

Tuesday, 19 August 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council

Strategy and Recovery Committee Meeting

Kaupapataka

Agenda

Te Rā Hui:
Meeting date: **Tuesday, 19 August 2025**

Te Wā:
Time: **9:00 AM**

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

Te Hoapā:
Contact: **Democracy and Governance Services
P: 06 871 5000 | E: democracy@hdc.govt.nz**

Te Āpiha Matua:
Responsible
Officer: **Interim Group Manager: Strategy - Gus Charteris**

Strategy and Recovery Committee – Terms of Reference

Fields of Activity

The purpose of the Strategy and Recovery Committee is to;

Develop all strategic, policy and planning frameworks for approval by the Committee or Council as required,

Review progress in Cyclone Recovery, make decisions and recommendations to Council relating to the key strategic matters and Council's contribution to Cyclone Recovery. It will also assess the quality of Council's engagement and communications with the Government, key partners and stakeholders, and the community.

Membership

- Mayor and 15 Councillors
- Chair appointed by Council.
- Deputy Chair appointed by Council.
- Two (non-council) members of the Heretaunga Takoto Noa Māori Standing Committee and an alternate.
- The Chair and Deputy Chair of the Rural Community Board and an alternate.

Quorum – 11 members

DELEGATED POWERS

- 1) Authority to exercise all of Council's powers, functions and authorities (except where prohibited by law or otherwise delegated to another committee) in relation to all matters detailed in this delegation.
- 2) Authority to exercise all of Council's powers, functions and authorities (except where prohibited by law) at any time when the Chief Executive certifies in a report that;
 - a) the matter is of such urgency that it requires to be dealt with, or
 - b) the matter is required to be dealt with, prior to the next ordinary meeting of the Council.
- 3) Establish strategic direction to deliver Council Objectives and District Vision.
- 4) Establish policies and guidelines for decision making to assist in achieving strategic outcomes.
- 5) Establish levels of service across Council services in line with strategic goals and priorities.
- 6) Receive and consider reports from Subcommittees.
- 7) Develop and recommend the financial and infrastructure strategies and budgets for the Long-Term Plan, Annual Plan and Annual Report.
- 8) Develop the Rating Policy for recommendation to Council for adoption.
- 9) Develop Funding Policies for recommendation to Council for adoption.
- 10) Delegations of powers to sub-committee(s) if so established.
- 11) Approve the purchase of and disposal of land (If included in the Long Term Plan).
- 12) Making submissions on behalf of Council to proposals by other organisations/authorities (Local and Regional).

Cyclone Recovery Delegations

- 13) Receive briefings and reports on key and emerging issues and community wellbeing related to Cyclone Gabrielle.

- 14) Develop and approve strategies and responses to key and emerging issues and make recommendations to the Council as necessary.
- 15) Develop and recommend Locality Plans for Council adoption and oversee and monitor the implementation of Locality Plans.
- 16) Authority to exercise all of Council's powers, functions and authorities in relation to Cyclone Gabrielle Recovery matters within the authorised Council budget (except where prohibited by law or otherwise delegated to another committee), and where insufficient approved budget provision exists, make recommendations to the Council as necessary.
- 17) Assess the quality of engagement and communication with the Government, partners, key stakeholders and the community in respect of cyclone Recovery.
- 18) Receive deputations and presentations from partners, stakeholders and the community in relation to Cyclone Gabrielle Recovery.
- 19) Delegate its powers to sub-committee(s) if so established.
- 20) Make submissions on behalf of Council to proposals by other organisations/authorities in relation to Cyclone Gabrielle Recovery.

