from boredom and frustration

**Conservation Controlled Dog Areas and National Parks**

There are currently no controlled dog or open dog areas under section 26ZS of the Conservation Act or national parks constituted under the National Parks Act 1980 in the Hastings District.





## He Mihi

Kei ngā whakateitei ki te whenua, kei ngā tamarahi ki te rangi, e rere atu nei i ngā mihi  
manahau ki tēnā, ki tēnā o tātau kua tuia nei e ngā kaupapa whakahirahira o te wā. Kāti rā,  
kei te mihi atu mātau o Te Kaunihera ki Heretaunga haukū-nui, Heretaunga ara-rau,  
Heretaunga hāro-o-te-kāhu, Heretaunga ringa-hora, Heretaunga raorao-haumako,  
Heretaunga takoto noa; tihei Heretaunga!  
Ko te Kaunihera ā-Rohe o Heretaunga e awhero nei ki te tū hei kaitiaki i runga anō i te tika,  
te pono me te aroha, kia whakakaurengia ngā wawata me ngā tūmanako o tō tēnā hapū,  
tō tēnā hapū o te kāinga nei; me te mea ai hoki ko ērā e pā ana ki te kōkiri nei i te rautaki  
hanga whare.  
Pērā anō i te kāhu e hāro kaitiaki nei ki runga ake o Heretaunga, he pērā anō hoki Te  
Kaunihera me ōna whāinga kia āta tirongia ki ngā take e noho hāngai pū ai ki te rautaki  
hanga whare ki Heretaunga me te rohe whānui.  
Ko te inoi ia kia pai tā tātau whakatakoto rautaki me tā tātau mahi ngātahi nō te mea, ina  
kotahi ai tātau ka ea katoangia ngā wawata.  
Tēnā tātau katoa!

*Greetings and salutations to you, the important voices who have been brought together by this important issue for our community. We the Hastings District Council, acknowledge all of the hapū and marae across Heretaunga and in doing so, salute Heretaunga!*

*Hastings District Council aspires to being accountable in all that it says and does with integrity, honesty and compassion when it comes to working alongside our partners; and especially within the housing issues that beset our community at present.*

*Just as the harrier hawk soars high in the skies keeping watch over us, so too the Council and its goals aspire to keep a close eye on this important housing issue for Hastings and the wider district.*

*It is with optimism and pride that we share this strategy that has been collaboratively developed with our mana whenua partners, where we have been of one mind, one thought and one purpose.*

*Greetings to one, greetings to all!*

*www.hastings.govt.nz*

## Building for the future



The Hastings District is facing a severe shortage of housing and new homes need to be built quickly.

Having a roof over your head is vital to people's wellbeing. Providing enough homes in the right places that are accessible to everyone is one of our region's main priorities.

Out of that priority came the Hastings Place Based Plan, which has brought agencies together to provide safe, healthy homes, supporting council's actions to free up land for further developments across the spectrum of need within our district.

This medium and long-term strategy builds on our commitment to work together to continue to address the current crisis as well as provide for the growing future needs.

Our goal remains to have all Hastings whānau out of motels and in their own homes, and within this strategy is the scope for innovative solutions that will help achieve our aim.

We look forward to building strong communities while we continue to partner with our stakeholders to ensure our people have access to affordable and healthy housing.

**Sandra Hazlehurst**  
Mayor of Hastings



Hastings Medium and Long Term Housing Strategy 2021

He kāinga ki te koraha he kai nā te ahi, he kāinga ki te pā tūwatawata, he tohu rangatira

An unprotected village is food for the flames. A secure house gives mana to the occupants. Ngāti Kahungunu Iwi Incorporated is pleased on behalf of its constituent hapū and whānau to be working alongside the Hastings District Council to launch a medium to long term Housing Strategy which focuses on Kāinga paneke, kāinga pānuku – a move from temporary to permanent housing.

We have the whenua, we have the support of council policies, we have support of government agencies. We believe that we have the recipe for success.

Tihei Kahungunu!

**Ngāhiwi Tomoana**  
Chairman  
Ngāti Kahungunu Iwi Incorporated



3

## Contents

INTRODUCTION	5
VISION	6
OUTCOMES	7
PROGRAMME OF WORK	9
BACKGROUND DISCUSSION	21
DEMAND	27
SUMMARY OF WHAT WE KNOW	36

## List Of Figures And Tables

<b>Figure 1:</b> Population Projections by Age Group	22
<b>Figure 2:</b> One Person Households by Age Group and Sex	23
<b>Figure 3:</b> House Prices 2015 to 2020	25
<b>Figure 4:</b> Project Household Growth by Family Type	30
<b>Figure 5:</b> Household Size by Number Of People	31
<b>Table 1:</b> Forecasted Additional Households Required In Hastings District	28

## Appendix

<b>Figure 6:</b> Hastings district population projections to 2043	38
<b>Figure 7:</b> Percentage Ethnic Population 2018	39
<b>Figure 8:</b> Percentage Ethnic Population 2038	39
<b>Figure 9:</b> Hastings district Age Distribution by percentage 2018	40
<b>Figure 10:</b> Hastings District People 15 years and over who do not own their own house or hold in a family trust	41
<b>Figure 11:</b> Mean Rent 2015 to 2020	43
<b>Figure 12:</b> Social Housing Applicants 2015 to 2020	44
<b>Figure 13:</b> Building Consents 2015 to 2019	45
<b>Figure 14:</b> Number of Occupied Private Dwellings	46
<b>Figure 15:</b> Dwellings by Number Of Bedrooms	47
<b>Table 2:</b> Home Affordability	42

## Introduction



With a growing population and increasing demand across all demographics, one of the most pressing challenges facing the Hastings district is addressing the urgent need for more housing.

As stakeholders, we are working together to find solutions for this crisis, our vision being that every whānau and every household has access to a safe, stable, healthy, affordable home, supported by a thriving resilient community with access to education, employment and amenities.

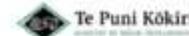
With government support, we embarked on the Hastings Place Based Housing Plan at the end of 2019 – a bespoke solution to build new houses and papakāinga across Hastings, address homelessness and carry out repairs on existing Māori-owned homes to make them healthier and more liveable.

This medium to long-term strategy builds on that plan, with the aim of delivering sustainable, positive change through a programme of work encompassing affordable housing, social housing, market housing, Māori housing, senior housing, and RSE accommodation, alongside skills training and employment creation.

Our best hope of success will come from us working together, drawing on our respective knowledge and areas of expertise to take collective action.

We know the housing crisis cannot be solved overnight, but with this clear plan of action we will strive to provide better housing outcomes for our people.

Partners contributing to the development and delivery of this strategy and forming the Housing Governance Group include:



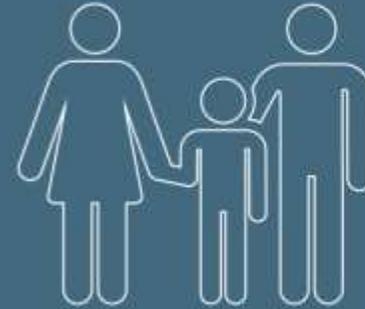
Operational delivery is through the Programme Control Group, comprised of • Whatever it takes • Emerge Aotearoa • Housing First • Department of Corrections

The following documents contribute to the strategic context of this strategy:

1. Improving Outcomes for Hastings Whanau and Communities Report (June 2019)
2. The Heretaunga Plains Urban Development Strategy (2010, 2017)
3. NPS on Urban development (2020) and the Proposed NPS on Highly Versatile Land (likely 2021)
4. Matariki: Hawke's Bay Regional Economic Development Strategy and Action Plan
5. The Hastings Operative District Plan

## VISION

Every whānau and every household has access to a safe, stable, healthy, affordable home in a thriving resilient community with access to education, employment and amenities.



EMERGENCY HOUSING



PUBLIC HOUSING



SUBMARKET RENTALS



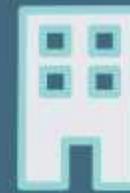
MARKET RENTALS



PROGRESSIVE HOME OWNERSHIP



FULL HOME OWNERSHIP



SEASONAL WORKERS & TOURISTS

## Outcomes we aim to achieve



The strategy aims to achieve the following key outcomes:

### Working together and building local capacity

- There is effective partnership between all organisations delivering housing solutions.
- More Community Housing Providers and more Māori providers are active in the District.
- A Housing Foundation is established to support access to affordable housing.
- There is a consistent supply market for local construction.

### Affordability and suitability

- The typology of new builds is consistent with the housing needs of our whānau.
- The supply of social and affordable housing, rental and owner occupied, meets demand.
- The gap between Māori and non-Māori home ownership is closed.
- Mixed housing developments reduce current concentration of socio-economic disadvantage.
- Access to Progressive Home Ownership schemes is supported for first home buyers.

### Māori Housing

- More whānau are living in safe, warm and healthy homes.
- The housing plans of Iwi and Post Settlement Governance Entities are realised.
- There is effective partnership between all agents delivering housing solutions for Māori.
- The gap between Māori and non-Māori home ownership is closed.
- To develop skills, training and employment opportunities for Māori a social procurement approach is embedded in housing-related contracting.
- Construction related contracting opportunities are provided to Māori businesses.
- Innovative solutions based on Papakāinga models are implemented.

### Land and regulatory settings

- Greenfields land is available for development while productive land is protected.
- Intensification of urban residential and CBD areas is underway and supported by the community.
- We have a more responsive regulatory and consenting process.
- The future delivery programme for all housing streams is known and monitored.
- A comprehensive range of tools is applied to support housing development, for example mixed housing developments, targeted economic incentives.



#### Community well-being

- The most vulnerable members of society are housed safely.
- The number of tamariki living in unhealthy housing is significantly reduced and whānau are supported to maintain their housing to healthy standards.
- The need for emergency and transitional housing has been significantly reduced and less whanau are living in motels.
- The housing sector is used to increase the construction workforce, including implementing a social procurement approach in housing related contracting to build local skills and employment.
- The construction industry capability and productivity is increased through the introduction of innovative building practises.
- There is sufficient supply of social housing for the elderly to meet any future demand due to an ageing population.
- There is an increase in the number of Community Housing Providers of social housing.

#### Reduced external pressures

- There is sufficient fit-for-purpose, grower-built housing to accommodate RSE workers with no negative impact on local resident accommodation needs.
- Tourism contributes to a strong local economy without placing pressure on housing.
- Tourism is supported through reducing the use of tourism accommodation for emergency and transitional housing.

Hastings Medium and Long Term Housing Strategy 2021

## Programme of work



A Programme of Work has been developed to deliver the outcomes we aim to achieve.

**THE PROGRAMME HAS SIX WORKSTREAMS AND WITHIN THESE THERE ARE A NUMBER OF ACTIONS:**



1

**SOCIAL AND  
AFFORDABLE  
HOUSING  
- HOME  
OWNERSHIP  
AND RENTAL**



2

**MARKET  
AFFORDABLE  
HOUSING**



3

**MĀORI  
HOUSING**



4

**SENIOR  
HOUSING**



5

**RECOGNISED  
SEASONAL  
EMPLOYER (RSE)  
SCHEME**



6

**SKILLS  
TRAINING AND  
EMPLOYMENT  
CREATION**

These **Workstreams** are not exclusive to themselves and the range of the initiatives will involve opportunities throughout any developments. This may involve opportunities for comprehensive mixed housing developments integrating market, affordable and social housing.

## Action Plan for Medium and Long Term Housing Strategy



### WORKSTREAM 1: SOCIAL AND AFFORDABLE HOUSING - HOME OWNERSHIP AND RENTAL

AIM: To have a sustainable supply of affordable and social housing to meet household growth.

