



Hastings District Council

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OPEN A G E N D A

COUNCIL MEETING

Meeting Date: **Thursday, 23 April 2020**

Time: **1.00pm**

Venue: **Virtual Meeting via Remote Access during the Period of the Covid-19 Pandemic Alert Level 3 & 4 Lockdown.**

Livestream via

www.hastingsdc.govt.nz/meetings

Council Members	Chair: Mayor Hazlehurst Councillors Barber, Corban, Dixon, Harvey, Kerr (Deputy Chair), Lawson, Nixon, O'Keefe, Oli, Redstone, Schollum, Siers, Travers and Watkins
Officer Responsible	Chief Executive – Mr N Bickle
Manager: Democracy & Governance	Mrs J Evans (Extn 5018)

HASTINGS DISTRICT COUNCIL

COUNCIL MEETING

THURSDAY, 23 APRIL 2020

VENUE: Virtual Meeting via Remote
Access during the Period of the
Covid-19 Pandemic Alert Level
3 & 4 Lockdown Period

TIME: 1.00pm

A G E N D A

- 1. Prayer**
- 2. Apologies & Leave of Absence**

At the close of the agenda no apologies had been received.

At the close of the agenda no requests for leave of absence had been received.

- 3. Seal Register**
- 4. Conflict of Interest**

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Manager: Democracy and Governance (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

- 5. Confirmation of Minutes**

Minutes of the Council Meeting held Thursday 19 March 2020.
(Previously circulated)

Minutes of the Extraordinary Council Meeting held on Tuesday 24
March 2020.

(Previously circulated)

6.	Chief Executive's Update	5
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10.	Additional Business Items	
11.	Extraordinary Business Items	

REPORT TO: COUNCIL

MEETING DATE: THURSDAY 23 APRIL 2020

**FROM: CHIEF EXECUTIVE
NIGEL BICKLE**

SUBJECT: CHIEF EXECUTIVE'S UPDATE

1.0 EXECUTIVE SUMMARY - TE KAUPAPA ME TE WHAKARĀPOPOTOTANGA

1.1 The purpose of this report is to update the Council on;

- Chief Executive (CE) Decisions made under special delegation for the New Zealand COVID-19 Level 4-Lockdown (The Lockdown).
- Management of Council Essential Services and Business as Usual during The Lockdown.
- Progress on Hastings District Council's Economic and Social/Community Recovery Plan.
- Deferred Capital Works Programme as a result of The Lockdown.

1.2 This report is a briefing for Council on matters relevant to the purpose of Local Government during the nationally declared Civil Defence Emergency as a result of the COVID-19 Pandemic. The recommendation is that Council receive and note the report.

2.0 RECOMMENDATIONS - NGĀ TŪTOHUNGA

- A) That the Council receives and notes the report titled Chief Executive's Update

3.0 BACKGROUND – TE HOROPAKI

- 3.1 The New Zealand Government Goal is to eliminate COVID-19 from New Zealand.
- 3.2 New Zealand was ordered into a Level 4 lockdown on Thursday 26 March 2020 for a period of at least 28 days. The Lockdown requires all citizens to remain in their place of residence, being allowed to leave the residence for shopping, exercise and medical attention. Only essential workers may attend their workplace.
- 3.3 At the time of writing this report, we are on the understanding the Government will make a decision on Monday 20 April 2020 regarding extending the Level 4 lockdown period or moving New Zealand to a Level 3 Lockdown with 48 hours to make arrangements to transition.
- 3.4 Level 3 Lockdown still imposes major restrictions with organisations required to manage physical distancing, gatherings still forbidden and people required to work from home if possible. Citizens are still required to remain in their place of residence and only have contact with others in their residence.

4.0 DISCUSSION - TE MATAPAKITANGA

- 4.1 **Chief Executive Decisions made under special delegation for the New Zealand COVID-19 Level 4-Lockdown.**
- 4.2 In the Extraordinary Council Meeting held on Tuesday 24 March 2020 the Council delegated to the Chief Executive the power to authorise and enter into any contract or other arrangement, and to authorise any level of expenditure (budgeted or unbudgeted). This delegation could only be exercised in circumstances where Council was unable or unavailable to hold a meeting as a direct result of the 2020 COVID-19 outbreak.
- 4.3 The Chief Executive has made one decision under this delegation. That was the establishment of the Rapid Response Fund and the reallocation of \$90,000 of previously unallocated Discretionary Grant budget for this purpose. The allocation of the Discretionary Grant budget has previously been under the authority of the Community Grants Subcommittee, now the Civic and Administration Subcommittee.
- 4.4 **Management of Council Essential Services and Business as Usual during the Lockdown.**
- 4.5 On 17 March 2020 the Chief Executive directed that the Council Incident Management Team (IMT) be activated to co-ordinate the Council adherence to the COVID Level 1-4 restrictions and Council support of the Hawke's Bay Civil Defence Emergency Management Group (CDEM).
- 4.6 The IMT operation objectives are;
 - To ensure staff and community safety and wellbeing and maintenance of Hastings District Council's essential service delivery.
 - To participate in the regional Civil Defence Emergency Management and Ministry of Health COVID-19 response and recovery.

- To participate in the regional economic and social sustainability recovery plan and delivery.
- To ensure that Hastings District Council at all times role models the strict adherence to the range of measures applying to each level in the New Zealand COVID-19 Alert Levels.
- To ensure the Hastings Welfare Response Plan activities are resourced and supported.

4.7 The IMT has identified Council Essential Services and registered these with the Ministry of Business Innovation and Employment. (MBIE).

HDC Essential Services

Public Services

- Water Services
 - Water Supply & Reticulation
(Contractors: Citycare, Bayview pumps)
 - Wastewater
- Solid Waste Services
 - Kerbside Refuse Collection
(Contractor -Waste Management)
 - Henderson Road Refuse Transfer Station
(Commercial Only)
 - Omarunui Landfill
(Contractor – MW Lissette)
- Transportation
 - Reactive Road Maintenance
(Contractors: Downers, Fulton Hogan)
- Environmental Health Services
- Animal Control Services
(Afterhours Contractor – HSM)
- Cemeteries & Crematorium Services
(Chapel closed)

Security

- CCTV
- Afterhours Security (Contractor HSM)
- Kaitiaki Support to Solid Waste Services

Support Services

- Incident Management Team (IMT)
- Call Centre
(Afterhours Contractor – PNCC)
- Communications
- Health & Safety
- IMBT (IT services and Infrastructure)
- Payroll
- Accounts Payable

4.8 As of 19 April 2020 the Essential Services Status is detailed in the following table. Any changes will be verbally notified at the Council Meeting.

Essential Services Status Update:

Essential Service	Status	Notes
Water - Supply & Reticulation	Green	
Water - Waste water	Green	
Landfill	Green	
Transfer Station	Green	
Refuse Collection	Green	
Animal Control	Green	
Cemetery & Crematorium	Green	
Environmental Health	Green	
Call Centre	Green	
Security/CCTV	Green	
Transportation	Green	
Health & Safety	Green	
Payroll	Green	
Accounts Payable	Green	
IMBT	Amber	High workloads
Communications	Amber	High workloads
IMT	Amber	High workloads

Status Key: Green – Good, Amber -OK, Red- Struggling

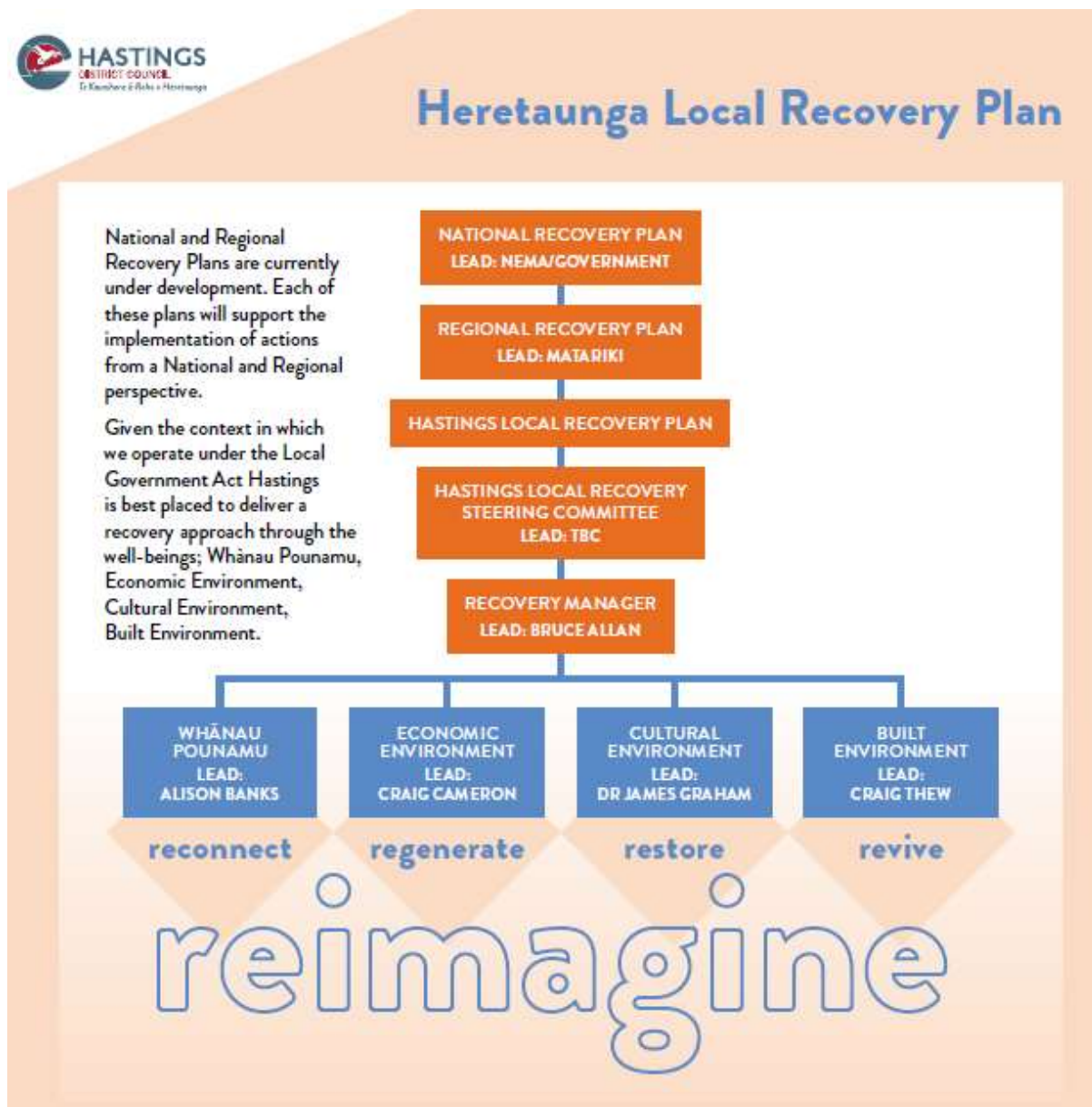
- 4.9 Where possible Council Staff are working from home.
- 4.10 The IMT is currently planning for Council transitions from Level 4 to the lower levels of restriction. Priority is placed on deployment and utilisation of staff (who effectively have their regular jobs suspended) to Council and CDEM business as usual priorities. Over 50 staff are currently assigned to delivery of Council's community welfare response or are working at CDEM.
- 4.11 **Progress on Hastings District Council's Economic and Social/Community Recovery Plan.**
- 4.12 Hastings like the rest of New Zealand is still in the midst of the response to COVID-19.
- 4.13 The IMT is planning for a Council Co-ordinated Contribution to Hastings District and Hawke's Bay Region Recovery from the Effects of the COVID-19 Pandemic.
- 4.14 The exact form of the national recovery structure is yet to be finalised. The Government is releasing Treasury forecasts and releasing more detail on the Level 3 restrictions for when New Zealand or parts of New Zealand are authorised to transition to Level 3.
- 4.15 COVID-19 presents as an extraordinary emergency and it is challenging to forecast how Recovery will work as;

- The full scale and scope of consequences won't be realised for some time, possibly until New Zealand borders are opened and a vaccine is developed (which may be 12 to 18 months).
 - There is a real likelihood the response will continue at some level until New Zealand is vaccinated as we face the ongoing risk of COVID-19 re-establishing itself in New Zealand.
 - The Ministry of Health is the lead agency in the New Zealand National Emergency Response. In addition to health consequences, the most significant consequences will be social and economic.
- 4.16 It will be appropriate for Council to operate at the following levels regards particular District and Regional Strategic Actions depending on our role and function as local government (LG);
- LG Led
 - LG Enabled
 - LG Advocacy
 - LG Assistance with particular Public, Private, Non-Government Sector actions
 - LG Awareness / Endorsement of particular Public, Private, Non-Government Sector actions
- 4.17 Initial officer planning for Recovery is to recommend Council take a strategic project managed approach to co-ordinate our allocated resources to District and Regional Recovery actions at levels 1 to 5.