Tuesday, 19 August 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council

Strategy and Recovery Committee Meeting

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Agenda

Koromatua

Chair: Councillor Wendy Schollum

Ngā KaiKaunihera

Councillors: Ana Apatu, Marcus Buddo, Alwyn Corban, Malcolm Dixon, Michael Fowler, Damon Harvey, Henry Heke, Kellie Jessup, Tania Kerr, Hana Montaperto-Hendry, Simon Nixon, Heather Te Au-Skipworth and Kevin Watkins and one councillor vacancy

Mematanga:

Membership:

Mayor Sandra Hazlehurst

Hastings District Rural Community Board Appointees: Isabelle Crawshaw (RCB Chair); Jonathan Stockley (RCB Deputy Chair); OR Vicki Scoular (Alternate)

2 Heretaunga Takoto Noa Māori Standing Committee Appointees: Ngaio Tiuka and Mike Paku

Tokamatua:

Quorum:

11 members

Apiha Matua

Officers Responsible:

Interim Group Manager - Strategy – Gus Charteris (Lead)

Group Manager: Democracy & Emergency Management– Craig Cameron

Manager 'Business Projects' Planning and Delivery – Dean Ferguson

Te Rōpū Manapori me te

Kāwanatanga

Democracy &

Governance Services:

Lynne Cox (Extn 5632)

Te Rārangi Take

Order of Business

Apologies – Ngā Whakapāhatanga

- 1.0** At the close of the agenda no apologies had been received.
Leave of Absence had previously been granted to Councillor Nixon

2.0 *Conflict of Interest – He Ngākau Kōnatunatu*

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.

Confirmation of Minutes – Te Whakamana i Ngā Minitī

- 3.0** Minutes of the Strategy and Recovery Committee Meeting held Tuesday 27 May 2025.
(Previously circulated)

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| 4.0 | Strategy and Recovery Committee: Chair's Report | 9 |
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8.0	Growth and Development Activity Update	35
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9.0	Chair's Review of the Community Wellbeing Subcommittee 2025	41
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11.0	Receipt of 'Regional Climate Change Risk Assessment Report'	57
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12.0	Minor Items – <i>Ngā Take Iti</i>	
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13.0	Urgent Items – <i>Ngā Take Whakahihiri</i>	
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Tuesday, 19 August 2025

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting****Item 4***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā:
From: Councillor Schollum, Chair, Strategy and Recovery Committee

Te Take:
Subject: Strategy and Recovery Committee: Chair's Report

1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 To provide a closing summary of the Strategy and Recovery Committee's completed work programme, delivered outcomes, and ongoing legacy over the 2022-2025 triennium, and to record the direction of travel for the incoming Council, noting that much of the work begun will continue into the next triennium.

2.0 Background

- 2.1 At the start of this triennium, the Strategy and Policy Committee was tasked with shaping the long-term direction of our district. Following Cyclone Gabrielle, the committee's mandate evolved, and in 2023 it was formally re-established as the Strategy and Recovery Committee to provide focused oversight across both strategic planning and recovery delivery.
- 2.2 This new phase of governance recognised the need for long-term planning to sit alongside immediate disaster recovery - ensuring communities could be reconnected, infrastructure restored, and future growth kept on track. While the remit has broadened, the main role has stayed the same: working through complex matters, such as cyclone recovery planning and growth management, to make decisions that set Hastings up well for the future.
- 2.3 This Committee evolved from the former Strategy and Policy Committee to provide focused governance over:
- **Strategic planning and growth management** - guiding how Hastings grows, balancing new development with protecting what makes our district unique.