#### OUTCOMES

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"><li>• The typology of new builds is consistent with the housing needs of our whānau.</li><li>• The supply of social and affordable housing, rental and owner occupied, meets demand.</li><li>• The gap between Māori and non-Māori home ownership has closed.</li></ul> | <ul style="list-style-type: none"><li>• Mixed housing developments reduce current concentration of socio-economic disadvantage.</li><li>• Housing is a key input to community wellbeing, health, education and employment.</li></ul> | <ul style="list-style-type: none"><li>• Access to Progressive Home Ownership schemes is supported for first home buyers.</li><li>• The need for emergency and transitional housing has been significantly reduced.</li><li>• A vehicle is established that supports the development of affordable housing.</li></ul> |
|---|--|--|

ACTION	LEAD/PARTNERS	TIMEFRAME
<p>1.1 Kāinga Ora present to partners a medium term housing programme for all of Hastings District for the construction of their new social and affordable housing.</p>	<p><b>LEAD:</b> Kāinga Ora  <b>PARTNERS:</b> HDC Iwi, PSGEs,CHPs, MHUD</p>	<p>Kāinga Ora Hastings Napier Development Strategy presented early 2021.</p>
<p>1.2 The Council, in collaboration with the Camberley community, will facilitate the multi-agency regeneration of Camberley through the development of a Camberley Community Master Plan. The Plan will outline a whole of community benefit, establishing the links between housing, health, education, employment and community social capital and wellbeing.</p>	<p><b>LEAD:</b> HDC, Camberley Community  <b>PARTNERS:</b> MSD, MHUD, Iwi, Ministry of Education, Kāinga Ora, Police</p>	<p>Camberley Community Master Plan completed by end of 2021.</p>
<p>1.3 Key stakeholders collaborate to develop a masterplan for their multiple land holdings in Flaxmere for the purpose of accelerating land development for affordable housing, in a holistic and integrated manner.</p>	<p><b>LEAD:</b> HDC  <b>PARTNERS:</b> Kāinga Ora, MHUD, Iwi, HTST, CHPs, private developers</p>	<p>Flaxmere masterplan to be developed by early 2021.</p>
<p>1.4 Create a detailed land development plan for affordable housing at 244 Flaxmere Ave. The plan will include: developers, housing typology and support for progressive home ownership.</p>	<p><b>LEAD:</b> HDC  <b>PARTNERS:</b> Kāinga Ora, MHUD, New Zealand Housing Foundation, private developers</p>	<p>Development plan finalised by January 2021.</p>
<p>1.5 Council complete strategic development plans for its land holdings and other potential land acquisitions throughout the Hastings District to identify locations suitable for affordable housing developments over the longer term. This is related to, but separate from, the Heretaunga Plains Urban Development Strategy and the Hastings Medium Density Strategy.</p>	<p><b>LEAD:</b> HDC  <b>PARTNERS:</b> MHUD, Kāinga Ora</p>	<p>Hastings District land development and acquisition masterplan to be completed by mid-2021.</p>

ACTION	LEAD/PARTNERS	TIMEFRAME
<p>1.6 Investigate the option to establish a Hastings Housing Foundation Trust that supports the development of affordable housing, including the use of progressive home ownership tools. Make contact with New Zealand Housing Foundation to draw on their experience.</p>	<p><b>LEAD:</b> HDC <b>PARTNER:</b> New Zealand Housing Foundation</p>	<p>Commence early 2021.</p>
<p>1.7 Develop a business case for new housing developments to transition whānau living in motels into homes. The initial programme will involve partnerships involving Māori land and the development of homes following the papakāinga housing model.</p>	<p><b>LEAD:</b> HDC <b>PARTNERS:</b> Iwi, TPK, MSD, Kāinga Ora, MHUD</p>	<p>Business case to be completed by end of March 2021.</p>
<p>1.8 Council undertake discovery on homeless people in Hastings District to understand their characteristics, needs and causes of their homelessness. Subject to the outcome of discovery, determine any initiatives that can be taken to improve the housing situation of the homeless.</p>	<p><b>LEAD:</b> HDC <b>PARTNER:</b> MSD, MHUD, Housing First Collective</p>	<p>Discovery study to be completed by 31 March 2021.</p>



WORKSTREAM 2: MARKET AFFORDABLE HOUSING



AIM: There is a sustainable supply of market and affordable homes through greenfields developments and urban and inner city intensification to meet market and social demand.

OUTCOMES

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"><li>• The supply of greenfields land available for new developments meets demand in a manner that avoids encroachment on productive land.</li></ul> | <ul style="list-style-type: none"><li>• Intensification of urban residential and CBD areas is underway and supported by developers and the community.</li><li>• Housing developments include provision for mixed ownership and affordability models.</li></ul> | <ul style="list-style-type: none"><li>• We have a more responsive regulatory and consenting process with a more expansive range of tools to support and incentivise development.</li><li>• The future delivery programme for all housing streams is known and monitored.</li></ul> |
|---|--|--|

ACTION	LEAD/PARTNERS	TIMEFRAME
<p><b>2.1</b> The partner Councils continue with their review of the Heretaunga Plains Urban Development Strategy (HPUDS) to update and align the medium and long term projections for household growth (based on new Census 2018 projections) with the quantum of land available and the timing of its release.</p>	<p><b>LEAD/PARTNERS:</b> HDC, NCC, HBRC</p>	<p>Completion of HPUDS review by end of 2023.</p>
<p><b>2.2</b> The quantum of housing within the existing urban boundary is increased to meet HPUDS targets by Council accelerating its housing intensification programme in the Hastings urban area and CBD through proactive engagement with developers and responsive policies and regulatory processes. Introducing economic incentives to developers to incentivise the development of intensive housing in the inner city.</p>	<p><b>LEAD:</b> HDC <b>PARTNERS:</b> Kāinga Ora, private developers</p>	<p>Intensification strategy launched early 2021.</p>
<p><b>2.3</b> Collate a comprehensive overview for all housing streams, public and private, across the District to understand the anticipated delivery of housing; including typology, affordability, quantum, location, timeframe and developer.</p>	<p><b>LEAD:</b> HDC <b>PARTNERS:</b> MHUD, Kāinga Ora, Iwi, TPK, HTST, CHPs, TToH, Private sector</p>	<p>Commence early 2021.</p>
<p><b>2.4</b> Council to investigate the viability of undertaking an intensive housing project with the purpose of incentivising further private sector developments.</p>	<p><b>LEAD:</b> HDC <b>PARTNERS:</b> private developers</p>	<p>Investigation study completed by mid-2021.</p>

ACTION	LEAD/PARTNERS	TIMEFRAME
<p><b>2.5</b> Council review its regulatory, planning and consenting processes and practices so that they are supportive of new housing developments with the potential for mixed ownership and affordability. Consideration be given to the opportunities provided by the National Policy Statement on Urban development.</p>	<p><b>LEAD:</b> HDC <b>PARTNERS:</b> MHUD</p>	<p>Ongoing.</p>
<p><b>2.6</b> To monitor that the type of housing being built is consistent with demand and projections, the Council expand the information collected through building consents and other sources and maintain a comprehensive database. This information will assist to inform future strategic planning.</p>	<p><b>LEAD:</b> HDC</p>	<p>Database developed by 31 March 2021.</p>



WORKSTREAM 3: MĀORI HOUSING



AIM: Across whānau, hapū and iwi, Māori are planning and implementing successful housing solutions.

OUTCOMES

- |  |   |  |
|--|---|--|
| <ul style="list-style-type: none"> <li>• More whānau are living in safe, warm and healthy homes.</li> <li>• The housing plans of Iwi and Post Settlement Governance Entities are realised.</li> <li>• To enable multiple housing developments of three or more houses on qualifying Māori owned land.</li> </ul> | <ul style="list-style-type: none"> <li>• Māori housing developments support whānau transition out of motels.</li> <li>• Innovative housing models based on Papakāinga are introduced.</li> <li>• There is effective partnership between all agents delivering housing solutions for Māori.</li> </ul> | <ul style="list-style-type: none"> <li>• The gap between Māori and non-Māori home ownership has closed.</li> <li>• To develop skills, training and employment opportunities for Māori embed a social procurement approach is embedded in housing related contracting.</li> </ul> |
|--|---|--|

ACTION	LEAD/PARTNERS	TIMEFRAME
<p><b>3.1</b> Continue to support the Te Puni Kōkiri Māori Housing Network project (linked with the Hastings Place-Based Housing Initiative) to develop papakāinga housing. Council to explore how further support can be provided for papakāinga through regulatory processes. Explore options to obtain further funding for papakāinga, including considering alternative funding sources.</p>	<p><b>LEAD:</b> TPK <b>PARTNER:</b> Iwi, hapū HDC</p>	<p>Support for TPK ongoing. Exploration of funding options complete by mid-2021.</p>
<p><b>3.2</b> Investigate the potential to develop different types of papakāinga housing based on collective whānau. This could be a larger communal structure with intergenerational living on Māori land, possibly marae based. The investigation will include; the typology, built environment and regulatory factors.</p>	<p><b>LEAD:</b> TPK <b>PARTNER:</b> Iwi, hapū, HDC, MHUD, Kāinga Ora</p>	<p>Commence early 2021.</p>
<p><b>3.3</b> Te Puni Kōkiri and the Hawke's Bay District Health Board continue with their healthy housing programme to assess houses that are in need of repair. Funding for the joint TPK/HBDHB housing repairs programme finishes in June 2021. Make a case for additional funding through the MAIHI partnerships programme.</p>	<p><b>LEAD:</b> TPK <b>PARTNER:</b> HBDHB</p>	<p>Initial 20 house assessments done and repairs completed by mid-2021. Case for additional funding early 2021.</p>
<p><b>3.4</b> Partners work with the Heretaunga Tamatea Settlement Trust to collectively support the development of the land they own at Stock Road, Flaxmere and Boston Crescent, Flaxmere. MHUD engage with HTST to discuss any support that can be provided.</p>	<p><b>LEAD:</b> HTST <b>PARTNERS:</b> HDC, MHUD, Kāinga Ora, Iwi</p>	<p>Commenced.</p>



WORKSTREAM 4: SENIOR HOUSING



AIM: Elderly residents have access to safe, healthy and affordable housing.

OUTCOMES

- There is sufficient supply of social housing for the elderly to meet any future demand due to an ageing population.
- There is an increase in the number of Community Housing Providers of social senior housing in the District.

ACTION	LEAD/PARTNERS	TIMEFRAME
4.1 HDC to review its senior housing portfolio. Develop a strategy that addresses, quality and short and long term demand; accounting for future demographic and socio-economic changes of an ageing population.	<b>LEAD:</b> HDC <b>PARTNERS:</b> Kāinga Ora, CHPs	Completion of Council's review of its Senior Housing stock by early 2021. Strategy written, presented to Council and Housing Governance Group and approved by 31 March 2021.
4.2 Attract more Community Housing Providers to the District to increase the provision of senior housing.	<b>LEAD:</b> HDC <b>PARTNERS:</b> CHPs, MHUD, Kāinga Ora	At least one new to the District CHP commences a development by 31 December 2021.



**WORKSTREAM 5: RECOGNISED SEASONAL EMPLOYER SCHEME (RSE)**



**AIM:** Housing is provided for RSE workers without impacting on the District's housing supply for permanent residents.

**OUTCOMES**

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>There is sufficient fit-for-purpose, grower-built housing to accommodate RSE workers with no negative impact on local resident accommodation needs.</li> </ul> | <ul style="list-style-type: none"> <li>Any annual quota increase in RSE workers are accommodated in purpose built facilities.</li> </ul> | <ul style="list-style-type: none"> <li>Iwi as mana whenua support RSE workers and their whānau.</li> </ul> |
|---|--|--|

ACTION	LEAD/PARTNERS	TIMEFRAME
5.1 The Council, Growers and Apple & Pear New Zealand continue their collaboration on plans for the construction of RSE employee accommodation on grower land and industrial sites.	<b>LEAD:</b> HDC <b>PARTNERS:</b> Growers, New Zealand Apple & Pear	Ongoing.
5.2 Iwi provide host pastoral support to Pacific Islands RSE employees and their whānau.	<b>LEAD:</b> Iwi <b>PARTNERS:</b> Growers	Ongoing.
5.3 Council, Growers, Apple & Pear New Zealand, Iwi and Ministry of Business, Innovation and Employment collaborate to put in place a monitoring scheme so that any additional labour through the RSE quota scheme are housed in new grower-provided accommodation with no adverse impact on the local domestic housing market.	<b>LEAD:</b> New Zealand Apple & Pear <b>PARTNERS:</b> HDC, MBIE	Annual review process, commencing 2021.