<i>Level of Council Engagement</i>	Community Recovery (1-3yrs)	Economic Recovery (1-3yrs)	LG Bespoke Investment for Economic & Community Recovery	Central Government Bespoke Investment for Economic & Community Recovery	Long Term Community & Economic Recovery (1-10yrs)
Leader					
Enabler					
Advocacy					
Assistance					
Awareness & Endorsement					

- 4.18 Officers are preparing a draft Hastings District Recovery Plan for Council consideration. The draft plan will seek to ensure Hastings interests whilst aligning and integrating with other Hawke's Bay Councils and CDEM. The current thinking for the Framework for the draft Recovery Plan is shown below.

Officers have already submitted applications to the Crown Infrastructure Fund and Provincial Growth Fund for funding of prioritised Capital Works.



- 4.19 **Deferred Capital Works Programme as a result of The Lockdown**
- 4.20 Attachment 1 includes schedules from our Assets Team re the current state of The Capital Works Programme.

- 4.21 Attachment 2 includes a summary of The Forward Capital Works Programme to demonstrate there is a busy pipeline of projects once restrictions allow for work to continue.

5.0 OPTIONS - NGĀ KŌWHIRINGA

- 5.1 This is a Briefing Report for Council to receive so there are no decision options to be considered.

Attachments:

- | | | |
|---------------------|---|---------------|
| 1 ↓ | Public Spaces and Building Worksites at time of Government L4 Lockdown Measures | CG-16-2-00153 |
| 2 ↓ | Construction Summary | CG-16-2-00152 |

SUMMARY OF CONSIDERATIONS - HE WHAKARĀPOPOTO WHAIWHAKAARO

Not Applicable

Fit with purpose of Local Government - E noho hāngai pū ai ki te Rangatōpū-ā-rohe

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

This report is a briefing for Council on matters relevant to the purpose of Local Government during a nationally declared Civil Defence Emergency as a result of the COVID-19 Pandemic

Link to the Council's Community Outcomes - E noho hāngai pū ai ki te rautaki matua

Councils COVID-19 Response and Recovery activities are community centric.

Māori Impact Statement - Te Tauākī Kaupapa Māori

Councils COVID-19 Response and Recovery activities focus on working in partnership with Māori.

Sustainability - *Te Toitūtanga*

Council is expected to be at some level of Response for COVID-19 for at least 12 months.

Council is expected to be at some level of Recovery for COVID-19 for potentially 3 years.

Financial considerations - *Ngā Whaiwhakaaro Ahumoni*

Council officers are working on budget options for Council to consider and these options are the subject of another Council report on this agenda.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

Not Applicable

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto, ā-waho*

Not Applicable

Risks: Legal/ Health and Safety - *Ngā Tūrarū: Ngā Ture / Hauora me te Haumarū*

Council manages its Health and Safety Responsibilities in accordance with Government Guidelines for the response to COVID 19 under the National Declared Civil Defence Emergency.

Rural Community Board - *Ngā Poari-ā-hapori*

Not Applicable

Public Spaces and Building Worksites at time of Government L4 Lockdown Measures

Project	Remaining time	Remaining cost
Art Gallery Re -Roof	22 weeks	\$1,100,000
Waterworld - Plant room re-roof	1 week	\$5,000
Maraetotara toilet (excluding carpark work)	1 week	\$3,700
Landmarks Square container	3 weeks	\$12,000
Heretaunga House Lift	1 week	\$16,190
CBD works - Karamu Road (Queen to Heretaunga)	7 weeks	\$505,000

Civil Works Projects (3 Waters and Transport) at time of L4 Government Lockdown Measures

Description	Est weeks remaining	People on site at 23 March (incl drivers)	Closeout easy?	Actions Taken to cease works	Actions required during shut	Services
Princess / Victoria / Ellison (6 blocks)	17	6	No - 4 blocks are in earthworks. Will need a tidy up and ongoing monitoring. Most likely to close up within 48hr.	Open up road closures, ensure road surface and footpaths are safe and ensure that vehicle access to properties is available at all times.	Periodic site/TM checks will be carried out by RRs.	Combined Transportation & 3 Waters
Kahuranaki Road 2100m - RP 8541-10665	8	0	Yes - seal complete, minor defects	Tidy up site, sweep road, fill in 1 pothole and cone off top of 1st MSE wall.	Periodic site/TM checks will be carried out by RRs.	Transportation
Napier Road - Romaines to SH 51	0	0	Yes - Don't start	Delay site establishment.	None - Not started.	Transportation
Ohara (Big Hill No. 2) 417	5	0	Yes - Make safe, Scaffold remains in place	Tidy up site, ensure bridge, approaches & scaffolding are safe.	Downer to undertake weekly check of the site TM, scaffolding and unsealed approaches.	Transportation

Moeangiangi 122	12	0	Yes - Not started on site. Scaffold placed	Tidy up site, ensure bridge, approaches & scaffolding are safe.	Downer to undertake weekly check of the site TM and scaffolding.	Transportation
Arbuckle Rd	7	4	Yes - However Subbase is stabilised but exposed, which is a risk if rain arrives. Monitor under Road closure.	Open up road closures, ensure road surface is safe and ensure that vehicle access to properties is available at all times.	Weekly check of site, or after heavy rain event.	Transportation
Iona 1 - Breadalbane Avenue	12	4	Yes - Fill Sewer holes and monitor	Closed excavations, ensure road surface are safe and ensure that vehicle access to properties is available at all times.	Weekly check of limited TM remaining on site, along with unsealed surface.	Transportation
Maraekakaho Extension	3	6	Yes - Lining complete, otherwise 2 weeks remaining.		Weekly check of site, minimal TTM in place.	3 Waters
School Rd Rising Main	6	9	Yes - Last Air valve is complete. Final connection will be put on hold due to Level 4. Make safe and monitor.		TTMP in place STMS will look after daily during shutdown	3 Waters
Montgomery PI Drinking water	5	6	Yes - Closing up site. Temp water feed will		TTMP in place STMS will look after daily during shutdown	3 Waters

			be installed to houses. Monitor site			
Haumoana Watermain	10	12	Yes - Started directional drilling last week. All drill pits and receiving pits either backfilled or steel plates secured over pits (2 no.)	Xtreme Contracting have backfilled all open drilling and receiving pits on East Rd, except 2 which have steel plates covering them. TTM reduced to a minimum.	FH site crew requested the FH traffic management division to remove the majority of the TTM. Spoke to FH Wednesday afternoon as it was still not done. TTM not required if left it will need to be monitored.	3 Waters
Havelock North and Hastings Reservoir Repairs	11		Yes - Scaffolding and site fencing in place. One reservoir is offline, but this is not an issue. Longer term security of network issue to be considered.			3 Waters
Tauroa and Whirinaki Reservoir Repairs	0		Yes - Work not started yet, but if the work isn't done before next summer we need to consider the security of the network as above. Temporary			3 Waters

			repairs will need to be undertaken if we don't proceed with the full contract.			
Park Rd Sth / Lyell St PS Rising main rehab	1	10	No - New line is installed - Connection to old line is Wednesday (Temporary). Needs to be completed. Back fill be Thursday. Close up and make good by Friday.	TTMP in place STMS will look after daily during shutdown	TTMP in place STMS will look after daily during shutdown	3 Waters