- **Cyclone recovery policy and delivery** - from reconnecting isolated communities to enabling long-term resilience planning, the committee has overseen and continues to guide recovery programmes that support people and places most affected by Cyclone Gabrielle.
 - **Community wellbeing** - ensuring our recovery and planning decisions considered the needs of our people, from housing to community facilities.
 - **Infrastructure and transport recovery and resilience** - rebuilding damaged roads, bridges, and culverts to not just restore connections but make them stronger for the future.
 - **Civil Defence transformation** - strengthening our ability to respond to future emergencies through better coordination, training, and community readiness.
 - **Regional collaboration** - working with neighbouring councils and agencies to align on flood protection, growth planning, and climate resilience.
- 2.4 This sustained focus ensured alignment across Council and positioned the organisation to act decisively in a changing environment, providing a forum for complex discussion and resilience-focused governance while keeping the real-world impacts on households and businesses at the centre of decision-making.
- Oversight Across Interdependent Programmes**
- 2.5 The Committee played a central role in shaping Council's forward-facing strategic work programme, making sure every dollar spent worked as hard as possible for our community while keeping critical projects moving.
- 2.6 Housing and Growth Management:
- Oversight of long-term planning and growth strategies, including the Future Development Strategy (FDS) and local area planning.
 - Integration of planning and infrastructure delivery through the establishment of the Growth and Development Business Unit.
- 2.7 Cyclone Recovery and Community Support:
- Governance of the Voluntary Buy-Out (VBO) Programme, ensuring fairness, clarity, and transparency for affected communities and ratepayers.
 - Oversight of the VBO programme through to successful close-out, with Council working at pace while remaining responsive to community needs and recovery complexity.
- 2.8 Infrastructure and Transport Resilience:
- Continued oversight of cyclone-damaged roading, bridges, and culverts.
 - Ensuring that recovery investment balances urgent delivery with long-term resilience.
- 2.9 Environmental Recovery - Havelock North Streams:
- Reclassification of the area back to Category 1, reflecting infrastructure and land stability improvements.
 - Providing clarity and assurance to the community.
- 2.10 Civil Defence Emergency Management (CDEM) Transformation:
- Supporting Hastings District Council's leadership role in regional emergency management reform.
 - Governance oversight of local capability building and operational readiness post-Gabrielle.
- 2.11 Regional and Inter-Council Collaboration:

- Maintaining strong working relationships with partner councils and agencies, including:
 - Co-governance of the Future Development Strategy with Napier City Council.
 - Alignment with Hawke's Bay Regional Council on flood mitigation, hazard mapping, and climate strategy.
 - Participation in regional CDEM governance and planning.

Looking Ahead - Strategic Work Programme and Financial Oversight

- 2.12 The Committee played (and continues to play) a central role in shaping Council's forward-facing strategic work programme. This ongoing programme involves confronting hard decisions on financial discipline and investment priorities, and ensuring alignment between aspirations, resources, and delivery.
- 2.13 Key areas of continued focus include:
- Prioritising capital investment - focusing on projects with the greatest community benefit.
 - Phasing and sequencing infrastructure - delivering at a pace the district can afford, without losing sight of long-term resilience.
 - Encouraging funding partnerships - bringing in support from iwi, central government, and the private sector to reduce pressure on local ratepayers.
 - Reinforcing value-for-money - embedding careful spending principles into all major workstreams.
 - Supporting robust analysis - making sure decisions are backed by solid evidence and clear business cases.
- 2.14 While this triennium has been marked by significant disruption, it has also reinforced the importance of robust, future-focused governance. The Strategy and Recovery Committee has shown that even in periods of uncertainty, coordinated leadership and clear oversight can deliver meaningful progress - whether that's faster roading repairs, stronger flood protection, or better planning for where new homes and jobs will go.
- 2.15 Moving forward, the next triennium will benefit from:
- The strong groundwork laid for integrated growth management
 - Embedded governance structures for complex programme delivery
 - A clear strategic direction that balances resilience, affordability, and equity

Acknowledgements

- 2.16 Sincere thanks are extended to staff across Council for their exceptional work under pressure in challenging circumstances. Particular recognition is given to the strategy and recovery leadership team and officers across the organisation for their contribution to both recovery delivery and forward strategic planning.
- 2.17 Special thanks are also extended to Councillor Eileen Lawson, originally appointed as Chair of Strategy and Policy, who in 2023 stepped down to serve as Deputy Chair.
- 2.18 The Committee further acknowledges the dedication and commitment of all its members throughout the triennium. Drawn from councillors, the Rural Community Board, and the Takoto Noa Māori Standing Committee, this diverse membership brought valuable perspectives, local knowledge, and constructive challenge to the table. Their collective insight and willingness to engage with complex issues have been instrumental in guiding the Committee's decisions and strengthening its outcomes for the district.

- 2.19 Through their combined efforts, the Strategy and Recovery Committee has not only responded to the challenges of Cyclone Gabrielle but has also laid the foundations for a stronger, more resilient Hastings - ensuring that strategic planning, investment, and collaboration continue to deliver benefits well into the future.

3.0 Recommendations - *Ngā Tūtohunga*

That the Strategy and Recovery Committee receive the report titled Strategy and Recovery Committee: Chair's Report dated 19 August 2025.