**WORKSTREAM 6: PROCUREMENT, SKILLS TRAINING AND EMPLOYMENT CREATION**



**AIM:** Procurement, employment and training opportunities arising from housing developments are fully realised for the benefit of local residents.

**OUTCOMES**

- A social procurement approach is embedded in housing related contracting, to build local skills and employment.
- There is a consistent supply market for local construction.

ACTION	LEAD/PARTNERS	TIMEFRAME
<b>6.1</b> Organise a meeting between delivery partners on the Hastings Place Based programme to co-ordinate contractor engagements to provide consistency in housing supply markets.	<b>LEAD:</b> HDC <b>PARTNERS:</b> Kāinga Ora, MHUD, Iwi, HTST, TToH, HBDHB, MSD, TPK	Early 2021.
<b>6.2</b> Under the auspices of the framework of Pou 2 in the Matariki Regional Development Strategy create a project to capitalise on employment opportunities arising from housing developments and support rangatahi trade qualifications.	<b>LEAD:</b> MSD <b>PARTNERS:</b> Kāinga Ora, Iwi, Matariki partners	Project implemented by mid-2021.
<b>6.3</b> Utilising housing developments, implement a social procurement programme to be used as a tool for employment, trades training and supporting local providers. To be undertaken in collaboration with Matariki Regional Development Strategy Pou 2 Programme of work 2.5.	<b>LEAD:</b> HDC <b>PARTNERS:</b> Matariki partners	Social procurement housing programme to be developed by early 2021.

## Background discussion



In recent decades housing supply and demand in Hastings has been in equilibrium with demand from relatively low population growth matching new developments. However, in recent years there has been stronger than projected population growth. Statistics New Zealand Census data shows that between 2006 and 2018 the Usually Resident Population increased by 10,695 from 70,842 to 81,537<sup>1</sup>. Of this growth 8,292 (77.5%) occurred in the five years between 2013 and 2018. The latest revised population estimates released by Statistics New Zealand in September 2020 show that the population surge may have commenced earlier than previous estimates thereby contributing to the current housing situation.

Population projections using the high growth rate scenario we are currently experiencing project that the Hastings District population will increase from 81,500 in 2018 to 98,200 by 2043<sup>2</sup>.

The change in the population is both in quantum and structural. The growth is not evenly spread across all age groups and is projected to be almost entirely in the over 65 years age group, notable is the projected increase in size of the 'older old' age group (80+). The population size of the younger age groups remains at similar levels to today. Figure 1 shows the population change across age groups<sup>3</sup> (based on a medium series projection).

1 Statistics NZ (2020) NZ Stats Population Estimates internet <http://nzdotstat.stats.govt.nz/wbos/Index.aspx> accessed 21 October 2020

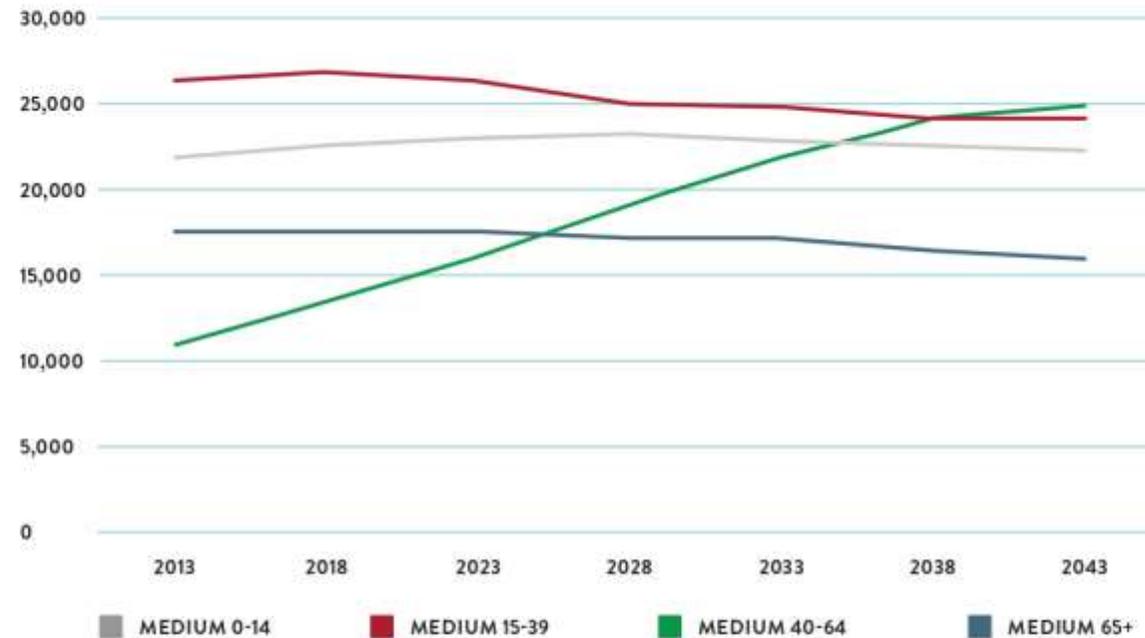
2 Appendix 1.

3 Statistics NZ (2020) NZ Stats Population Projections internet <http://nzdotstat.stats.govt.nz/wbos/Index.aspx?> Accessed 10 December 2020

Hastings Medium and Long Term Housing Strategy 2021

In recent years  
growth has been  
stronger than  
projected.

FIGURE 1: POPULATION PROJECTIONS BY AGE GROUP



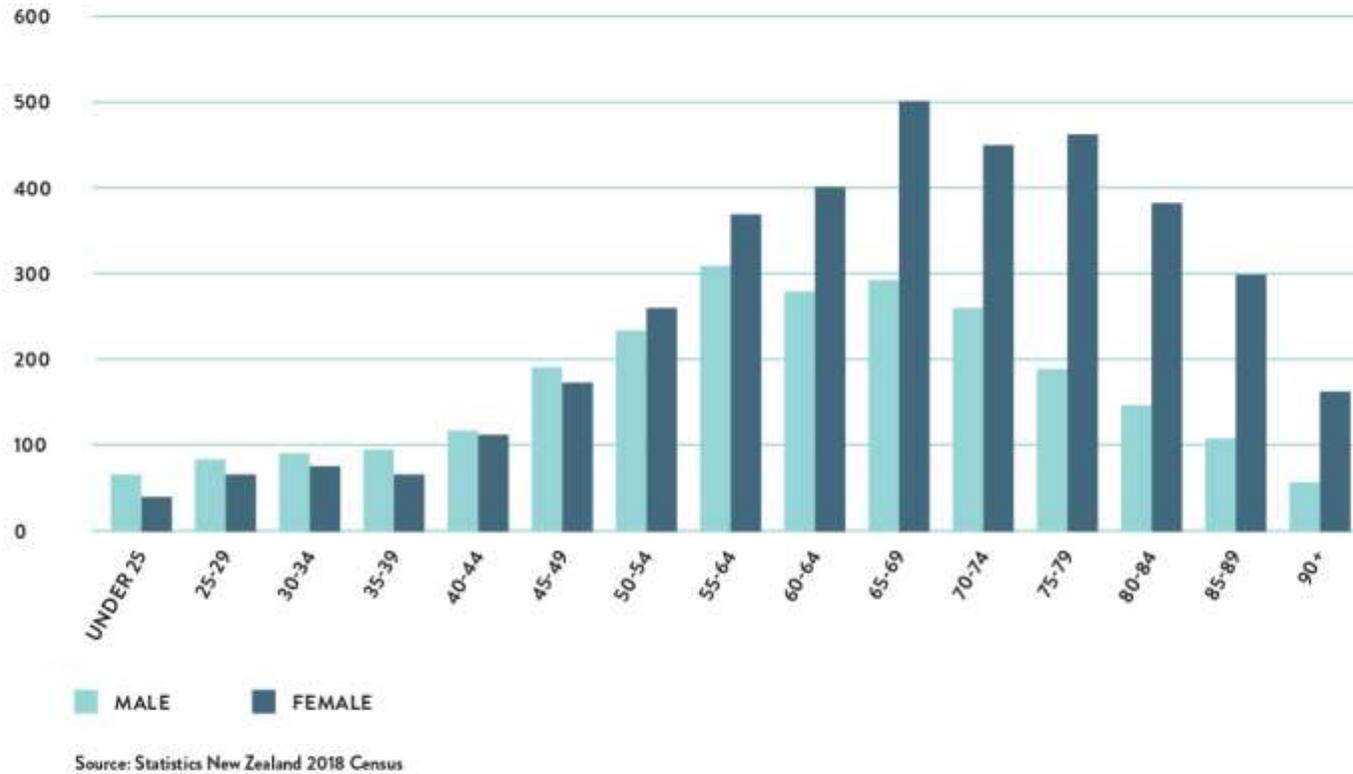
Source: Statistics New Zealand

A closer examination of the changing structure of the population reveals the social wellbeing and housing implications. One of the issues is household composition, Figure 2 shows the number of people living alone by age group where the majority are aged over 65 years.

Within this there is a gender factor as there are many more females living alone than males. This structural change in the population will be more prevalent in future years with the ageing population putting more pressure on senior support services and accommodation preferences<sup>4</sup>.

<sup>4</sup> Figure NZ/Statistics NZ (2020) One person Households Census 2018 internet <http://nzdotstat.stats.govt.nz/wbos/index.aspx?> Accessed 10 December 2020

FIGURE 2: ONE PERSON HOUSEHOLDS BY AGE GROUP AND SEX





Another demographic factor that will impact on housing is the change in the ethnicity structure of the Hastings population. Currently people identifying as Europeans, 64%, are the largest ethnic group; followed by Māori, 22%; Pacific People and Asian both 6%. It is projected that by 2038 the composition of the population will have changed with proportionately fewer Europeans, 56%; more Māori 26%; and more Pacific People and Asian both at 9%<sup>5</sup>.

This changing ethnicity structure impacts the age distribution of people residing in Hastings District as Māori (and Pacific People) have a younger age profile than non-Māori<sup>6</sup>.

This ethnic structure has socio-economic consequences as Māori (and Pacific People) have overall lower levels of educational qualifications and make up a larger proportion of the unskilled labour force, consequently earning less income than non-Māori. In 2020 the average individual annual income for Europeans was \$44,824 and for Māori \$37,700 (data covers Hawke's Bay/Gisborne region)<sup>7</sup>.

The variables of age structure, qualifications, income and ethnicity all contribute to different home ownership levels. Of the total Hastings District population 15 years and over, 37% do not own their own home. For Māori the non-home ownership level is 50%.

When the home ownership levels for the total population and Māori populations are compared based on age groups; for 15 years to 29 years there is not much difference with 71% of the total population and 69% of Māori not owning their own home. In the 30 to 64 years age group 29% of the total population and 39% of Māori do not own their own homes. For the 65 years and over age group, total population is at 22% and Māori 35%<sup>8</sup>. Therefore, for the next 35 years as cohorts enter into retirement age the percentage of Māori requiring rental accommodation will be higher than the percentage of non-Māori.

A consequence of this stronger than projected increase in population in recent years is that the demand for new households has outpaced supply. This strong growth situation has continued through to today and Hastings now has a housing supply shortage, which is regarded as severe.

Driven by the increased demand and supply shortage, house prices and rents have increased sharply in Hastings District. The median house price in Hastings District increased by 105% from \$315,000 in 2015 to \$645,000 in April 2020. The house price rise for first home buyers was even more significant rising by 136% from \$228,000 to \$540,000 over the same period, refer Figure 3<sup>9</sup>. Hastings is marginally more affordable than the New Zealand average which is heavily influenced by the Auckland factor.