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01 - Construction Summary										HASTINGS DISTRICT COUNCIL									
Activities: Entire program, Rolling horizon - TimeNow -60 to +1200 Filtered by code										Zones: CONS,COVID									
Activity description	Durn	Current		Slip	Curr	ESlip	Float	User	SubCon	2020		2021		2022		2023		2024	
		Start	Finish							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
A173 - Omaha Rd - Industrial Dev - Wilson to Jarvis	80	08 Feb 22	02 Jun 22	0	-127	19	DB												
A174 - Omaha Rd - Industrial Dev - Jarvis to Kirkwood	80	01 Aug 22	22 Nov 22	0	-5	142	DB												
P286 - Percival Rd Widening	40	07 Oct 22	05 Dec 22	0		133	MK												
P544 - Brookvale Rd connector	110	31 Jul 23	16 Jan 24	0		113	MK												
A175 - Iona development	639	04 May 20	04 Nov 22	0	-16														
A176 - Iona 1 - Breadalbane Avenue	70	04 May 20	22 Jul 20	0	-44	-16	MK	R_ROADS											
A177 - Iona 3 - Intersection (TBC)	75	02 Aug 21	16 Nov 21	0	-197	146	MK												
A178 - Iona 4 - Iona Rd - Middle to Breadalbane	75	02 Aug 21	16 Nov 21	0	-40	146	MK												
A179 - Iona 5 - Middle Rd - Iona to Breadalbane	75	02 Aug 21	16 Nov 21	0	-40	998	MK												
A180 - Iona 2a - WW Scheme & Supply	125	19 Aug 21	01 Mar 22	0	-13	935	MK												
A181 - Iona 2b - Water - Duart to Breadalbane	90	30 Jun 22	04 Nov 22	0		154	MSC												
A182 - Roundabout Construction	681	03 Aug 20	25 May 23	0		25													
A184 - Omaha / Henderson Roundabout	90	03 Aug 20	08 Dec 20	0	237	130	DB												
A183 - Irongate Stage 3 - Maraekakaho Roundabout	111	04 Sep 20	25 Feb 21	0	-24	85	DB												
A185 - Omaha / Chatham Roundabout	105	01 Aug 22	11 Jan 23	0		117	DB												
A186 - Maraekakaho / York Roundabout	90	01 Aug 22	06 Dec 22	0		132	DB												
P028 - Lyndhurst / Nottingly Roundabout	95	09 Jan 23	25 May 23	0		25	DB												
A187 - 3 Waters	###	04 May 20	08 Sep 25	0	###	-162													
A188 - Combined Projects	204	04 May 20	09 Sep 20	-70	-214	192													
A189 - Services Co-ordination Report	194	04 May 20	09 Sep 20	-70	-187	192	MSC	DAVIES											
A190 - Stormwater	1584	04 May 20	08 Sep 25	0	-487	-34													
A191 - Pipework - new or replacement	224	04 May 20	07 Jan 21	0	-35	-14													
A192 - Maraekakaho Extension	64	04 May 20	22 May 20	-4	-71	0	MSC	FH											
A194 - Arataki Rd	56	04 May 20	20 Jul 20	0	-64	-14	MSC												
A193 - Emerald Hill	35	03 Sep 20	21 Oct 20	0	-171	162	MSC												
A195 - Kopanga Road	23	18 Sep 20	20 Oct 20	-13	-121	163	MSC												
A196 - Reynolds Rd	45	20 Oct 20	07 Jan 21	0	-35	119	MSC												
A197 - AWPT Projects	1584	04 May 20	08 Sep 25	0	-487	-34													
A199 - Princes / Victoria / Ellison (6 blocks)	100	04 May 20	17 Aug 20	0	-62	-34	DB	R_ROADS											
A200 - Warwick Road (600m)	130	01 Jul 22	17 Jan 23	0	-243	113	DB												
A201 - Mayfair Avenue	30	01 Jul 22	11 Aug 22	0	-243	113	DB												
A202 - Simla Avenue	25	05 Aug 22	08 Sep 22	0	-246	138	DB												
A203 - Hastings St - Alexandra to Jervois Alexandra St - Warren to Hastings	30	10 Jan 24	21 Feb 24	0	-589	33	DB												
A204 - Terrace Road (TBC)	35	31 Jul 23	15 Sep 23	0	-381	123	DB												
A205 - Fitzroy Avenue - King to Nelson	40	31 Jul 23	22 Sep 23	0	-240	113	DB												
A206 - Alexandra St - Hastings to Willowpark (Stg 2)	30	29 Jul 24	06 Sep 24	0	-485	139	DB												
A207 - Ellison St - Hastings to Miller (TBC)	40	10 Jan 24	06 Mar 24	0	-245	43	DB												
A210 - Wastewater	1603	04 May 20	08 Sep 25	0	-487	-52													
A211 - Pipework - new or replacement	732	04 May 20	17 Feb 22	0	-202	0													
A214 - Richmond Rd and Frimley Interceptor NR1 Lining	59			0	-75		MW	INTERFLO											
A215 - Trunk Sewer - Karamu Concrete Pier Repairs	43	04 May 20	06 May 20	-3	-55	0	MW												
A216 - Eastern Interceptor	150	05 Jul 21	17 Feb 22	0	-202	91	MSC												
A237 - Omaha Industrial Renewals	30	02 Sep 20	13 Oct 20	0	-168	163	MSC	D_WAYS											
A217 - AWPT Projects	1584	04 May 20	08 Sep 25	0	-487	-52													
A219 - Princes / Victoria / Ellison (6 blocks)	100	04 May 20	17 Aug 20	0	-62	-34	DB												
A220 - Warwick Road (600m)	170	11 Jan 21	10 Sep 21	0	-156	-52	DB												
A221 - Mayfair Avenue	30	01 Jul 22	11 Aug 22	0	-243	113	DB												
A222 - Simla Avenue	25	05 Aug 22	08 Sep 22	0	-246	138	DB												
A223 - Hastings St - Alexandra to Jervois Alexandra St - Warren to Hastings	30	10 Jan 24	21 Feb 24	0	-589	33	DB												
A224 - Terrace Road (TBC)	35	31 Jul 23	15 Sep 23	0	-381	123	DB												
A225 - Fitzroy Avenue - King to Nelson	40	31 Jul 23	22 Sep 23	0	-240	113	DB												
A226 - Alexandra St - Hastings to Willowpark (Stg 2)	30	29 Jul 24	06 Sep 24	0	-485	139	DB												
A227 - Ellison St - Hastings to Miller (TBC)	40	10 Jan 24	06 Mar 24	0	-245	43	DB												
A229 - Pumpstations & Rising Mains	220	04 May 20	11 Jun 20	0	-59	13													
A231 - Park Rd Nth / Albert St / Avenue Rd WWPS Rising Mains	105			0	-94		MSC	D_WAYS											
A232 - Park Rd Sth / Lyell St PS Rising main rehab	16			0	-9		MSC												
A233 - School Rd Rising Main	75	04 May 20	11 Jun 20	0	-32	13	MSC												
A234 - Wastewater Treatment Plant	509	04 May 20	10 Feb 22	-10	-10	0													
A236 - Outfall Diffuser - Year 1 Inspection and Maintenance	19			0	89		MW												
A235 - WWTP Outfall - Emergency Beach Outfall and Groyne Renewal	68	04 May 20	16 Jul 20	0	-87	0	MW												
Q681 - WWTP Steel Manifold Renewal	255	25 Jan 21	10 Feb 22	-10	-10	96	MW												
A238 - Water	1584	04 May 20	08 Sep 25	0	-487	-162													
A239 - Pipework - new or replacement	312	04 May 20	13 Jul 20	0	-96	-9													
A241 - Montgomery Pl Drinking water	79	04 May 20	08 Jun 20	0	-44	16	DE												
A242 - Haumoana Watermain	55	04 May 20	13 Jul 20	0	-86	-9	MSC												
A243 - AWPT Projects	1584	04 May 20	08 Sep 25	0	-487	-52													
A245 - Princes / Victoria / Ellison (6 blocks)	100	04 May 20	17 Aug 20	0	-62	-34	DB												
A246 - Warwick Road (600m)	170	11 Jan 21	10 Sep 21	0	-156	-52	DB												
A247 - Mayfair Avenue	30	01 Jul 22	11 Aug 22	0	-243	113	DB												
A248 - Simla Avenue	25	05 Aug 22	08 Sep 22	0	-246	138	DB												
A249 - Hastings St - Alexandra to Jervois Alexandra St - Warren to Hastings	30	10 Jan 24	21 Feb 24	0	-58														

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REPORT TO: COUNCIL

MEETING DATE: THURSDAY 23 APRIL 2020

FROM: GROUP MANAGER CORPORATE SERVICES
BRUCE ALLAN
FINANCIAL CONTROLLER
AARON WILSON

SUBJECT: QUARTERLY FINANCIAL REPORT - MARCH 2020

1.0 EXECUTIVE SUMMARY - TE KAUPAPA ME TE WHAKARĀPOPOTOTANGA

- 1.1 The purpose of this report is to inform Council of the financial result for the nine months ended 31 March 2020, and provide a financial view on the final quarter of the 2020 financial year.
- 1.2 This report concludes by recommending that the report for the 9 Months ended 31 March 2020 be received.
- 1.3 Council has continued to face pressure in delivering increased activity levels within the parameters of the 2019/20 budget. Whilst revenue has continued to exceed budget through fees and charges, there has been increased expenditure required to meet Council obligations, whilst providing essential services to the community.
- 1.4 With the global pandemic COVID-19, and New Zealand moving to level four, in the last week of March 2020, the last quarter of the 2019/20 year will look very different to the previous three quarters.
- 1.5 With this in mind a forecast of the year end rating requirement has been completed. This shows a small overall surplus across the targeted rate and general rate areas after savings on net interest is added.

2.0 RECOMMENDATIONS - NGĀ TŪTOHUNGA

- A) That the Council receives the report titled Quarterly Financial Report - March 2020**

3.0 BACKGROUND – TE HOROPAKI

- 3.1 The accounting operating financial result is reported on quarterly during the year and at year end a report is prepared on the financial as well as the rating result. The rating result differs from the accounting result in respect of non-cash items such as depreciation, vested assets and development contributions that are not included.

- 3.2 This financial report is governance focussed and allows significant variances to be highlighted with explanations provided in a way this is easy to read and understand through dashboard analytics and commentary.

4.0 DISCUSSION - TE MATAPAKITANGA

- 4.1 Set out below is a summary of the operating financial result year to date. The financial results detailed below represent the accounting view and does not reflect the potential rating result for 2019/20:

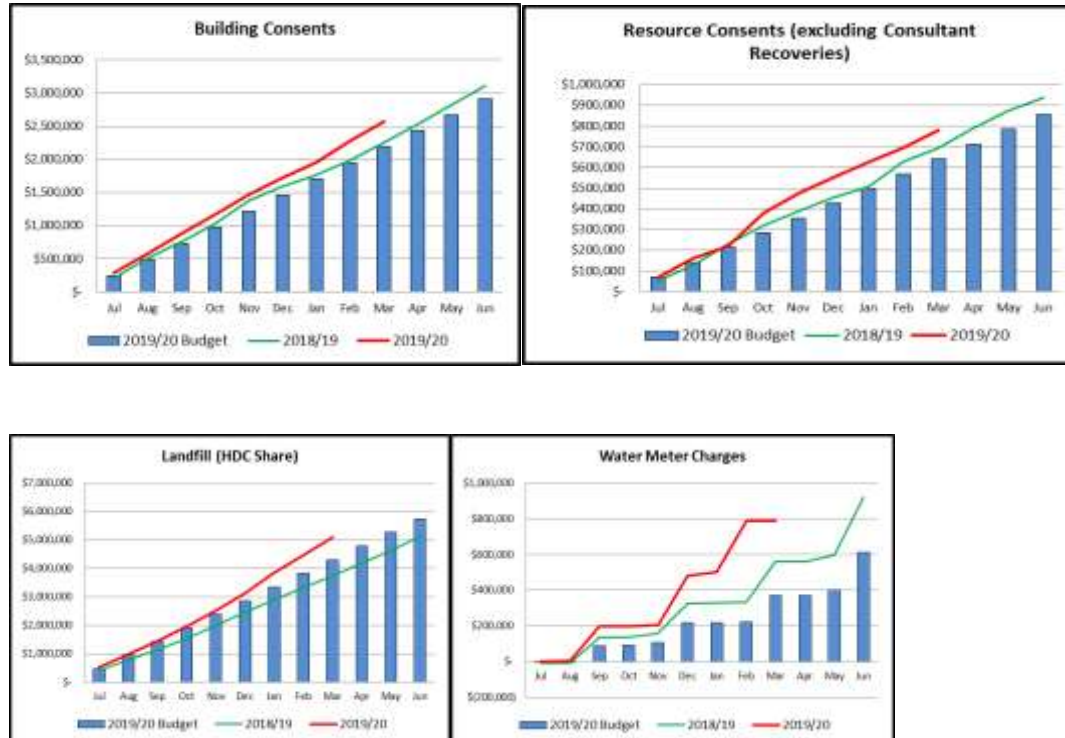
	\$'000	\$'000	\$'000	Full year Revised Budget*
2019/20	YTD Actual	YTD Revised Budget	YTD Variance	
Operating Revenue	105,059	103,053	2,006	137,044
Operating Expenditure	98,753	95,666	(3,087)	127,747
Net Surplus/(Deficit)	6,305	7,387	(1,080)	9,279

* Revised budget includes the Annual budget, Brought Forwards and surplus allocations from 18/19 financial year

Revenue

- 4.2 Fees and charges \$2.8m have been the main driver for revenue as a whole being above budget. Strong activity economically has resulted in much higher volumes in the regulatory and landfill areas.

Below are graphical breakdowns to show the impact of that activity financially:



- 4.3 Development contributions are unfavourable to YTD budget by \$787k. Phasing of budgets in relation to when contributions occur is difficult, and creates timing differences as it is not always known in advance in what month

a payment will occur when the budget is being set. Given the financial picture to March is unfavourable to budget, it is expected that due to the impact of Covid-19 this will worsen towards the end of the financial year.

- 4.4 Subsidies, Grants and Donations are \$428K unfavourable YTD mainly due to the timing of the roading RA1 maintenance and renewal programme.