Attachments:

There are no attachments for this report.

Tuesday, 19 August 2025

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā:
From: Dean Ferguson, Manager - Strategic Projects

Te Take:
Subject: Resilience and Climate Adaptation Work Programmes

1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to provide the Strategy and Recovery Committee with a consolidated update on three key workstreams that form part of Hastings District Council's wider Climate Resilience programme following Cyclone Gabrielle.
- 1.2 The workstreams include:
 - Hawke's Bay Regional Council (HBRC) Flood Protection-Led Projects
 - Reimagining Flood Resilience (HBRC led)
 - Clifton to Tangoio Coastal Hazards Strategy – Community Engagement Update
- 1.3 These updates support the Council's long-term adaptation planning, strengthen strategic partnerships, and improve the district's readiness for future climate-driven events through regional collaboration and partnering with key stakeholders.
- 1.4 The Climate Resilience Programme is a priority for Hastings District Council and regular updates will be provided at each Strategy and Recovery Committee meeting as a standing item.

2.0 HBRC Flood Protection Led Projects

- 2.1 **Strategic Overview:**
- 2.2 Hawke's Bay Regional Council (HBRC) is delivering 11 major flood risk mitigation projects across the region under the North Island Weather Events (NIWE) programme, with a total Crown funding envelope of \$254 million. These projects align closely with the objectives of Hastings District Council's

Climate Resilience Programme and directly contribute to post-Cyclone Gabrielle recovery and long-term protection of communities and critical infrastructure.

2.3 Key Projects within the Hastings District include:

- Pākōwhai (\$50M): Aims to shift 72 properties from high-risk to safer categories through a combination of stopbanks and flood walls; currently undergoing final alignment and land access discussions.
- Ōhiti / Ōmāhu (\$10M): Targets 11 properties, with extensive community engagement completed and preliminary designs finalised; includes stopbanking and road-raising.
- Waiohiki (\$10M): Will protect 45 properties; designs complete, tendering underway, with land secured and consents obtained.
- Whirinaki (\$23M): Now fully funded; provides protection for 38 residential properties and critical industrial assets such as Pan Pac and Transpower; construction expected to commence in summer 2025/2026.

2.4 Other Projects:

- Stopbank level-of-service upgrades near Fernhill Bridge.
- Planned pump station upgrades (funding constrained).
- Regional telemetry upgrades to enhance flood monitoring and response.
- Targeted scheme reviews in areas including Haumoana, Karamū, and Esk/Whirinaki underway.

2.5 Attachment 1 HBRC Flood Protection Led Projects Presentation

3.0 Reimagining Flood Resilience

- 3.1 The Reimagining Flood Resilience project aims to comprehensively review and enhance regional flood risk management in collaboration with iwi, territorial authorities, and community stakeholders. It represents a coordinated, multi-agency response to the evolving challenges associated with climate change, community resilience, and land use pressures.
- 3.2 A report drafted by the Project Lead for Hawke's Bay Regional Council (HBRC) is attached to this report (**Attachment 2 Reimagining Flood Resilience Project Update**).
- 3.3 Below is a summary of highlights detailed in the attached report:
- 3.4 **Technical Advisory Group (TAG) has been established with the following partner organisations actively engaged:** Tamatea Pōkai Whenua (TPW), Mana Ahuriri (MA), Ngāti Kahungunu Iwi Incorporated (NKII), Hastings District Council (HDC), Central Hawke's Bay District Council (CHBDC), and Napier City Council (NCC). Meetings are held every three weeks.
- 3.5 **Steering Group** appointments from HBRC, NCC and HDC are confirmed. Appointments from CHBDC, TPW and MA are progressing. The inaugural Steering Group meeting is targeted for the beginning of September.
- 3.6 **Stakeholder Reference Groups will be** appointed via the Steering Group, with the appointment process scheduled to begin in September. An external consultant has been engaged, and a workshop to finalise the engagement framework is planned next week.
- 3.7 **Focus Groups are yet to be established.** Their structure and scope will be shaped through engagement with the Steering and Stakeholder Reference Groups.
- 3.8 Technical workstreams are being initiated which include scheme reviews, a leading practice review are underway, scoping for an economic analysis is in progress and broader ongoing research work, including development of a Natural Built Systems (NBS) approach.