5 Appendix Figure 7 & 8

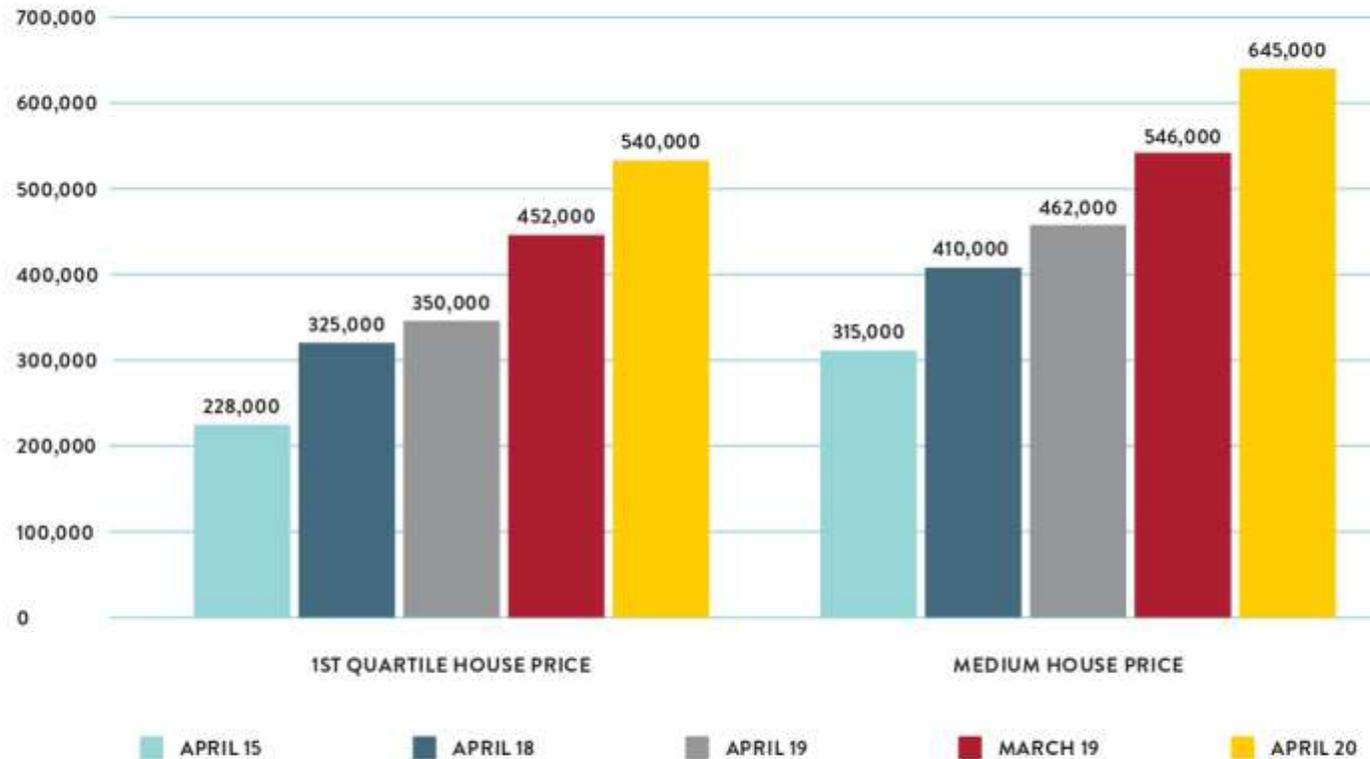
6 Appendix Figure 9

7 Statistics NZ (2018) Census 2018 Income internet <http://radotstat.stats.govt.nz/wbos/index.aspx> accessed 21 October 2020

8 Appendix Figure 10

9 Interest.co.nz (2020) Home Affordability Report April 2020 internet <https://www.interest.co.nz/sites/default/files/ha/2020/april/Hastingsdistrict-Apr20.pdf> accessed 21 October 2020

FIGURE 3: HOUSE PRICES 2015 TO 2020



Source: Interest.co.nz



Home affordability for first home buyers in Hastings has also deteriorated significantly. For first home buyers, defined as a couple aged between 25-29 years earning a medium income for their age group, their mortgage payments as a percentage of their take home pay would have increased from 20.6% in April 2018 to 30.3% in April 2020<sup>10</sup> (refer Appendix Table 2).

Rents have followed the upward path of house prices. The mean rent in Hastings District increased by 40% from \$299 in January 2015 to \$418 in January 2020. Like house prices the increase has been more pronounced in the lower quartile, increasing by 48% from \$241 to \$356 over the same period<sup>11</sup>.

A leading indicator of the impact of the housing shortage on lower income households is the number of applicants on the Ministry of Social Development's Social Housing Register for Hastings where there has been an unprecedented rise in applicants. In September 2015 there were 57 applicants on the register and as at 30 September 2020 this has climbed to 637 applicants.

Housing typology and applicant characteristics are quite defined with 479 (75%) of the applicants needing a one or two bedroom home; 328 (58%) are under 39 years of age and 384 (68%) of applicants are Māori<sup>12</sup>.

The scale of the social housing problem in Hastings and the Hawke's Bay region as a whole is highlighted when the number of applicants on the social housing register is compared with other parts of the country. The combined total for Hastings and Napier as at 30 September 2020 is 1384 applicants. Across all of New Zealand only Auckland City, 7,823, and Christchurch, 1,423, have more applicants on their register. On a population basis Hastings has a much higher ratio of their population as applicants on the social housing register: Hastings .0093%; Auckland .0047%; and Christchurch .0037%<sup>13</sup>.

<sup>10</sup> Interest.co.nz (2020) Home Affordability Report April 2020 internet <https://www.interest.co.nz/property/home-loan-affordability> accessed 21 October 2020

<sup>11</sup> Appendix Figure 11

<sup>12</sup> Ministry of Social Development (2020) Housing register internet <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/index.html#DownloadthelatestnumbersfortheHousingRegister3> accessed 15 December 2020

<sup>13</sup> Ministry of Social Development (2020) Housing register internet <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/index.html#DownloadthelatestnumbersfortheHousingRegister3> accessed 15 December 2020

## Demand



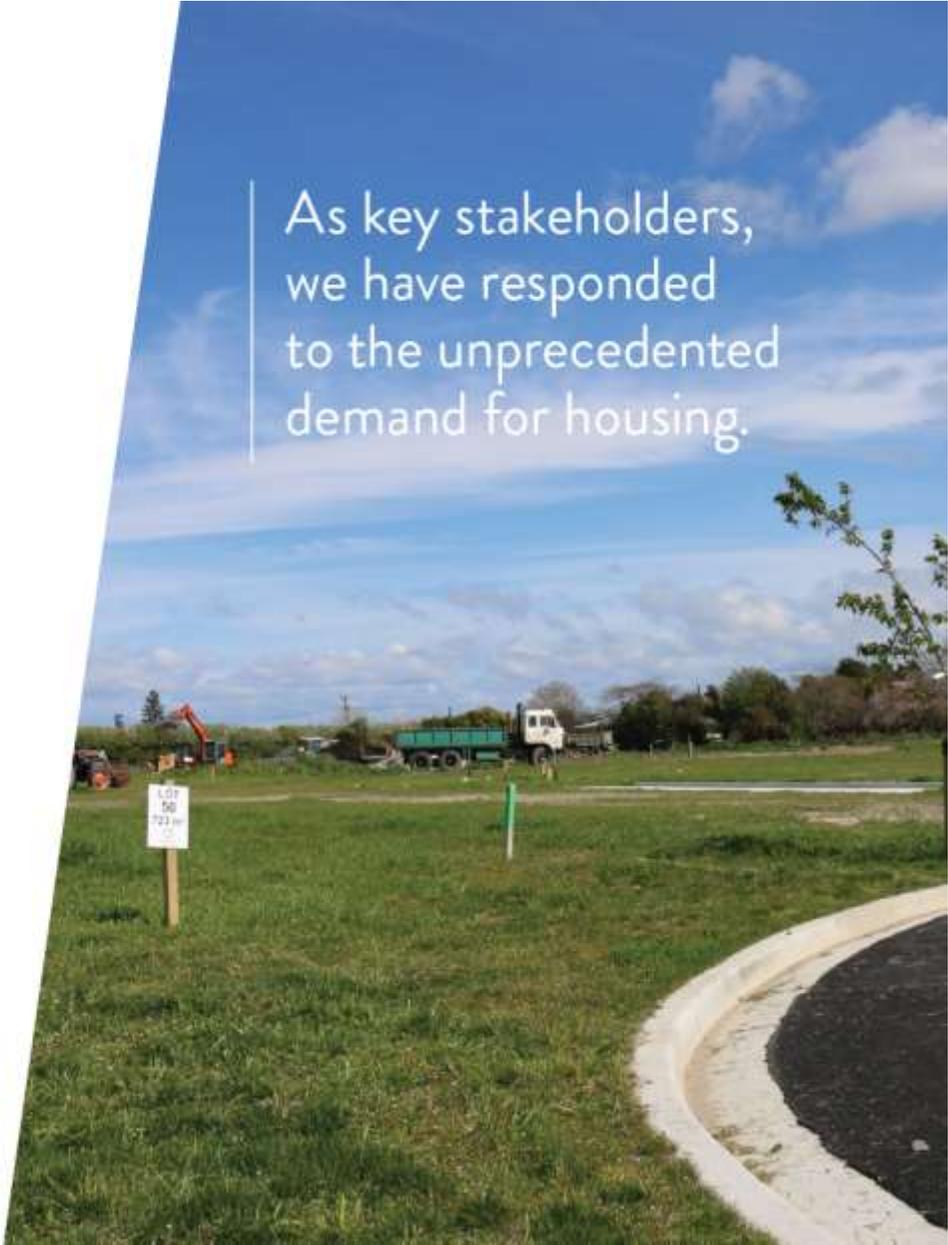
A key document informing the demand and supply factors for housing is the Heretaunga Plains Urban Development Strategy (HPUDS). Initially produced in 2010, HPUDS was updated in 2016/2017 and is scheduled for a further update in 2021/2022. HPUDS population and household growth projections are informed by Statistics New Zealand 2015 Sub-national Population Projections<sup>14</sup>.

Even though a medium/high projection scenario was applied to HPUDS from 2017, the projections have been significantly exceeded, mainly due to unexpectedly high positive net migration. This unforeseen population surge occurred faster than the Council and the development industry could respond to meet the consequential demand for new housing. Other factors compounding the situation have been: large annual increases in the quantum of RSE workers with their accommodations needs; accommodation converting to Airbnb's; and an increase in demand for public housing. A growing Hawke's Bay economy underpins the population growth.

Key stakeholders; the Council, developers and Kāinga Ora, have responded to the unprecedented demand for new housing. Over the 12 months to 30 November 2020, 406 new dwelling consents were issued, of this, 46 consents were issued to Kāinga Ora<sup>15</sup>.

HPUDS projections for the number of new households needed in Hastings to meet projected demand is shown in Table 1<sup>16</sup>.

Hastings Medium and Long Term Housing Strategy 2021



As key stakeholders,  
we have responded  
to the unprecedented  
demand for housing.



TABLE 1: FORECASTED ADDITIONAL HOUSEHOLDS REQUIRED IN HASTINGS DISTRICT

	PROJECTED NUMBER OF ADDITIONAL HOUSEHOLDS			
	2015-2025	2025-2035	2035-2045	2015-2045
Intensification	820-1190	660-970	445-795	1,925-2,955
Greenfields	1,335-1,500	700-800	335-460	2,370-2,760
Rural	460	200	80	740
<b>TOTAL</b>	<b>2,615-3,150</b>	<b>1,560-1,970</b>	<b>860-1,335</b>	<b>5,035-6,455</b>

Source: Heretaunga Plains Urban Development Strategy (2017)

Based on HPUDS projections and building consent data, half way through the 10-year period 2015 to 2025, 1,309 houses were granted building consents. This is at the low end of projected demand, leaving 1,306 to 1,844 houses to be consented by 2025 to achieve the HPUDS target<sup>14</sup>. However, Statistics NZ estimates of population growth, based on the 2018 Census, exceed HPUDS projections by 1,100 -1,300 households for the period to 2025, therefore actual demand is higher than the projections.