Expenditure

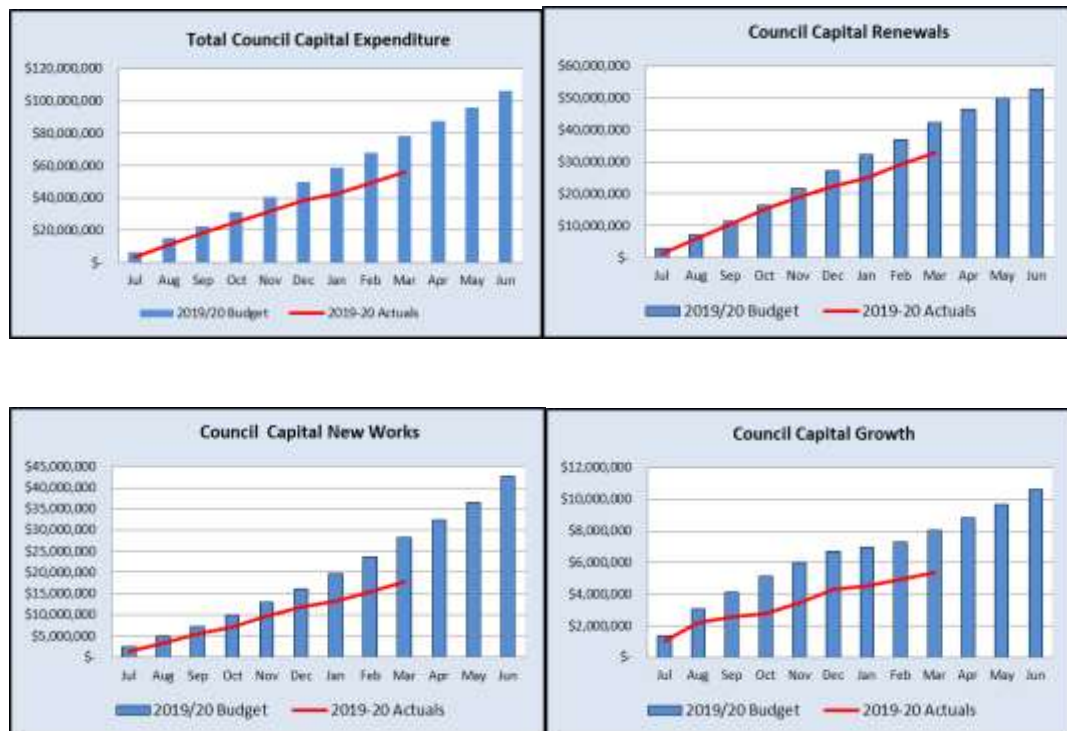
- 4.5 Overall expenditure is tracking unfavourable to year to date budget as at 31 March 2020 by \$3.08m or 3.0% of total budgeted expenditure year to date. Main drivers include:
- 4.6 The negative variance to budget for non-cash entries in terms of Depreciation (\$1.9m) are driven by higher asset values due to prior year revaluations in Parks, along with increased spend in infrastructure projects in water and roading.
- 4.7 Finance costs are favourable by \$1.52m which is a reflection of lower levels of debt than budgeted and lower actual interest rates compared with those assumed.
- 4.8 Other expenditure pressure is being felt as a result of higher volume demand in the regulatory areas, with higher contracted costs the result of meeting this demand.
- 4.9 In addition, there have been a number of unbudgeted items either approved or to be reimbursed. These include:
- Te Mata track remediation costs (now complete) of \$194k YTD and \$716k project total to date.
 - Railway station fire \$529k – These costs related to the removal and clean-up of asbestos from the site and surrounding area. Council is expected to be reimbursed for these costs.
 - Cape Kidnappers costs \$194k YTD, these are costs associated with the investigation into the safety of Cape Kidnappers along with operational costs in providing security for community health and safety concerns.

Capital

- 4.10 Council capital spend for the YTD to March is \$56.2m, this is \$22m lower than budgeted spend YTD.

	YTD Actuals ('000)	YTD Budgets ('000)	YTD variance	% Spent to Total Budget	Revised Full Year Budgets ('000)
COUNCIL CAPITAL					
Renewals	33,055,825	42,255,400	9,199,575	62%	52,984,936
New Works	17,793,927	28,186,857	10,392,930	42%	42,584,698
Growth	5,354,391	8,004,059	2,649,669	51%	10,595,450
	56,204,142	78,446,316	22,242,174	53%	106,165,085
SUMMARY			79%		
RENEWALS					
Stormwater Services	137,841	670,562	532,720	15%	905,000
Wastewater Services	7,599,889	10,988,255	3,388,367	59%	12,983,250
Water Services	1,206,157	2,920,383	1,714,226	31%	3,936,280
Transportation RA 1	11,675,155	11,805,942	130,787	76%	15,463,560
Parks	633,623	782,590	148,967	61%	1,043,453
Building services	1,625,041	1,566,503	(58,537)	74%	2,185,405
Rest of Council	10,178,120	13,521,165	3,343,045	62%	16,467,988
	33,055,825	42,255,400	9,199,575	62%	52,984,936
NEW WORKS					
Stormwater Services	858,184	1,865,425	1,007,241	38%	2,259,900
Wastewater Services	556,876	328,143	(228,733)	118%	473,000
Water Services	8,967,536	12,476,714	3,509,178	48%	18,504,814
Transportation	2,120,965	3,408,300	1,287,335	41%	5,215,600
Parks	3,312,779	5,225,234	1,912,455	52%	6,321,978
Building services	510,135	1,354,143	844,008	22%	2,321,000
Rest of Council	1,467,451	3,528,899	2,061,447	20%	7,488,407
	17,793,927	28,186,857	10,392,930	42%	42,584,698
GROWTH					
Stormwater Services	590,391	1,298,750	708,359	30%	1,967,000
Wastewater Services	1,282,554	2,397,250	1,114,696	38%	3,332,000
Water Services	926,398	916,103	(10,294)	83%	1,111,000
Transportation RA 1	1,580,322	2,023,243	442,921	58%	2,702,500
Parks	974,725	1,368,713	393,987	66%	1,482,950
	5,354,391	8,004,059	2,649,669	51%	10,595,450
Major Projects					
Renewal projects					
Opera house	7,935,545	9,779,447	1,843,902	68%	11,640,697
Streetlight LED Upgrade	567,222	652,500	85,278	65%	870,000
Wastewater Rising mains	3,075,972	4,194,952	1,118,981	56%	5,514,000
Trunk Sewer	3,218,490	3,572,937	354,448	90%	3,587,250
Outfall	146,410	1,123,865	977,455	12%	1,195,000
	14,943,638	19,323,702	4,380,064	66%	22,806,947
New Works projects					
Drinking water project	7,800,389	11,890,139	4,089,750	44%	17,722,714
Whakatu	48,757	-	(48,757)	-	-
EMO facility	482,323	465,000	(17,323)	67%	715,000
CBD Development	821,840	525,000	(296,840)	137%	600,000
Streetscape	512,205	1,313,075	800,870	29%	1,750,766
	9,665,513	14,193,214	4,527,701	46%	20,788,480
Growth projects					
Omahu	1,623,137	1,918,750	295,613	83%	1,951,000
Lyndhurst	1,027,631	2,185,625	1,157,994	42%	2,449,500
Irongate	1,013,742	1,071,750	58,008	91%	1,119,000
Iona/Middle	223,133	1,056,722	833,589	9%	2,545,000
Howard	420,787	172,750	(248,037)	70%	597,000
	4,308,431	6,405,597	2,097,166	50%	8,661,500

Below is a graphical representation for each of the three areas:



Treasury

- 4.11 Council's total gross debt position is \$160.7m which includes \$34m of prefunded capital expenditure and debt refinancing which is currently held on deposit. The additional debt drawn down to prefund capital expenditure and debt refinancing is providing Council with additional liquidity in these uncertain times.
- 4.12 Council is currently compliant with Treasury Management Policy. The Risk and Assurance Committee is responsible for reviewing Council's treasury performance and policy with advice from Bancorp Treasury Services.

5.0 Looking Forward – Last Quarter

- 5.1 The COVID-19 pandemic has been described by the NZ Treasury as “a once in a century public health shock that is also having a profound impact on economic and financial systems around the world and in New Zealand”.
- 5.2 The economic impact from New Zealand going into level four lockdown in order to eliminate COVID-19 will be, and is being felt within the Hastings district. Officers have reworked the financial forecasts of what this will look like for the last quarter of this financial year.
- 5.3 There are a number of inherent difficulties in providing an accurate forecast, when many of the factors driving the final numbers are unknown and changing rapidly at the time of creating this forecast. These financial reforecasts are a snapshot view of what the year end position could be and it

should be noted that due to this uncertainty, these forecasts will continue to be refined and will change.

- 5.4 These factors include, how long level four will be continued with, what level 3 will look like in terms of businesses able to restart, how long border quarantines will last, and in terms of this region, how badly will the community be affected and how this will impact on Council business.
- 5.5 There have been a number of assumptions that have been made in order to be able to provide a picture of how the various activities of Council will be affected.
- 5.6 In order to provide working clarity for budget managers, this forecast shows the bottom line rate requirement forecast for a wide range of activities within Council.
- 5.7 The rating forecast differs from the accounting result in respect of non-cash items such as depreciation, vested assets and development contributions that are not included.
- 5.8 In terms of local government, rating requirement is regarded as being an important indicator as it shows how the rates that were collected have been spent.
- 5.9 The table shows the forecasted position across all Council activities at year end against what the budgeted requirement is for the full year. The variance shows whether there is a forecasted deficit or surplus. (A positive variance represents an underspend to budgeted requirement, and a negative an overspend).
- 5.10 The line highlighted in blue shows the "whole of Council requirement" and shows a \$789,805 surplus at the end of year compared to budget, after net interest savings have been factored in.
- 5.11 The second table that is in green, shows how the surplus or deficit (i.e.: \$789,805) is split between what can be used as a general surplus against what needs to be applied to the targeted rate surplus or deficit.
- 5.12 Targeted rates surplus/deficit are ring fenced and cannot be used for other activities. Therefore, when the makeup of the \$789,805 forecast surplus is split out between the general rate and the targeted rate, the general rate shows a forecasted deficit of \$181,063.

Requirement across Council Activities	END OF YEAR FORECAST			General rate variance (rate funded)	Targeted rate variance (rate funded)
	FORECAST	BUDGET	VARIANCE		
Whole of Council before interest	75,808,114	74,649,436	(1,158,678)	(1,159,546)	868
Net Interest Paid/Received	4,367,972	6,316,455	1,948,483	978,483	970,000
Whole of Council Requirement	80,176,086	80,965,891	789,805	(181,063)	970,868

Assumptions

- 5.13 The following assumptions and actions have been taken in modelling the end of year forecast.

- Excludes all internal charges and recoveries
- Excludes any surplus from Landfill
- All revenue lines have been reviewed and adjusted.
- All expenditure lines have been reviewed and adjusted.
- Note this forecast will continue to be refined and updated as changes occur.

5.14 Note that these financial reforecasts and their assumptions will continue to be refined and will change.

Expected Impacts

- Rates received surplus of \$265k as at March 31st has been taken back to match budget, to allow for increased potential remissions both for the last quarter of this financial year as well as the first quarter of next financial year.
- Fees and charges revenue that have been very strong over the first three quarters have been heavily affected in the forecast. Whilst this revenue stream was above budget by 14%, it is expected to fall back to just 4.7% above budget.
- Development contributions are expected to be adversely affected and will depend on how long level four continues and what the conditions are for level three.
- Expenditure has been adjusted downwards where spend is not expected or cannot occur. An example of this is other operating costs that include big ticket items such as contracted services and advice lines. Currently this is 4% over budget, but has been pulled back to 1% over budget.
- Capital spend has been adjusted downwards due to the significant delay that level four has presented.

6.0 OPTIONS - NGĀ KŌWHIRINGA

6.1 Not applicable

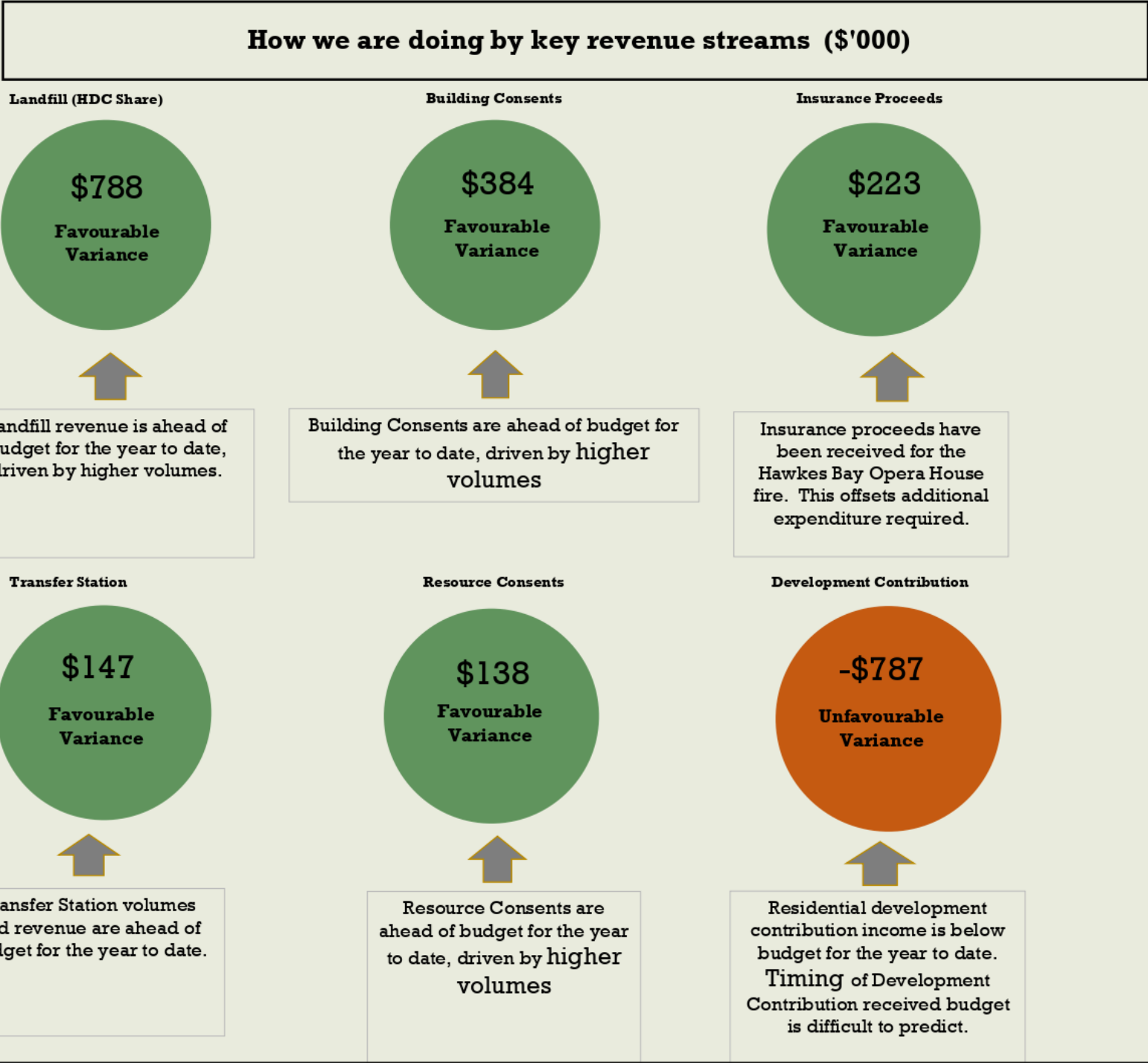
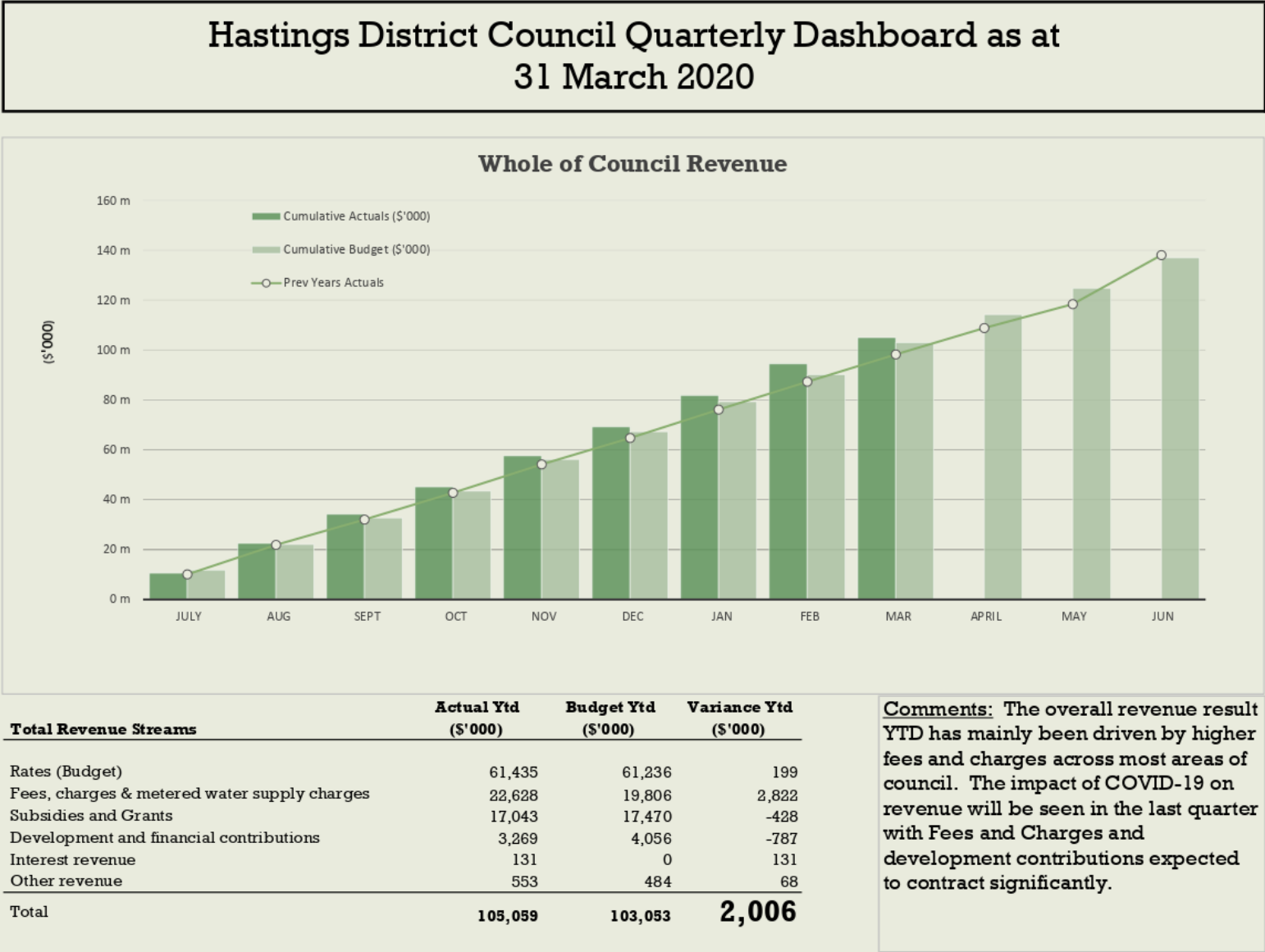
Attachments:

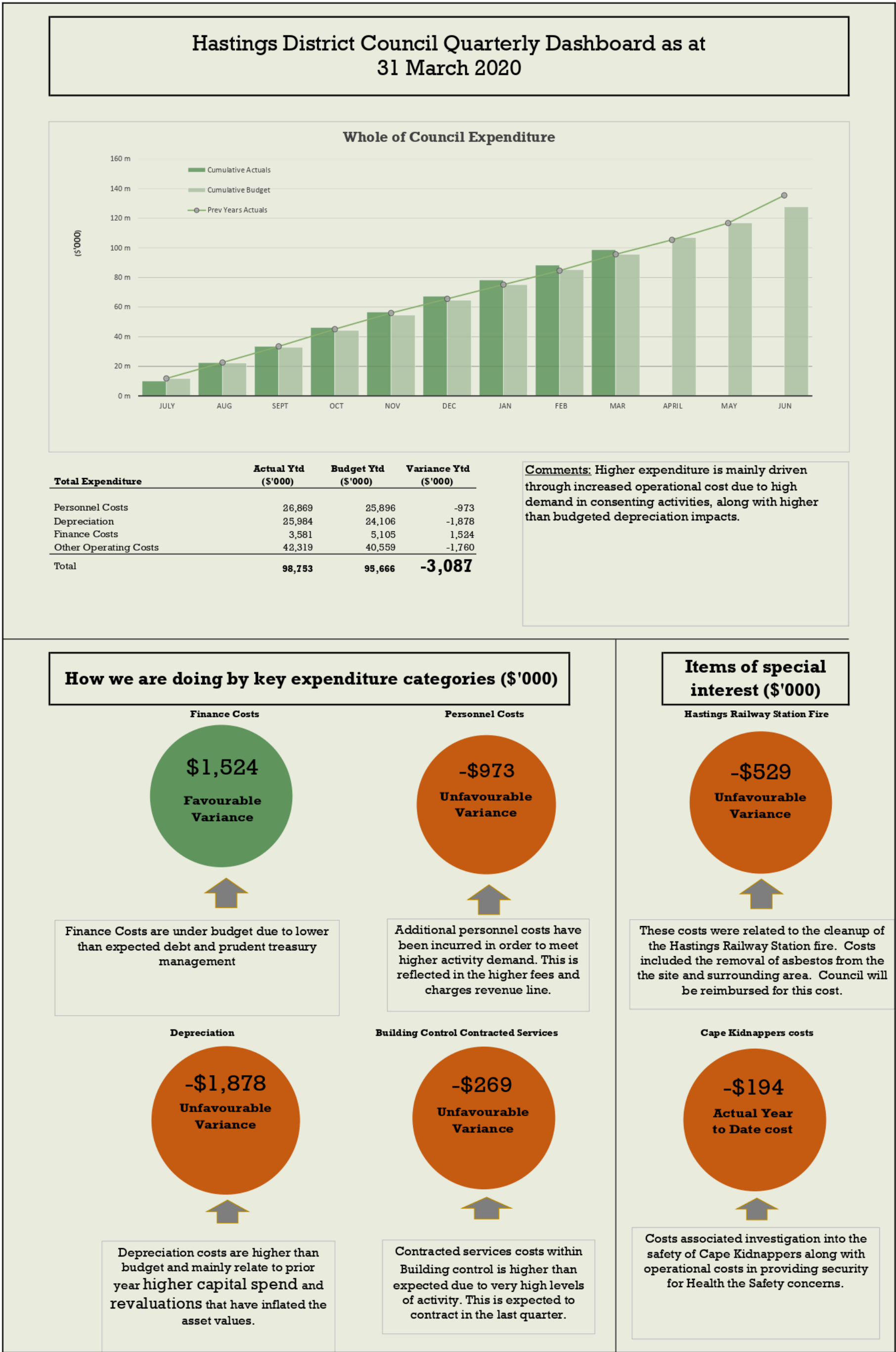
1 [↓](#) Quarterly financial dashboard as at 31 March 2020 FIN-09-01-20-188

SUMMARY OF CONSIDERATIONS - HE WHAKARĀPOPOTO WHAIWHAKAARO
<p>Fit with purpose of Local Government - <i>E noho hāngai pū ai ki te Rangatōpū-ā-rohe</i></p> <p>The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.</p>
<p>Link to the Council's Community Outcomes - <i>E noho hāngai pū ai ki te rautaki matua</i></p> <p>This proposal promotes the four well-beings of communities in the present and for the future.</p>
<p>Māori Impact Statement - <i>Te Tauākī Kaupapa Māori</i></p> <p>No known impacts for Tangata Whenua</p>
<p>Sustainability - <i>Te Toitūtanga</i></p> <p>The implications and the extent of the economic downturn that will follow the Covid-19 pandemic on Council finances is currently unknown.</p>
<p>Financial considerations - <i>Ngā Whaiwhakaaro Ahumoni</i></p> <p>This report details council's financial position as at 31 March 2020 and provides a high level forecast to 30 June 2020.</p>
<p>Significance and Engagement - <i>Te Hiranga me te Tūhonotanga</i></p> <p>There is no decision required of Council in the report</p>
<p>Consultation – internal and/or external - <i>Whakawhiti Whakaaro-ā-roto, ā-waho</i></p> <p>No external engagement required</p>
<p>Risks: Legal/ Health and Safety - <i>Ngā Tūrarū: Ngā Ture / Hauora me te Haumarū</i></p> <p>The financial risks for Council as it projects a year end financial position are exacerbated by the extraordinary times we are operating in and the unknown position we may be in as at 30 June 2020.</p>

Rural Community Board - *Ngā Poari-ā-hapori*

The financial implications on Rating Area 2 have not been separately identified in this report.