Taking into account a surplus of new dwelling construction relative to household growth over the preceding ten years (MBIE Urban Development Capacity Dashboard) of around 350 units and applying a nominal allowance of 20 house demolitions per annum results in an estimated requirement for construction of approximately 2,500 new dwellings to address the backlog in

14 Heretaunga Plains Urban Development Strategy (2017) internet <https://www.hpuds.co.nz/> accessed 21 October 2020

15 Hastings District Council building consents data

16 Heretaunga Plains Urban Development Strategy (2017) internet <https://www.hpuds.co.nz/> accessed 21 October 2020

17 Heretaunga Plains Urban Development Strategy (2017) internet <https://www.hpuds.co.nz/> accessed 21 October 2020

Hastings District by 2025. This equates to 500 new dwellings per annum which is 35% above the previous annual record number of new dwelling consents achieved in 2003 and 25% higher than the number of new dwelling building consents issued in the past 12 months.

The current socio-economic conditions make projections difficult. The main variable factor is net migration. Historically Hastings District experiences a small net negative migration each year mainly due to youth leaving the District for study, jobs and travel. The net migration pattern reversed in 2017 and since then Hastings has experienced positive net migration. Recent population estimates released by Statistics New Zealand in September 2020 now show that the population surge may actually have commenced in about 2015, two years sooner than initially reported. This influx has been due to: a growing economy attracting businesses and workers; less youth migration as the local economy outperformed other countries economic growth and jobs became available; higher domestic inward migration as retirees, particularly from Auckland, relocated; and higher inward migration from overseas.

There is a possibility that the aforementioned causes of the high population growth will continue for some time yet, thereby underpinning demand for housing. An added complexity is the current situation arising from Covid-19 and the socio-economic uncertainty this brings.

Early indicators show that the District's economy continues to perform strongly, underpinned by our large primary production base. Additionally the region is less dependent on overseas tourists than other regions with the majority of visitors being domestic; we also only have a low number of international students.

Potentially, inward migration could increase further as more people view the region as an attractive place to live, either in retirement or for raising a family. Changes to workplace and education practises could also support population growth with potential for increased remote working and learning.

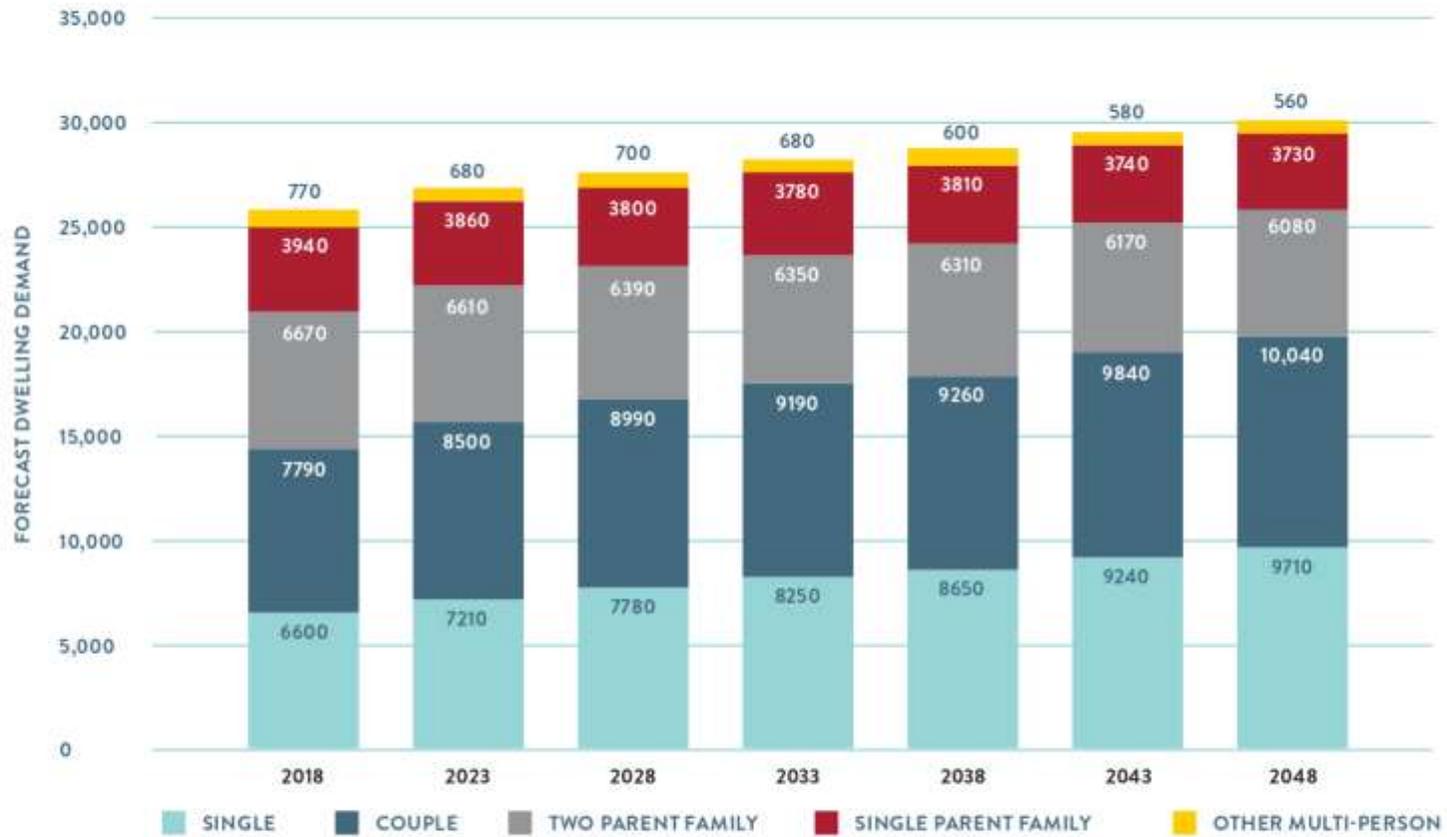
HPUDS currently uses a medium/high population projection and Figure 4 which shows projected household growth by family type is based on this. Given the recent population growth it is possible that these projections understate the situation overall.

Household growth by family type confirms that most growth arises from single and couple households mainly from within the existing population while migrant households will likely be larger.

Single households are projected to increase from 6,600 in 2018 to 9,710 in 2048 and couple households from 7,790 to 10,040. This has implications for the typologies of dwellings that will be needed. Conversely it is projected that there will be a decrease in two parent families and families of single parent with children from 6,670 to 6,080 and 3,940 to 3,730 respectively<sup>18</sup>.

18 Property Economics Ltd (2019) Hastings and Napier Commercially Feasible Residential Capacity Assessment June 2019

FIGURE 4: PROJECTED HOUSEHOLD GROWTH BY FAMILY TYPE



Source: Property Economics/Statistics New Zealand

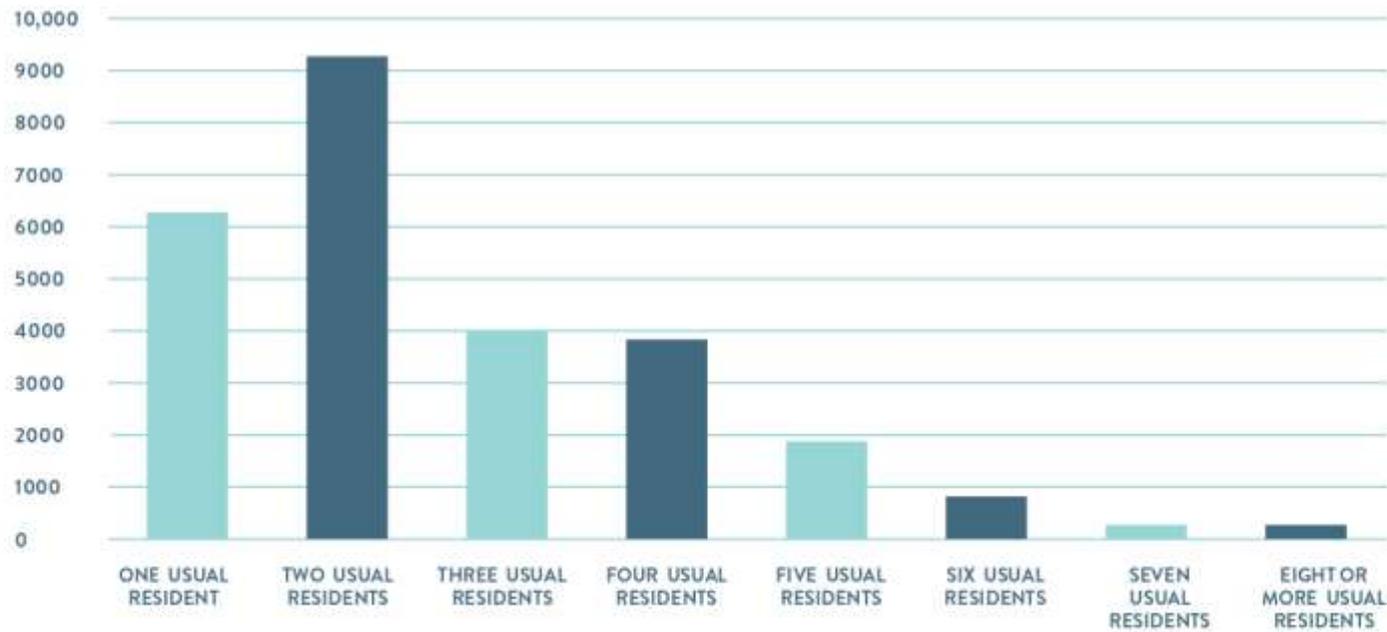
A feature of Hastings District housing is the typology relative to household composition. The predominant housing structure in Hastings District is a standalone dwelling. There are only a relatively small number of joined dwellings; reflecting the low number of townhouses, terraced houses and apartments<sup>19</sup>.

Dominating the typology by a substantial margin is three bedroom homes followed by homes with four bedrooms; one and two bedroom homes are the minority<sup>20</sup>.

In comparison Figure 5 shows household size measured by the number of people living together.

This shows that the largest category is households of two people followed by households of one person. These two categories make up the majority of households by a large margin<sup>21</sup>.

FIGURE 5: HOUSEHOLD SIZE BY NUMBER OF PEOPLE





Notwithstanding the mismatch between housing typology and household composition it is anticipated that the typology of new dwellings to be constructed will follow current preferences of developers and will be predominately larger standalone dwellings on greenfields land rather than higher density constructions within the urban boundary.

A further complicating factor is the future locations of new greenfields land for development. As expansion on the Heretaunga Plains becomes more restrictive and less land becomes available an option for developers will be elevated land on the surrounding hills which will lean towards larger, more costly homes. Interventions may be required to influence a typology change, particularly the development of smaller affordable housing.

Other important local factors to consider when assessing demand for housing are: Māori housing, housing for senior citizens and Recognised Seasonal Employer (RSE) accommodation. Emergency and transitional housing is also a critical issue and actions to improve this are actively being implemented through the Hastings Place Based Short-Term Response. Actions in this strategy will add further momentum to the objective of whānau living in permanent, healthy and affordable homes<sup>22</sup>.

19 Appendix - Figure 14

20 Appendix - Figure 15

21 Statistics NZ (2020) Number of usual residents in a household internet <http://nzdotstat.stats.govt.nz/wbos/index.aspx?> accessed 10 December 2020

22 Ministry of Housing and Urban Development (2019) Hastings place based approach internet <https://www.hud.govt.nz/assets/News-and-Resources/News-Articles/68cf02ca21/Hastings-Powerpoint-peck-December-2019.pdf> accessed 21 October 2020



## MĀORI HOUSING

The housing crisis in Hastings District will not be corrected unless the situation with Māori housing is improved. Iwi, Post Treaty Settlement Governance Groups, Te Puni Kokiri, Kāinga Ora, the Hawke's Bay District Health Board and local NGOs are all operating in the housing space to improve outcomes for Māori.