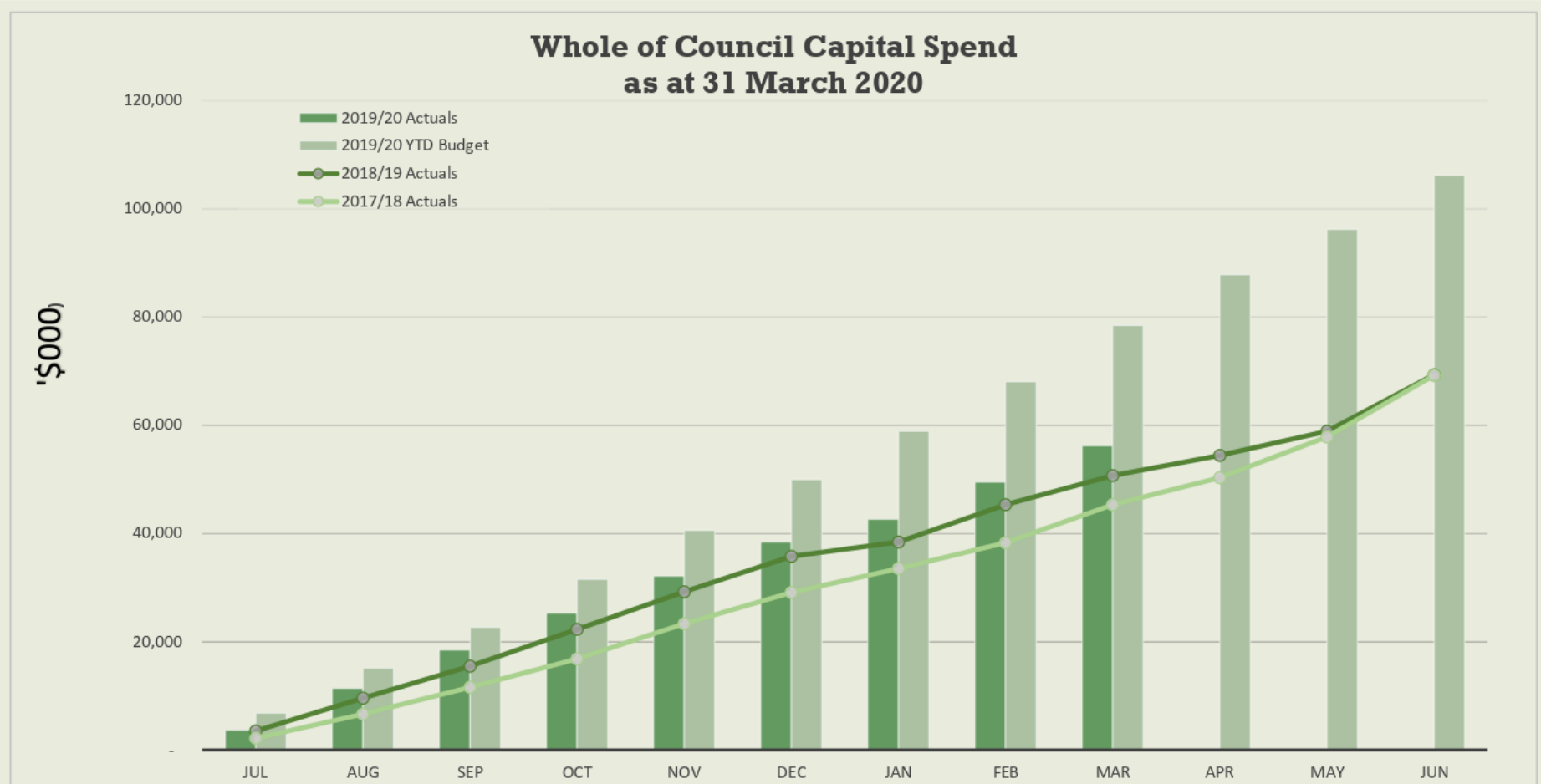


Hastings District Council Statement of Comprehensive Revenue and Expense as at 31 March 2020

Previous YTD Actuals (\$'000)	Description	YTD Actuals (\$'000)	YTD Budgets (\$'000)	YTD Variance (\$'000)	Full Year Budget (\$'000)
	Revenue				
58,022	Rates	61,435	61,236	199	81,648
20,236	Fees, charges & metered water supply	22,628	19,806	2,822	25,694
15,421	Subsidies and Grants	17,043	17,470	(428)	22,648
3,330	Development and financial contributions	3,269	4,056	(787)	5,408
527	Interest revenue	131	-	131	-
727	Other revenue	553	484	68	1,646
98,262	Total Revenue	105,059	103,053	2,006	137,044
	Expenditure				
26,226	Personnel Costs	26,869	25,896	(973)	35,185
25,626	Depreciation & Amortisation Expense	25,984	24,106	(1,878)	32,141
3,579	Finance Costs	3,581	5,105	1,524	6,807
40,277	Other Operating Costs	42,319	40,559	(1,760)	53,614
95,708	Total Expenditure	98,753	95,666	(3,087)	127,747
2,554	SURPLUS/(DEFICIT)	6,306	7,387	(1,080)	9,297

Hastings District Council Funding Impact Statement As At: 31 March 2020

Previous YTD Actuals (\$'000)	Description	YTD Actuals (\$'000)	YTD Budgets (\$'000)	YTD Variance (\$'000)	Full Year Budget (\$'000)
	Operations - Funding Source				
58,022	Rates	61,435	61,236	199	81,648
5,790	Subsidies and Grants	5,219	5,202	17	6,949
19,942	Fees, charges metered water supply	22,364	19,505	2,859	25,294
686	Interest and dividend revenue	257	95	163	126
710	Other revenue	687	690	(3)	920
85,149	Total Operating Funding	89,963	86,728	3,234	114,937
	Operations - Use of Funding				
26,226	Personnel Costs	26,869	25,896	(973)	35,185
33,728	Supplier Costs	36,673	35,301	(1,372)	46,778
3,589	Finance Costs	3,584	5,124	1,541	6,833
5,118	Other Operating Costs	4,444	4,357	(87)	5,953
68,661	Total Use of Operating Funding	71,570	70,679	(891)	94,747
16,488	Operating Funding Surplus/(Deficit)	18,393	16,050	2,343	20,189
	Capital - Funding Source				
9,631	Capital Subsidies grants	11,824	12,268	(444)	15,699
3,176	Development financial contributions	3,167	3,853	(687)	5,138
19,214	Debt - Increase or (decrease)	28,146	43,037	(14,891)	55,961
1,955	Sale of Assets	548	317	230	422
154	Other Capital Funding	103	203	(100)	270
34,129	Total Capital Funding	43,787	59,679	(15,892)	77,490
	Capital - Use of Funding				
7,471	To meet additional demand (Growth)	5,300	7,878	(2,578)	10,514
19,225	To improve the level of service (New Works)	17,848	28,313	(10,464)	42,552
23,691	To replace existing assets (Renewals)	33,324	42,710	(9,386)	53,399
-3,348	To Increase or (decrease) reserves	1,152	(6,055)	7,208	(8,374)
-3,289	Adjustment to reserves	(3,684)	(2,596)	(1,088)	793
-59	To Increase or (decrease) reserves	4,836	(3,459)	8,295	(9,167)
290	To Increase or (decrease) Investments	871	287	584	383
50,618	Total use of Capital Funding	62,180	75,729	(13,548)	97,679
(16,488)	Capital Funding Surplus/(Deficit)	(18,393)	(16,050)	(2,344)	(20,189)
	TOTAL FUNDING BALANCE	-	-	-	-



Key projects	Actual Ytd (\$'000)	Budget Ytd (\$'000)	Var Ytd (\$'000)	Total Budget (\$'000)
Renewal Projects				
Opera house	7.9 m	9.8 m	1.8 m	11.6 m
Streetlight LED Upgrade	0.6 m	0.7 m	0.1 m	0.9 m
Wastewater Rising mains	3.1 m	4.2 m	1.1 m	5.5 m
Trunk Sewer	3.2 m	3.6 m	0.4 m	3.6 m
Outfall	0.1 m	1.1 m	1.0 m	1.2 m
New Works projects				
Drinking water project	7.8 m	11.9 m	4.1 m	17.7 m
CBD Upgrades Hastings	0.8 m	0.5 m	-0.3 m	0.6 m
CBD Redevelopment	0.5 m	1.3 m	0.8 m	1.8 m
Growth projects				
Omahu	1.6 m	1.9 m	0.3 m	2.0 m
Lyndhurst	1.0 m	2.2 m	1.2 m	2.4 m
Irongate	1.0 m	1.1 m	0.1 m	1.1 m
Iona/Middle	0.2 m	1.1 m	0.8 m	2.5 m
Howard	0.4 m	0.2 m	-0.2 m	0.6 m

Capital - Commentary

Capital spend to 31 March 2020 is \$56.2m compared to \$78.4m budgeted for the year to date. The full year budget is set at \$106m and includes \$40.3m of approved carry forwards from 2018/19. Although capital spend is below budget, it remains at a historical high with a number of significant projects progressing, including the Opera House, Municipal Building, Drinking Water and sewer projects.

Statement of Comprehensive Revenue & Expense - Commentary

Revenue Variances

Revenue is \$2.0m favourable to budget for the 2019/20 year, with higher fees and charges across most Council activities, along with higher interest revenue. This is offset by lower than expected Development Contributions revenue mainly due to timing of when contributions are received from developers. The Covid 19 lockdown will impact on most revenue streams in the last quarter of the financial year.

Expenditure is \$3.1m above budget (unfavourable) for the year to date. Key cost drivers have been the impact of non cash items such as depreciation (\$1.9m), and until the Covid 19 lockdown, high operational demand cost pressure meeting legislative requirements within a strong local economy.

Result

Until the Covid 19 lockdown, Council has faced pressure delivering increasing activity levels, within the financial constraints of the 2019/20 budget. Revenue has increased as expected through user charges but is not always compensated fully for the increased expenditure required to meet Council's obligations. Savings in interest costs is helping to mitigate some of these cost pressures.

REPORT TO: COUNCIL

MEETING DATE: THURSDAY 23 APRIL 2020

**FROM: GROUP MANAGER: COMMUNITY FACILITIES & PROGRAMMES
ALISON BANKS**

SUBJECT: HASTINGS DISTRICT COUNCIL - RAPID RESPONSE GRANTS

1.0 EXECUTIVE SUMMARY - TE KAUPAPA ME TE WHAKARĀPOPOTOTANGA

- 1.1 The purpose of this report is to seek approval to progress the Rapid Response Grants Process Plan and give delegated powers to a COVID-19 Rapid Response Grants Subcommittee who will prioritise, approve and distribute grants to support organisations to continue to operate while responding to COVID-19.
- 1.2 Hastings District Council has set up a one-off fund of \$100,000 to support Social Services, Community Groups and organisations that are working on the ground responding to the COVID-19 Pandemic by supporting Hastings Whānau Pounamu (vulnerable families) throughout Hastings.
- 1.3 As a result of the COVID-19, vulnerability no longer impacts on those living in poverty, our lower economic demographic communities and those with mental and significant health issue. Vulnerability is impacting on our whole community one way or another and the Rapid Response Grant is one of a number of initiatives to support the wellbeing of our community.
- 1.4 This decision contributes to the purpose of local government by primarily promoting social wellbeing and more specifically through the Council's strategic objective of Council working with others to reduce levels of social disadvantage and income gaps in our community.
- 1.5 To ensure an accountable and transparent governance process it is recommended that Council approves the setting up of a COVID-19 Rapid Response Grants Subcommittee with delegated powers to approve and prioritise grants from the \$100,000 fund in accordance with the criteria set out in Rapid Response Grants Process Plan.
- 1.6 To support transparency, that the Group Manager of Community Wellbeing & Services will report monthly to Council, outcomes of the grants made pursuant to the delegation, the purpose of each, to whom they were made to, and the amount of each grant.