As previously discussed Māori are disproportionately over represented in the negative variables that affect home ownership. 50% of Māori over the age of 15 years do not own their own home and home affordability is a greater problem for Māori who have on average a 15% lower annual income than for the total Hastings District. The Māori population is structurally younger than the European population and therefore a larger proportion of potential first home buyers will be younger aged Māori where affordability is an issue.

Lower home ownership and being more dependent on rental accommodation can have an impact on wellbeing with negative outcomes in health, education and employment. In Hastings there are many rental homes in the private rental market in substandard conditions adding to poor health outcomes for tenants.

The impacts of substandard housing are most acutely felt by tamariki Māori as reflected in the following:

- Māori children are three times more likely to need to stay in hospital for bronchiolitis than NZ European/other children. Acute bronchiolitis is not easily treated by a visit to the doctor, but there is clear evidence it can be reduced with warm, dry, smoke free and uncrowded housing.
- Household crowding is also an important risk factor for a range of infectious diseases including pneumonia, bronchiolitis, gastroenteritis, rheumatic fever, tuberculosis and skin infections<sup>23</sup>.

It is important to address substandard housing as the negative health and educational impacts resulting from this situation will go on to perpetuate poor outcomes for future generations.

Māori have identified an opportunity to introduce a social procurement model into housing construction contracts. The aim of this initiative is to utilise the construction industry as a pathway to training and employment, particularly for Māori youth. An Iwi led-initiative 'Kahungunu Properties K3' is an example of action taken<sup>24</sup>.

<sup>23</sup> Hawke's Bay District Health Board (2018) Health equity report 2018 internet <http://www.ourhealthhb.nz/assets/Uploads/HBDHB-HealthInequities2018Webupdated.pdf> accessed 7 January 2021

<sup>24</sup> K3 Kahungunu Property (2020) A Maori housing movement internet <https://www.k3property.co.nz/> accessed 21 October 2020



## SENIOR HOUSING

The ageing of the population will have significant implications for future housing development, particularly for the type of housing that is likely to be in demand and tenure of housing. Statistics New Zealand predicts that the ageing population will drive a trend towards smaller households with significant growth in the number of one-person households and 75% of that growth will be one-person households comprising people aged over 55 years<sup>25</sup>.

As people enter retirement age some may want to sell their larger family home in order to down-size. Hastings is not well placed to support this possible change towards smaller households with the majority of the District's houses being three and four bedroom.

One means of providing for smaller housing will be through the development of retirement villages.

It is estimated that 40% of people aged over 75 years (most new retirement village occupants are 75+ years) are staying in retirement villages, rest home care or pensioner rental housing; the remaining 60% are staying in their own homes or private or state-owned general rental accommodation<sup>26</sup>. If it is assumed that over the 30 years HPUDS planning period, the demand for retirement village accommodation increases in direct proportion to the growth in the local 75+ population then it is projected that there will be demand for 3,340 more new retirement units than exist as at 2016.

The potential growth in retirement village housing alone would represent approximately 31% of the demand for all new dwellings<sup>27</sup>.

Newer retirement villages however are being built along a commercial model which steers these homes towards the upper end of the retirement housing market. This has socio-economic implications as a retirement village option may not be viable for non-home owners with limited equity. As previously discussed, Hastings has a population age structure that is older than for total

New Zealand therefore population ageing factors will affect Hastings before many other areas of New Zealand. The younger the age cohort the higher the non-home ownership rate. Therefore the matter of affordable home occupancy in older age will be an increasing problem over time. The only provider of scale of social rental accommodation for the elderly in Hastings District is the Council with its 220 pensioner flats. There are few other smaller home social rental affordable options available.

<sup>25</sup> Statistics NZ (April 2013) How will New Zealand's ageing population affect the property market? (p.9) 7 Ibid. p.8.



## RECOGNISED SEASONAL EMPLOYER (RSE)

The Recognised Seasonal Employer (RSE) scheme came into effect in April 2007. The policy allows the horticulture and viticulture industries to recruit workers from overseas for seasonal work when there are not enough New Zealand workers. In 2007 the cap on the scheme was 5,000 workers across all of New Zealand, it has grown significantly to 14,400 for the 2020/2021 season. In Hawke's Bay alone, for the 2019/2020 season there were approximately 5,700 workers, the majority of whom are based in Hastings District<sup>26</sup>. The horticulture industry in Hawke's Bay forecast that the number of RSE workers will need to double over the next few years to enable crops to be harvested.

The arrival of RSE workers impacts on the availability of rental accommodation for local residents, although the Ministry of Business, Innovation and Employment (MBIE) has introduced measures to reduce this impact. Each worker can stay in New Zealand for up to seven months over an 11-month period.

The accommodation needs are therefore significant and this is satisfied through a combination of private houses, RSE grower owned houses and purpose-built accommodation, and motels. Anecdotal evidence informs us that private home owners renting accommodation remove the homes permanently from the rental market even when not used by RSE workers. Central Government and Council are working with growers to support the development of more purpose-built accommodation for RSE workers.

A secondary impact of RSE workers using up motel accommodation has been the growth in AirB&Bs as an alternative accommodation for visitors, thereby further removing potential rental homes from the market.

26 Environmental Management Services (2016) Retirement sector housing demand forecasts 2016-2045 internet <https://www.hpuds.co.nz/assets/Document-Library/Reports/Stage-2-Reports/HPUDS-2016-Review-Stage-2-Report-Retirement-sector-housing-demand-forecasts-By-EMS-Ltd.pdf> accessed 6 January 2021

27 Environmental Management Services (2016) Retirement sector housing demand forecasts 2016-2045 internet <https://www.hpuds.co.nz/assets/Document-Library/Reports/Stage-2-Reports/HPUDS-2016-Review-Stage-2-Report-Retirement-sector-housing-demand-forecasts-By-EMS-Ltd.pdf> accessed 6 January 2021

28 New Zealand Immigration (2020) Recognised Seasonal Employer (RSE) scheme research internet <https://www.immigration.govt.nz/about-us/research-and-statistics/research-reports/recognised-seasonal-employer-rse-scheme> accessed 21 October 2020

## Summary of what we know



### MĀORI HOUSING

- There is inequity in home ownership between Māori and non-Māori with Māori having a lower level of home ownership.
- Papakāinga housing developments are progressing.
- Iwi and Post Treaty Governance Entities are actively supporting housing solutions, employment and training.
- The health and wellbeing impacts of substandard housing are most acutely felt by tamariki Māori.

### SUPPLY

- For the past five years household growth has outpaced the supply from new developments.
- The housing shortage is across the full spectrum of typology, tenure and affordability.
- HPUDS has identified sufficient greenfields land for medium/high population growth but the current rate of growth means that this will be taken up quicker than planned.
- While history tells us that population growth may smooth out in the long term, the immediate future projection is for continued strong growth.
- Developer interest in housing intensification in urban areas and the CBD is low.
- Kāinga Ora have an active building programme in the District.
- Retirement villages will account for a sizeable share of new dwellings.



## DEMAND

- There is a mismatch between the higher demand for smaller one and two bedroom houses and the larger standalone houses predominately being built by developers.
- Retirement villages will only service a sector of the market with sufficient equity. Most people entering older age groups will need to look elsewhere for smaller housing.
- A lot of the demand for smaller homes will come from an ageing population looking to downsize their homes. There is also demand from younger single people, including those on lower incomes.
- The demand for emergency and transitional housing continues to rise.
- Those entering the 65 years and over age group have a lower level of home ownership and will be more reliant on the rental market.
- Hastings District will experience multiple demographic changes of population growth, structural ageing and ethnic mix which will contribute to different typology demand.

## AFFORDABILITY

- Affordability is an increasing problem, both in the first home buyer and rental market, particularly for Māori households with their lower average income.
- Some affordable housing developments, mainly in Flaxmere, to meet the new first home buyer market are underway or at planning stage.
- There are only a small number of Community Housing Providers and a limited number of affordable social houses.
- RSE worker accommodation is having an impact on the affordable rental sector and this is likely to continue as RSE numbers increase each year.

## Appendix



FIGURE 6<sup>9</sup>: HASTINGS DISTRICT POPULATION PROJECTIONS TO 2043

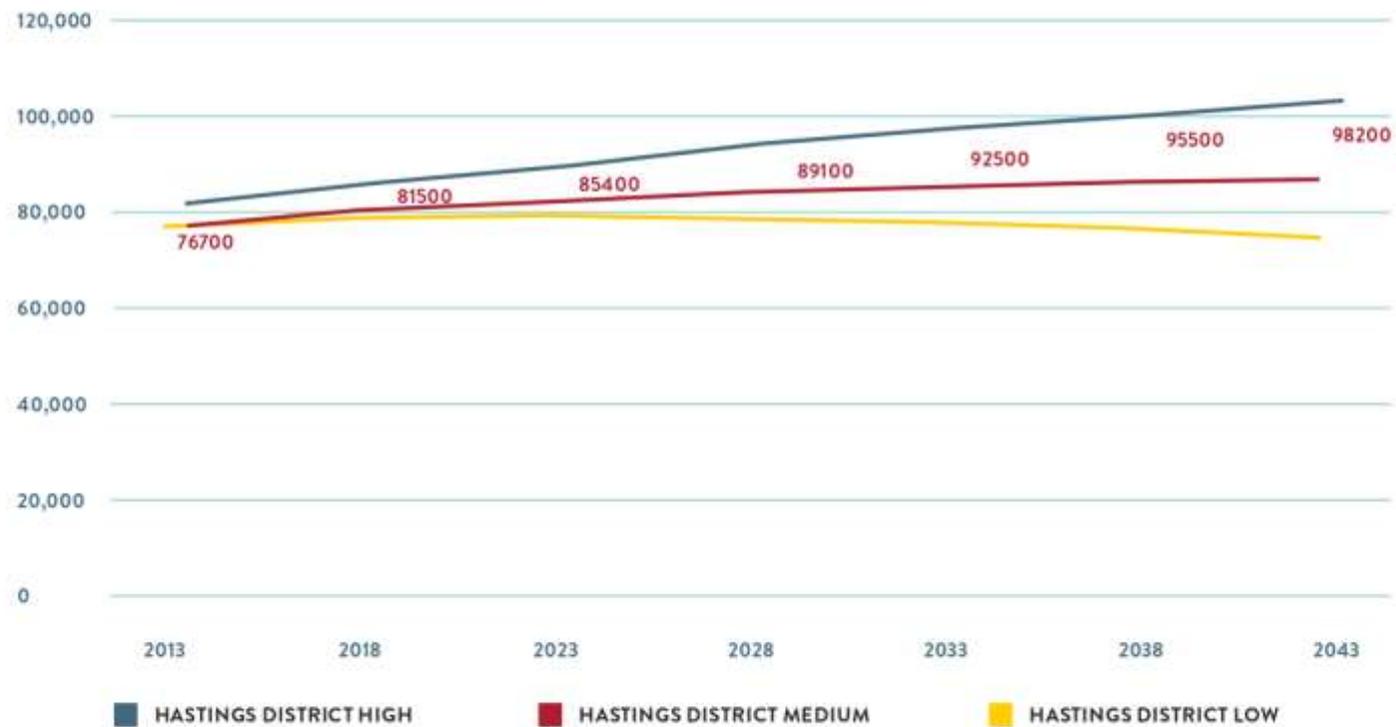
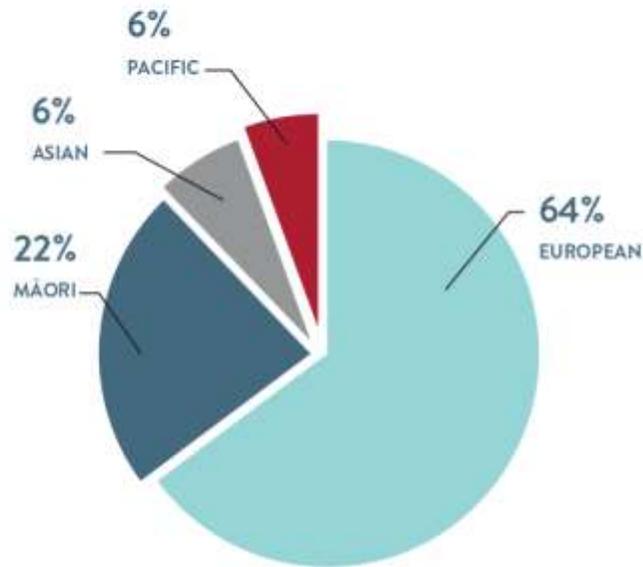
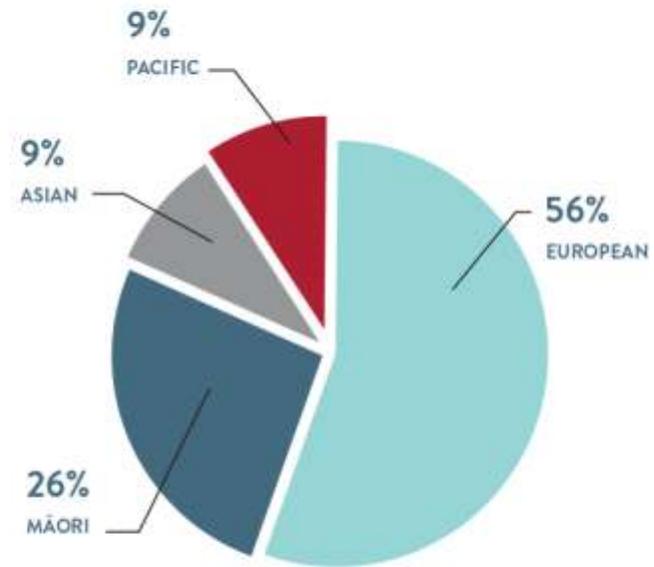


FIGURE 7 AND 8<sup>30</sup>:

PERCENTAGE ETHNIC POPULATION 2018



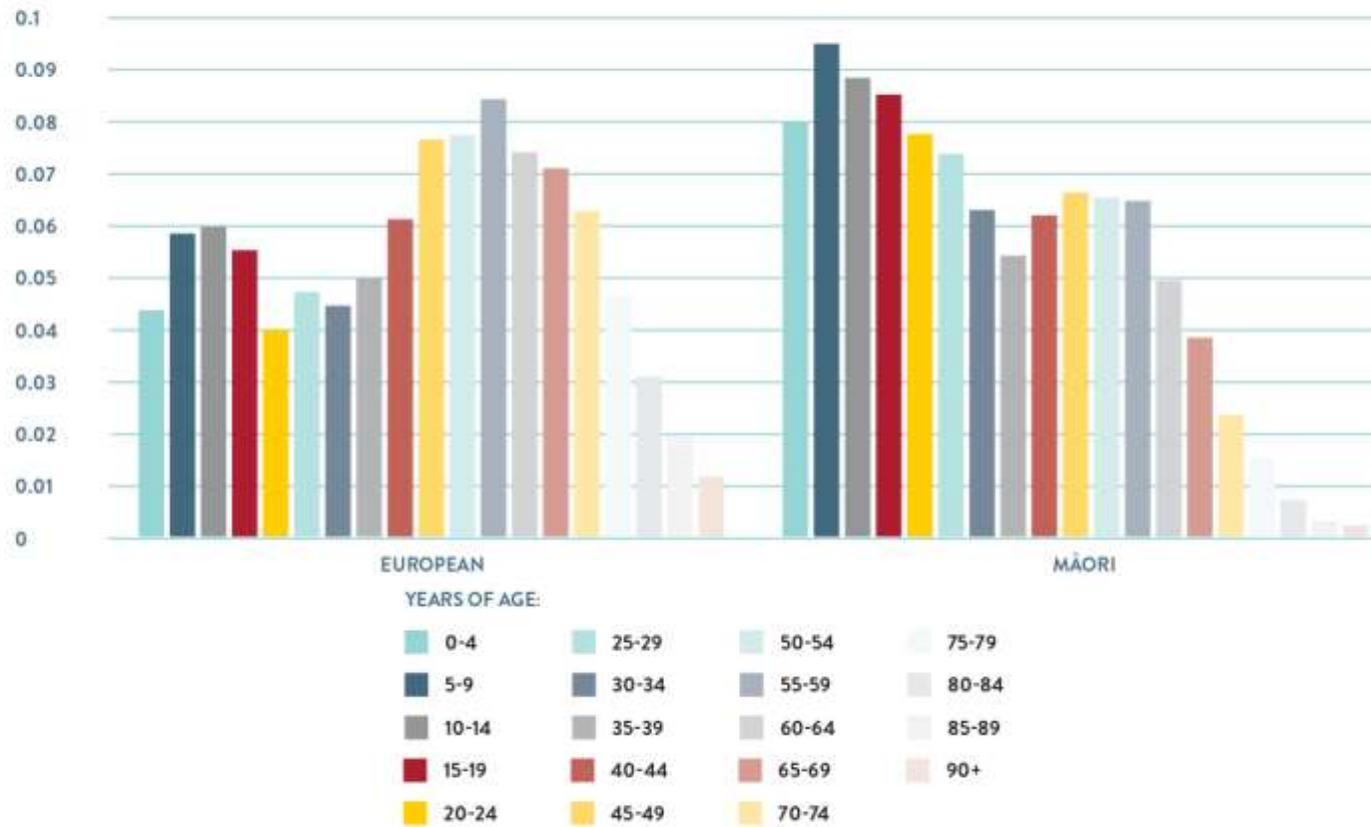
PERCENTAGE ETHNIC POPULATION 2038



29 Statistics NZ (2020) NZ Stats Population Projections internet <http://nzdotstat.stats.govt.nz/wbos/Index.aspx> accessed 10 December 2021

30 Statistics NZ (2020) NZ Stats Population Projections internet <http://nzdotstat.stats.govt.nz/wbos/Index.aspx> accessed 21 October 2020

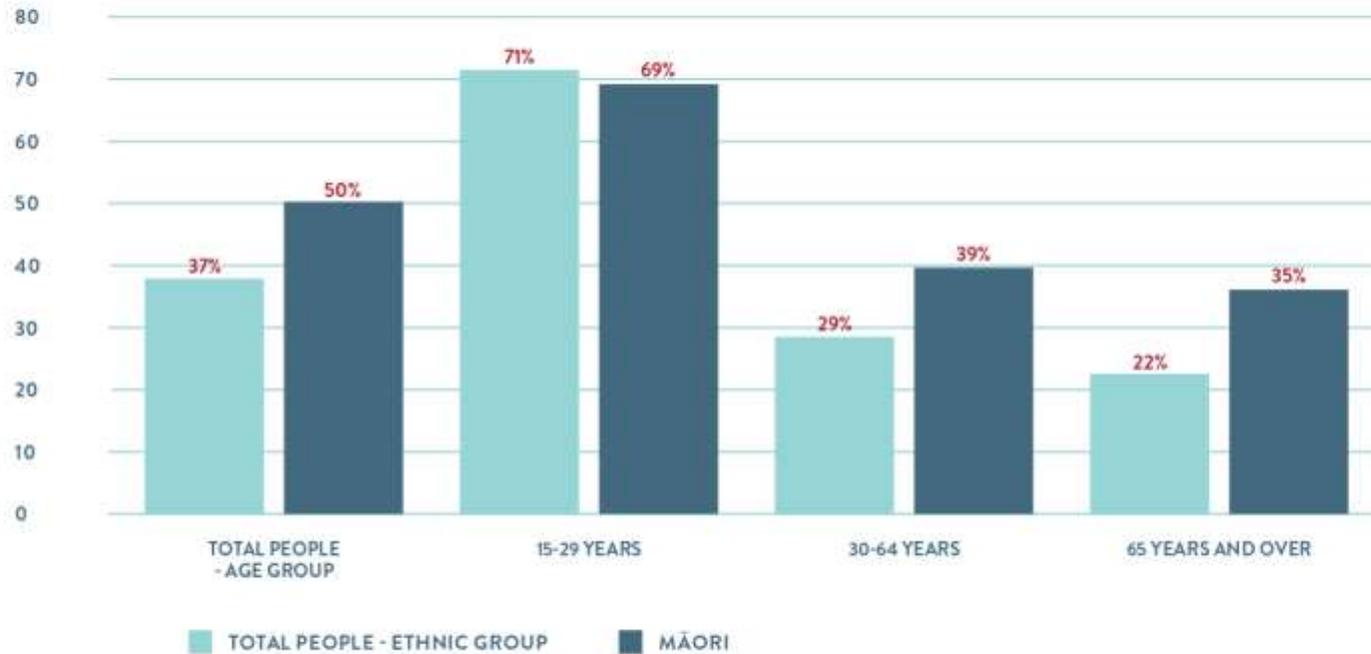
FIGURE 9: HASTINGS DISTRICT AGE DISTRIBUTION BY PERCENTAGE 2018<sup>31</sup>



Source: Interest.co.nz

31 Statistics NZ (2020) internet NZ Stats Age and Sex By Ethnic Group <http://nzdotstat.stats.govt.nz/wbos/Index.aspx?> Accessed 10 December 2020

FIGURE 10: HASTINGS DISTRICT PEOPLE 15 YEARS AND OVER WHO DO NOT OWN THEIR OWN HOUSE OR HOLD IN A FAMILY TRUST <sup>33</sup>



Source: Statistics New Zealand 2018 Census

<sup>33</sup> Statistics NZ (2018) Census 2018 Households internet <http://nzdotstat.stats.govt.nz/wbos/Index.aspx> accessed 21 October 2020

TABLE 2: HOME AFFORDABILITY

HOME LOAN AFFORDABILITY WITH A 10% DEPOSIT AT THE LOWER QUARTILE SELLING PRICE, SEPTEMBER 2020						
	Amount needed for a 10% deposit	Years to save a 10% deposit	Amount of mortgage required with a 10% deposit	Weekly mortgage repayment \$	Medium weekly after tax pay for couples age 24-29	Affordability : mortgage payments as a % of income
<b>HASTINGS</b>	45,000	2.7	405,000	430.70	1,611.11	26.7%
<b>NEW ZEALAND</b>	50,000	2.8	450,000	478.56	1709.68	28.0%

HOME LOAN AFFORDABILITY WITH A 20% DEPOSIT AT THE LOWER QUARTILE SELLING PRICE, SEPTEMBER 2020						
	Amount needed for a 20% deposit	Years to save a 20% deposit	Amount of mortgage required with a 20% deposit	Weekly mortgage repayment \$	Medium weekly after tax pay for couples age 24-29	Affordability : mortgage payments as a % of income
<b>HASTINGS</b>	90,000	5.3	360,000	337.43	1,611.11	20.9%
<b>NEW ZEALAND</b>	100,000	5.5	400,000	374.92	1,709.68	21.9%

Source: Interest.co.nz<sup>32</sup>

32 <https://www.interest.co.nz/property/107652/house-prices-bottom-market-have-been-largely-flat-auckland-several-months-have-kept>