2.0 RECOMMENDATIONS - NGĀ TŪTOHUNGA

- A) That the Council receives the report titled Hastings District Council - Rapid Response Grants.**
- B) That the decision of the Chief Executive made under delegated powers to approve \$100,000 being set aside for rapid response grants to assist local voluntary organisations support be noted.**
- C) That the Council approves the setting up of a COVID-19 Rapid Response Grants Subcommittee with delegated powers to approve and prioritise grants from the \$100,000 budget agreed at B) above and in accordance with the criteria set out in Attachment 1.**
- D) That the membership of the Subcommittee comprise the following membership: Councillors Dixon (Chair), Barber, Lawson, Travers and Ms T Eden (Heretaunga Takoto Noa Māori Standing Committee representative).**
- E) That a weekly Subcommittee meeting be included in the schedule of meetings commencing from Tuesday 5 May 2020 at 10.00am until the quantum of the budget is allocated.**

3.0 BACKGROUND – TE HOROPAKI

- 3.1 On 26 March 2020 the country entered a Level 4 Alert to combat the COVID-19 pandemic outbreak. To ensure there was a lens over the wellbeing of the Hastings community the Hastings Welfare Response Plan (HWRP) was developed and approved by Councils HDC Incident Management Team (IMT) Controller and Hawke's Bay Civil Defence Emergency Management Group (CDEM) on the 1st April 2020.
- 3.2 Priority highlighted is the Welfare Plan, attached under separate cover **Attachment 1**, as a goal was **"to ensure that every Whānau Pounamu (WP) (all whānau are precious and cherished treasures) community members of the Hastings District are provided with the opportunity to receive assistance as maybe needed under the HWRP"**.
- 3.3 There are six key work streams identified in the plan:
1. Community Mental Health – via Safer Hastings, partner with key agencies and support where we can
 2. Outreach response – Contacting as many Whānau Pounamu in Hastings
 3. Homeless Response – Rough Sleepers and Freedom Campers
 4. **Rapid Response Grant** – support social services, community groups and organisations that are working on the ground responding to the COVID-19 Pandemic by supporting the Hastings community and Whānau Pounamu.
 5. Rural – Partner with key agencies and support where we can
 6. Youth – Reach out, listen and support to respond
- 3.4 Work streams 1., 2. and 3. are well underway and well resourced. Work stream 4. is the setting up and the delivery of a Rapid Response Grant and the process that has been approved by the HDC IMT Controller.
- 3.5 The objective of the Rapid Response Grant is to support organisations to continue to operate while on the ground responding to COVID-19.
- 3.6 Local communities will need strong community organisations during the recovery phase. The grant will eliminate the risk that organisations will utilise their own cash reserves in the response phase of the pandemic and then not be available to support the recovery phase.
- 3.7 The Chief Executive gave approval to \$100,000 being set aside for the Rapid Response Grant under powers granted on the 24th of March 2020, at an Extraordinary Council meeting. The CEO has the powers to authorise and enter into any contract or other arrangement, and to authorise any level of expenditure (budget or unbudgeted). The delegation was subject to a number of conditions which included documenting expenditure and reporting to the next ordinary meeting of Council or at the first available opportunity.
- 3.8 The purpose of this report is:
- To note the decision the Chief Executive made under delegated powers listed above; and

- To give approval to the setting up of a governance structure to approve grant applications which meets the objectives of the project as set out in the Rapid Response Grant Process Plan, as attached as **Attachment 2**.

4.0 DISCUSSION - *TE MATAPAKITANGA*

- 4.1 Officers have identified \$90,000 of unallocated Discretionary Grants budget in 2019/20 and recommend to the Chief Executive that it be reallocated to the Rapid Response Fund to support community groups that are actively supporting the community in the response to the COVID-19 pandemic.
- 4.2 A further \$10,000 has been identified in the Community Facilities Group budgets to be contributed to the fund to bring the total to \$100,000.
- 4.3 Expediency of process is recommended for the allocation of monies set aside in this fund and as such a process has been developed that ensures appropriate controls are put in place (Attachment 2) but allows for applications to be assessed with haste and recommendations made for approval.
- 4.4 In order to ensure sufficient governance oversight, it is recommended that a task and finish subcommittee of five councillors be formed to and delegated the necessary authority to make decisions on the allocation of the Rapid Response Grant. The **COVID-19 Rapid Response Grants Subcommittee**.
- 4.5 In order to receive funding it is proposed that eligible organisations will be prioritised as detailed below and will include:
 - Those organisations that are well known to Council and already receive funding through Council's community grants scheme.
 - Those organisations known to Council and previously supported by Council.
 - Organisations not previously supported by Council, however acknowledged for the work they are doing to support the community:
- 4.6 Organisations requesting a Rapid Response Grant will be required to complete a short online application form including the following details:
 - Organisation details
 - Response Activities to COVID-19
 - Estimated numbers of people they are supporting
 - What additional work they have been doing
 - What additional cost have been incurred
 - Has the organisation received funding from a central government agency for the work they are doing
 - Total amount of support they are asking for – (there is no guarantee that the full amount will be granted and will depend on the number of requests)
- 4.7 The online application will be reviewed and assessed by the Community Grants Advisor daily. The application and its assessment will be reviewed by the GM Community Wellbeing & Services and GM Corporate who will make recommendations to the COVID-19 Rapid Response Grants Subcommittee.

4.8 It is proposed that the membership of the subcommittee comprise of the following membership:-

- Cr Dixon (Chair), Chair Civic and Administration Subcommittee
- Cr Barber, Chair Strategy and Policy Committee
- Cr Travers, Chair Operations and Monitoring Committee
- Cr Lawson, Chair Great Communities Subcommittee and
- Ms T Eden (Heretaunga Takoto Noa Māori Standing Committee representative)

and that a weekly Subcommittee meeting be included in the schedule of meetings commencing from Tuesday 5 May 2020 at 10.00am until the quantum of the budget is allocated to local voluntary organisations.

5.0 OPTIONS - NGĀ KŌWHIRINGA

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

- 5.1 That a subcommittee is formed (COVID-19) with delegated authority to approve grants up to the limit of the \$100,000 for the purpose of supporting community organisations, working on the ground in response to the COVID-19 pandemic.
- 5.2 *Advantages* - An accountable and transparent governance process for the allocation of public funds.
- 5.3 *Disadvantages* - Legislative requirements for public meetings under the Local Government Act 2002 could slow the grant allocation process and make it less agile however, if a weekly subcommittee meeting is included in the schedule of meetings and advertised it will allow for regular meetings until the full amount of funding is distributed.
- 5.4 The Rapid Response Grant Process Plan notes that claims against the Rapid Response Grant Fund will be processed within 5 working days of receipt, it is expected that this can still be achieved under this option.
- 5.5 **Option One** is the recommended option.



Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuatanga o nāianeī

- 5.6 That the Chief Executive is given delegation to approve grants up to the limit of the \$100,000 for the purpose of supporting community organisations, workin on the ground in response to COVID-19 taking advice from the COVID-19 Rapid Response Grants Subcommittee.
- 5.7 *Advantages* - The approval process is more streamlined and responsive.
- 5.8 *Distadvantages* - Less transparency and public accountability.

6.0 NEXT STEPS - TE ANGA WHAKAMUA

- 6.1 Implement the Rapid Response process as outlined in the approved Process Plan.
- 6.2 Include the COVID-19 Rapid Response Grant Subcommittee weekly meetings into the schedule of meetings commencing from Tuesday 5 May 2020 at 10.00am until the quantum of the budget is allocated.
- 6.3 That the Group Manager of Community Wellbeing & Services report outcomes to a full Council meeting monthly about grants made pursuant to the delegation, the purpose of each, to whom they were made to, and the amount of each grant.

Attachments:

1 	HDC Welfare Respose Plan	EMG-01-14-3-20-68	Under Separate Cover
2 	HDC COVID-19 Rapid Response Grant Process Plan	EMG-01-14-3-20-67	

SUMMARY OF CONSIDERATIONS - HE WHAKARĀPOPOTO WHAIWHAKAARO
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Fit with purpose of Local Government - E noho hāngai pū ai ki te Rangatōpū-ā-rohe
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<p>The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.</p>
--

Link to the Council's Community Outcomes - E noho hāngai pū ai ki te rautaki matua

<p>This decision contributes to the purpose of local government by primarily promoting social wellbeing and more specifically through the Council's strategic objective of Council working with others to reduce levels of social disadvantage and income gaps in our community.</p>
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Māori Impact Statement - Te Tauākī Kaupapa Māori

<p>Hastings District Council has set up a one off fund of \$100,000 to support Social Services, Community Groups and organisations that are working on the ground</p>

responding to the COVID-19 Pandemic by supporting Hastings Whānau Pounamu throughout Hastings.

It is proposed that the membership of the subcommittee comprise of the following membership: Councillors Dixon (Chair), Barber, Lawson, Travers and Ms T Eden (Heretaunga Takoto Noa Maori Standing Committee representative)

Sustainability - *Te Toitūtanga*

There are no implications for sustainability.

Financial considerations - *Ngā Whaiwhakaaro Ahumoni*

Officers have identified \$90,000 of unallocated Discretionary Grants budget in 2019/20 and recommend that it be reallocated to the Rapid Response Fund to support community groups that are actively supporting the community in the response to the COVID-19 pandemic. A further \$10,000 has been identified in the Community Facilities Group budgets to be contributed to the fund to bring the total to \$100,000.

Under the powers granted to the CEO on the 24th of March 2020 the Chief Executive gave approval to \$100,000 being set aside for the Rapid Response Grant.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

This report has been assessed under the Council's Significance and Engagement Policy as being of low significance.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto, ā-waho*

There has been no external consultation.

Risks: Legal/ Health and Safety - *Ngā Tūrarū: Ngā Ture / Hauora me te Haumarū*

The recommendation being proposed is the best option to ensure an accountable and transparent governance process. Using the established and approved HDC Community Grants processes ensures security of applicants data, supports a fair review process and established monitoring and reporting process.

Rural Community Board - *Ngā Poari-ā-hapori*

There is no impact on the Rural Community Board.



Operation Name	COVID-19 HDC – HDC Welfare Response Rapid Response Grant/Fund
IMT Controller	Dean Ferguson
Sponsor	Group Manager Community Wellbeing & Services
Goal	To ensure that every Whānau Pounamu (WP – Vulnerable Families) (all whānau are precious and cherished treasures) community members of the Hastings District are provided with the opportunity to receive assistance as maybe needed under the HWRP.

Operation Summary – Actions delivery and work plan

- Provide clear, detailed information to justify recommended actions
- Ensure organisations and individuals are acting legitimately
- Make contact with as many as possible Hastings districts population with higher vulnerability to impacts of COVID-19
- Mobilise firstly organisations/community who support individuals/communities (e.g. Age Concern)
- HDC to take a bottom up approach utilising networks, staff and elected members in its response
- Ensure that the needs of community members are being met





Background and purpose

Hastings District Council has set up a one-off fund of \$100,000 to support Social Services, Community Groups and organisations that are working on the ground responding to the COVID-19 Pandemic by supporting the Hastings community. (Refer to Rapid Response Process, Council Report, 23 April 2020)

The additional financial support being provided by Council is to help organisations to continue to operate and eliminate the risk that organisations will utilise their own cash reserves in the response phase of the pandemic and then not be available to support the recovery phase. Our communities will need strong community organisations during the recovery phase.

Eligible organisations will be prioritised as detailed below and will include:

1. Those organisations that are well known to Council and already receive funding through Council's community grants scheme.
2. Those organisations known to Council and previously supported by Council.
3. Organisations not previously support by Council, however acknowledged for the work they are doing to support the community.

Proposed approach to deliver financial assistance:

Organisations requesting a Rapid Response grant are required to complete a short online application form including the following details:

- Organisation details
- Response Activities to COVID-19
- Estimated numbers of people they are supporting
- What additional work they have been doing
- What additional costs have been incurred
- Has the organisation received funding from a central government agency for the work they are doing
- Total amount of support they are asking for – (there is no guarantee that the full amount will be granted and will depend on the number of requests)

APPLICATION FORM: (Rapid_Response_Grant_Application_-_Application.pdf)
<https://hdc.smartygrants.com.au/RRG>

The online application will be reviewed and assessed by the Community Grants Advisor daily. The application and its assessment will be sent to the GM Community Wellbeing & Services and GM Corporate who will make recommendations to the **COVID-19 Rapid Response Grants Subcommittee** made up of Councillors Dixon, Lawson, Travers, and Barber as well as the Māori Standing Committee Representative, Tania Eden.

Any conflicts of interest will be declared and registered.

The assessment will be made up of:

- Due Diligence on the organisation: structure, directors/shareholders
- The organisation's proven track record
- The organisation's ability to deliver this new/amended service
- The community need for the new/amended service
- The organisation's reach and spread within the community



INTERNAL ASSESSMENT FORM ATTACHED (Rapid_Response_Grant_Assessment_form_-_Assessment.pdf)

- If approved a funding agreement will be sent to the successful organisation.
- If declined the relevant response or feedback will be provided to the organisation by the Community Grants Advisor.

If approved, the organisation will return the signed funding agreement with an invoice which will be paid within 5 working days of receipt. The organisation may be asked to provide HDC with a brief/report outlining how the additional financial support was spent, (this may be included with the organisations normal reporting).

Communications Plan

OBJECTIVE

The overall objective of the communications plan is to:

- Support the welfare team in the achievement of their objective (ensure that every Whānau Pounamu of the Hastings District is contacted when the Local Welfare Pandemic Response Plan is enacted.
- Provide clear and concise messaging on Council's welfare support plan and activities to key stakeholders.
- Use the most appropriate channels for each stakeholder group to ensure the effective delivery of messaging.

KEY MESSAGING

- Council is actively working with its partner agencies and volunteer groups to ensure our Whānau Pounamu of the Hastings District are being supported.
- Council has set up a one off fund to support Social Services, Community Groups and organisations that are working on the ground in response to the COVID-19 Pandemic.
- Residents feel reassured that Council is supporting a community-wide response to ensure welfare support for Hastings District.

MOH IS THE LEAD AGENCY FOR THE PUBLIC HEALTH RESPONSE

- As the lead agency, the Ministry of Health is guiding the response to this pandemic and all communications should advise people to refer to www.covid19.govt.nz as the "one source of truth".

The Mayor	Announce that the Rapid Response Fund will open to community groups responding on the ground to the COVID-19 Pandemic through a Media Release. Inform the community through media releases of successful applicants and good news stories
The Grants Officer	Circulate information regarding the fund/grant among groups who have received HDC Community Grants and groups known to Council working on the ground supporting community.
GM Community Wellbeing & Services GM Corporate Services	Report back to CEO and Council

**Rapid Response Grant/Fund Review Team****COVID-19 Rapid Response Grants Subcommittee**

Councillor Dixon (Chair)

Councillor Lawson

Councillor Travers

Councillor Barber

Māori Standing Committee Rep – Tania Eden

Council Officers

Alison Banks

Bruce Allan

Kev Carter

Democratic Support

Gina Armstrong – Comms

REPORT TO: COUNCIL

MEETING DATE: THURSDAY 23 APRIL 2020

**FROM: ENVIRONMENTAL POLICY MANAGER
ROWAN WALLIS**

SUBJECT: VARIATION 7 RECOMMENDATIONS AND PROCESS

1.0 EXECUTIVE SUMMARY - TE KAUPAPA ME TE WHAKARĀPOPOTOTANGA

- 1.1 The purpose of this report is to obtain a decision from the Council on the Hearings Committee's recommendations on submissions to Variation 7 Seasonal Workers Accommodation and to give formal notice of the decisions. It is the Council's responsibility to make the final decisions on submissions to Variation 7.
- 1.2 The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental and cultural well-being of communities in the present and for the future.
- 1.3 The objective of this decision relevant to the purpose of local government is the performance of a regulatory function through the provision of a district plan which will help to create an attractive and healthy environment for people, which promotes the best use of natural resources and which is responsive to community needs.
- 1.4 This decision will contribute to the purpose of local government by primarily promoting the economic wellbeing of the community and environmental protection and more specifically through the Council's strategic objective of ensuring a range of housing options are available to meet the needs of a changing community whilst protecting our valuable soils.
- 1.5 The report concludes by recommending that the Council adopt the recommendations of the Hearings Committee on the submissions received to Variation 7 (Seasonal Workers Accommodation) and that it formally notifies its decision on the submissions.

2.0 RECOMMENDATIONS - *NGĀ TŪTOHUNGA*

- A) That the Council receives the report titled Variation 7 Recommendations and process from the Environmental Policy Manager.**
- B) That pursuant to Clause 10, Schedule 1 of the Resource Management Act 1991, the Hearing Committee's recommendations on submissions to Variation 7 (Seasonal Workers Accommodation) as set out in Attachment A to this report, are adopted and publicly notified.**

3.0 BACKGROUND – TE HOROPAKI

- 3.1 The number of seasonal workers that are required to service land based primary production within the district is increasing at a rapid rate and placing considerable pressure on accommodation facilities. The purpose of Proposed Variation 7 (Seasonal Workers Accommodation) is to better provide for seasonal workers accommodation within the Proposed District Plan to ensure that the environmental effects of seasonal workers accommodation are appropriately considered and to give a greater level of certainty to seasonal worker employers. It will also have the added benefit of reducing pressure on the rental housing market.
- 3.2 The key provisions of Variation 7 that differ from those in the Proposed District Plan are as follows:
- Provision for seasonal workers accommodation for up to 80 workers in the Plains Production zone as a restricted discretionary activity, subject to compliance with standards.
 - A specific performance standard in the Plains Production zone that requires the land holding to be 12ha or more in area for seasonal workers accommodation.
 - Provision for seasonal workers accommodation in the Omahu and Irongate General Industrial zones as a restricted discretionary activity subject to compliance with standards.
 - A general performance standard for the maximum wastewater discharge in the Irongate General Industrial zone of 0.04 litres per second per hectare of site.
 - A set of specific performance standards for seasonal workers accommodation in the General Industrial Zone, that includes standards for outdoor open space, acoustic insulation, and a requirement that accommodation be relocatable.

4.0 DISCUSSION - TE MATAPAKITANGA

- 4.1 Variation 7 was publicly notified at the end of August 2019 in accordance with the statutory requirements of the Resource Management Act 1991 and received seventeen submissions to the variation with the majority of submissions supporting the variation in principle but seeking amendments to the provisions. Two of the submissions were received out of time.
- 4.2 There were a total of 6 further submissions on the original submissions.
- 4.3 The hearings report (Section 42A RMA report) was prepared and circulated to all submitters. The report evaluated the issues raised in submissions.
- 4.4 The hearing of submissions was held on 18th February 2020 and where amendments are recommended as a result of submissions each amendment has been considered in respect of section 32AA of the Resource Management Act 1991 (Attachment B).
- 4.5 The Hearings Committee deliberated on the submissions and made its recommendations (Attachment A) at a reconvened hearing on 12th March

2020 where it made the following decision. ***“That the Hearings Committee endorse the recommendations from the Variation 7 Seasonal Workers Accommodation hearing and that these recommendations be forwarded to the Council for ratification and notification”.***

- 4.6 The process now requires a decision from the Council on the adoption of the Hearing Committee’s recommendation on submissions to Variation 7 and the Section 32AA Evaluation Report, and to give notice of the Council’s decisions.

5.0 OPTIONS - NGĀ KŌWHIRINGA

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

- 5.1 Accept the recommendations of the Hearings Committee and amend the District Plan accordingly to include Variation 7.

Advantages

- This option will ensure that the decision on the submissions raised is based upon the most complete information, including written submissions and those points raised through the course of the hearing.
- The submissions have been heard by RMA trained and accredited commissioners.
- That the approval will allow the provision for seasonal worker accommodation to proceed in a timely manner.

Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuatanga o nāianeī

- 5.2 Reconsider the recommendations on one or more specifically identified issues (this would as a minimum require Council to give consideration to all of the documents relevant to the hearing of the issues in question before making any changes, but may require a rehearing of these submissions to ensure that there is no breach of the principles of natural justice).

Advantages

- Would allow any contentious issues to be revisited.

Disadvantages

- Continues the uncertainty for seasonal employers.
- Pressure remains on accommodation facilities throughout the district
- There may be insufficient time to progress the plan changes ahead of next seasons demand for workers.

6.0 NEXT STEPS - *TE ANGA WHAKAMUA*

6.1 The next steps in the process are set out in the first Schedule of the Resource Management Act 1991:

- Public Notification of the decisions and notification to all submitters.
- Posting of the decision on the Council website and availability of a copy of the decision at the Council offices and all public libraries.
- The ability for submitters to Appeal Council's decision to the Environment Court within 30 working days of being served the notice of decision.

Attachments:

1 ➡	Recommendations - Hearings Committee 18/19/ and 13/3/2020	CG-16-8-00040	Under Separate Cover
2 ➡	Variation 7 Seasonal Worker Accommodation - Section 32AA Report	ENV-9-19-9-20-125	Under Separate Cover

SUMMARY OF CONSIDERATIONS - *HE WHAKARĀPOOTO WHAIWHAKAARO*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

Link to the Council's Community Outcomes - *E noho hāngai pū ai ki te rautaki matua*

This proposal promotes regulatory functions which help to prevent harm and help to create a safe and healthy environment for people, which promote the best use of natural resources and which are responsive to community needs. The specific council objectives that will be met are, diversity in housing types, infrastructure supporting economic growth and sustainable use of land and water resources.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

Variation 7 was discussed with staff of Ngati Kahungunu Iwi Incorporated and Te Taiwhenua o Heretaunga and their concern was the effects of accommodation on the water resources of the region, both in terms of the potential effects on the

groundwater and the resource available. They sought that suitable safeguards be put in place to protect the water resource. While discharges to groundwater is a regional council responsibility, Variation 7 has put in place a number of assessment criteria around groundwater effects.

Sustainability - *Te Toitūtanga*

Accommodating seasonal workers provides for the sustainable management of the versatile land resource on the Heretaunga Plains. Without this resource the economic sustainability of many of the properties would be severely compromised.

While the provision for seasonal workers accommodation is not seen as a long term requirement with technology expected to reduce demand for seasonal workers within 15 years, there is the potential to affect natural resources in the long term. This is why Variation 7 places a limit on the scale of development in the Plains Production zone with the larger scale developments being directed to Industrial areas where they can be appropriately serviced.

Financial considerations - *Ngā Whaiwhakaaro Ahumoni*

If the recommendation was not adopted there would be financial implications around the re-hearing of the submissions. These costs would be incurred by both Council and submitters with time delays also creating additional financial costs.

A further financial consideration for Council is the potential cost associated with an appeal of the Council's decision. This cost would be met through the District Plan budget.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

This decision has been assessed under the Council's Significance and Engagement Policy as being of high significance as the issue of making better provisions for seasonal workers accommodation is of considerable community interest as it impacts a large number of primary produce growers on the Heretaunga Plains and it also affects all of the grower support industries. It also has a large impact on rental housing in the community which is of particular significance given the large numbers in temporary accommodation within the district and region.

The level of engagement with seasonal employers has been high in the drafting of the variation and it has been publicly notified following the process set down under the Resource Management Act 1991.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto, ā-waho*

Consultation has taken place internally with the Environmental Consents Team and the Three Waters Manager. Externally there was considerable consultation ahead of the Variation being drafted with the seasonal employers as well as Hawke's Bay Fruitgrowers and Ngati Kahungunu Iwi Inc and Te Tai Whenua O Heretaunga:

Risks: Legal/ Health and Safety - *Ngā Tūraru: Ngā Ture / Hauora me te Haumarū*

The risk of this decision not being adopted is the need to provide for the ever increasing need for seasonal worker accommodation and not being able to meet that need in the next season. This will exacerbate the pressure on the private residential rental market and perpetuate the situation of families being forced to live in temporary accommodation throughout the district.

If the recommendations of the Hearings Committee were not adopted this would require Council to rehear the submissions to ensure that there is no breach of the principles of natural justice. This would result in additional time and cost for the Council as well as issues for process and reputational risk.

Rural Community Board - *Ngā Poari-ā-hapori*

Community boards may field complaints from landowners who are unable to obtain the increased number of seasonal workers that they require.