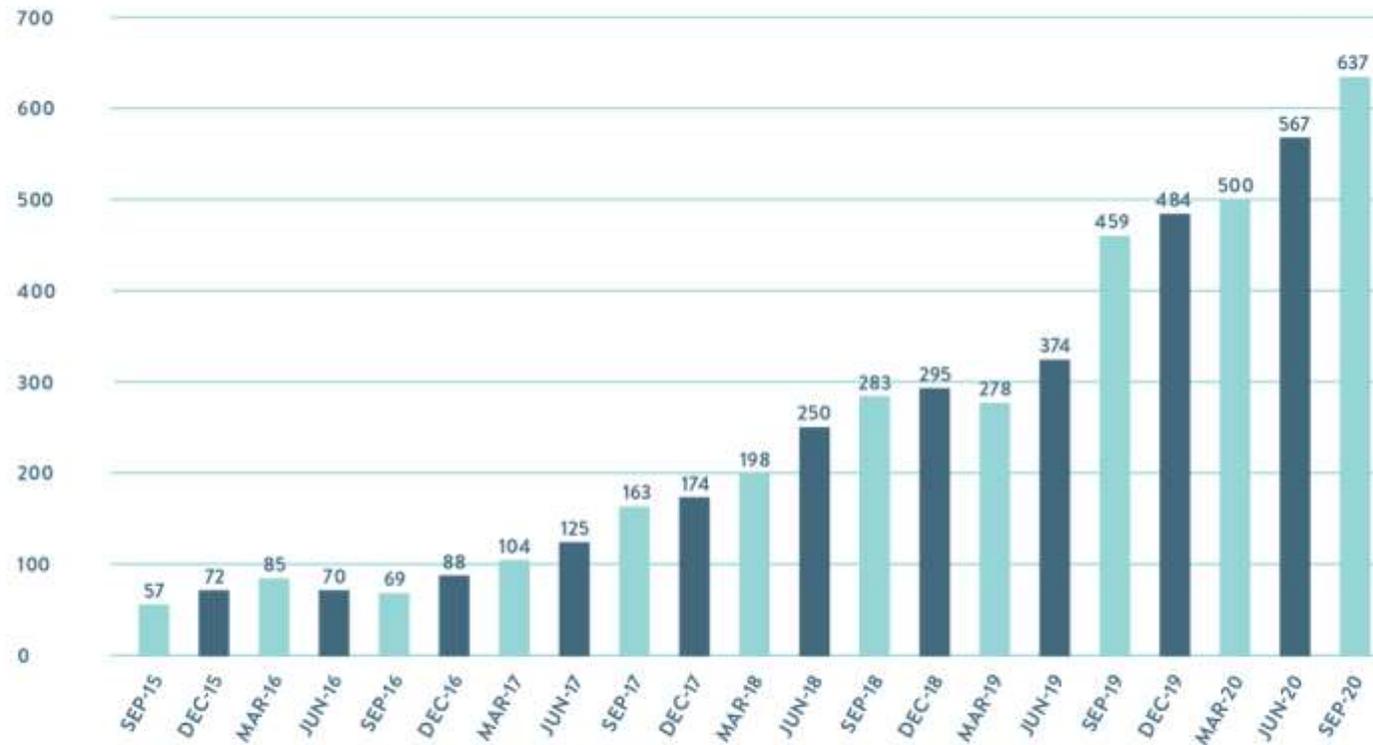
FIGURE 11: MEAN RENT 2015 TO 2020<sup>34</sup>



Source: Interest.co.nz

<sup>34</sup> Ministry Business Innovation and Employment (2020) internet <https://www.mbie.govt.nz/building-and-energy/tenancy-and-housing/rental-bond-data/> accessed 21 October 2020

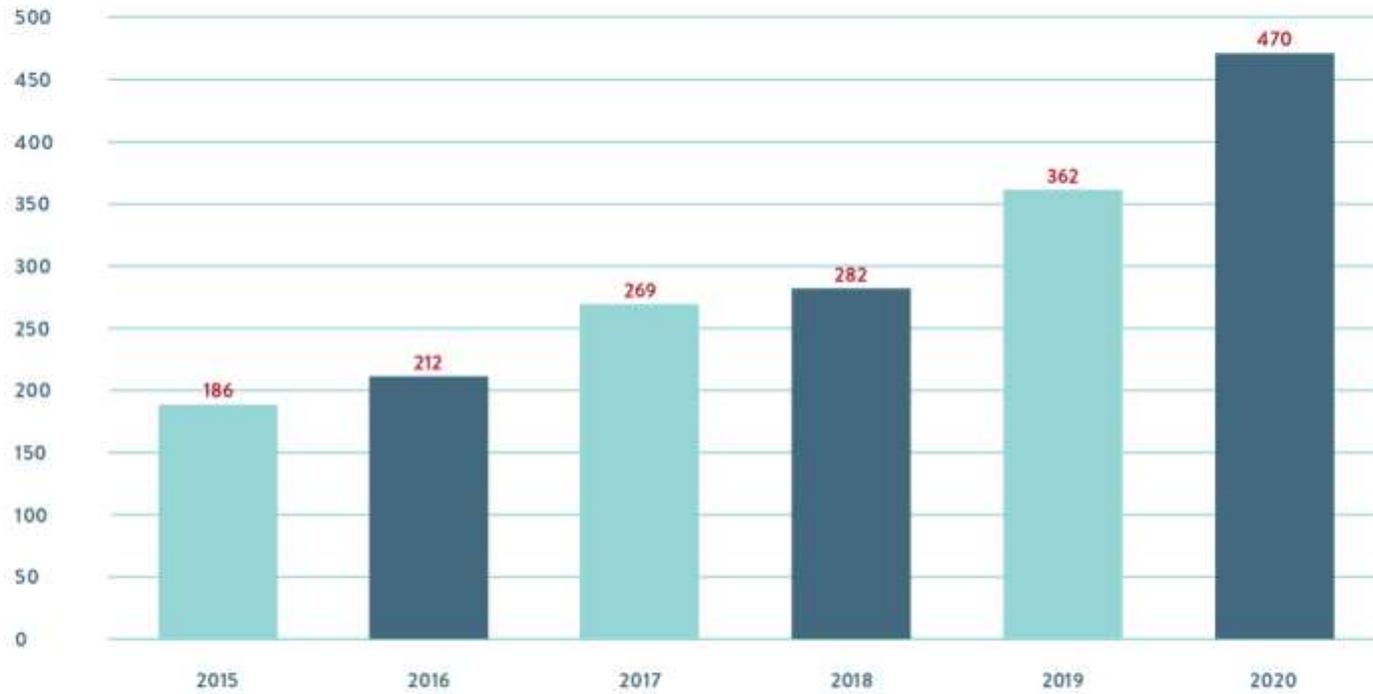
FIGURE 12: SOCIAL HOUSING APPLICANTS 2015 TO 2020<sup>35</sup>



Source: Ministry of Social Development

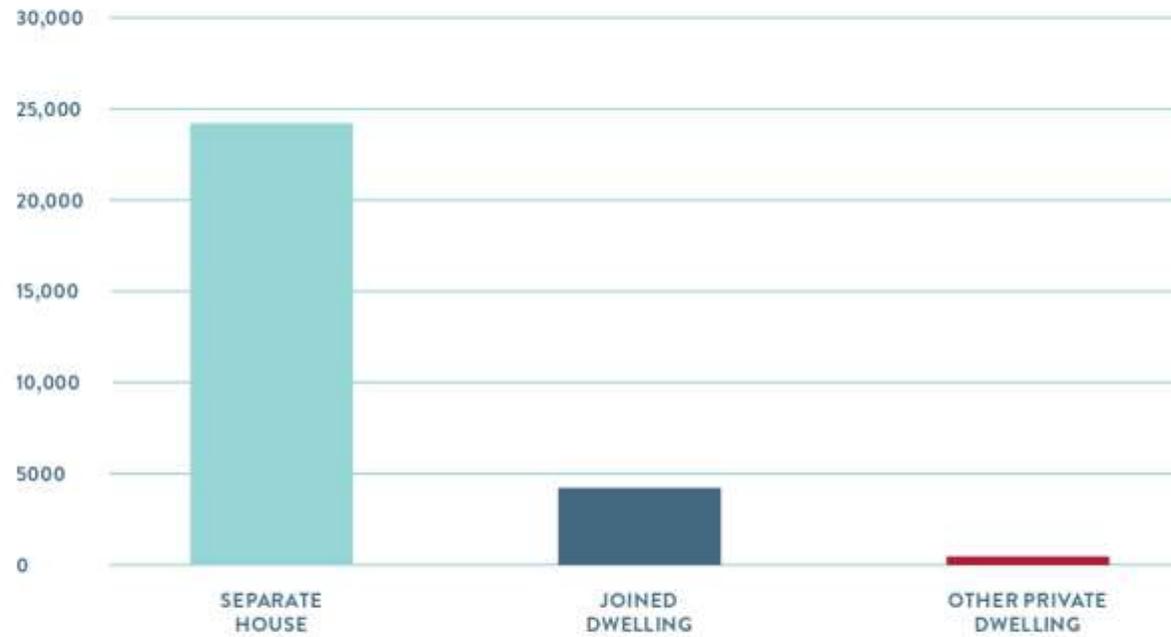
<sup>35</sup> Ministry of Social Development (2020) Housing register internet <https://www.msd.govt.nz/about-msd-and-our-work/publications-resources/statistics/housing/index.html#DownloadthelatestnumbersfortheHousingRegister3> accessed 15 December 2020

FIGURE 13: BUILDING CONSENTS ANNUAL JUNE 2015 TO JUNE 2020



Source: Statistics New Zealand

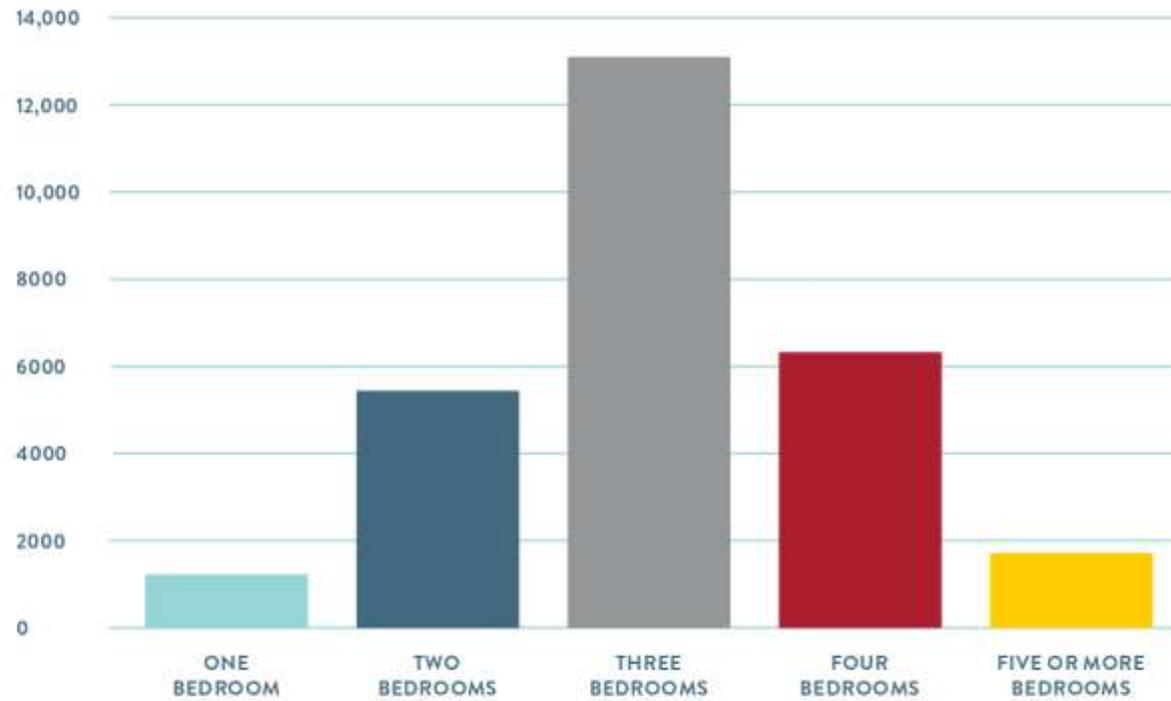
FIGURE 14: NUMBER OF OCCUPIED PRIVATE DWELLINGS<sup>36</sup>



Source: Statistics New Zealand 2018 Census

<sup>36</sup> Statistics NZ (2020) Number of Bedrooms By occupied Dwelling Type internet <http://nzdotstat.stats.govt.nz/wbos/index.aspx?> Accessed 10 December 2020

FIGURE 15: DWELLINGS BY NUMBER OF BEDROOMS<sup>37</sup>



Source: Statistics New Zealand 2018 Census

<sup>37</sup> Statistics NZ (2020) Number of bedrooms by occupied dwelling type internet <http://rdotstat.stats.govt.nz/wbos/index.aspx?> accessed 10 December 2020