4.0 Clifton to Tangoio Coastal Hazards Strategy – Community Engagement Update

- 4.1 Following receipt of the proposed Clifton to Tangoio Coastal Hazards Strategy from the Joint Committee in August 2024, HBRC resolved in January 2025 not to progress implementation at this time. Instead, HBRC directed a year-long community engagement process to test the Strategy's proposed outcomes, implementation costs, funding methods, and preferred options.
- 4.2 Clifton to Tangoio Coast Hazards Strategy Project Update report was presented to HBRC on 30 July 2025 (**Attachment 3 Clifton to Tangoio Coast Hazards Strategy Project Update**).
- 4.3 Below is a summary of highlights detailed in the attached report:
- 4.4 Community Engagement Structure Established:
- A Community Reference Group (CRG) of 34 members has been formed and met twice. Members have expressed understanding and cautious optimism, though concerns persist about funding complexity and timeframes.
 - Focus Groups in four high-priority coastal communities (Bay View, Westshore, Haumoana, Te Awanga) are meeting regularly. Engagement is strong and discussions are constructive.
 - Engagement with tangata whenua is underway, led by the Mātauranga Māori Workstream. Cultural frameworks are being developed for key PSGEs.
- 4.5 Council and Partner Involvement:
- While Hastings District Council (HDC) and Napier City Council (NCC) have withdrawn direct funding contributions for 2025/26, both remain actively engaged through staff and councillor participation.
 - The Technical Advisory Group (TAG) is closely monitoring budget and expenditure, with a current minor shortfall projected.
- 4.6 Ongoing engagement:
- Continued engagement via the CRG and Focus Groups through to September 2025.
 - Engagement with strategic partners, particularly the Port of Napier & Hawke's Bay Airport, and broader community outreach (e.g. surveys, online platforms) to commence shortly.
 - The CRG is expected to present formal advice to HBRC in February 2026 to inform Council's decision on which options and funding models should proceed to formal consultation. This will in turn form part of the next Long Term Plan.

5.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Recovery Committee receive the report titled Resilience and Climate Adaptation Work Programmes dated 19 August 2025.
- B) That the Committee notes the ongoing work programmes and that these work programmes will be reported as a standing item at each Strategy and Recovery Committee meeting going forward.

Attachments:

1⇒ HBRC Presentation

CG-17-32-00198

Under
Separate
Cover

2 ➡	Reimagining Flood Resilience Project update - Regional Council	PRJ25-59-003-0003	Under Separate Cover
3 ➡	Coastal Hazards Strategy - Community Engagement	PRJ25-59-003-0004	Under Separate Cover

Tuesday, 19 August 2025

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting****Item 6***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā: Nigel Bickle, Chief Executive
From: Gus Charteris, Interim Group Manager: Strategy

Te Take:
Subject: Update on Strategic Work Programme

Executive Summary – Te Kaupapa Me Te Whakarāpopototanga

- 1.1 This Report provides an update on Council’s Strategic Work Programme. Officers have also been advancing additional work to inform the key strategic conversations the incoming Council will need to have as it develops the 2027-2037 Long Term Plan. This is a continuation of work started for the 2024-2034 Long Term Plan discussions and the targets set for budget savings. The new Council will need to continue to grapple with the significant challenge balancing capital investment needs (flowing from the demands of a growing district and the recovery from Cyclone Gabrielle), the provision of key services and community facilities, and rating affordability.
- 1.2 The upcoming election will result in a new Mayor, new Deputy Mayor, and potentially a large number of new Councillors. There may be expectations that future rate increases budgeted in the 2024-2034 Long Term Plan can be reduced. Hard decisions regarding expenditure/investment choices will need to be made if the new Council decides it wants a different financial plan. The strategic work underway will inform the choices and trade-offs available to Council.
- 1.3 Key considerations that will inform the strategic conversations include:
 - **Capital programme and debt.** There will be some choices around timing of investment. Choices around the timing of recovery investment will need to be grounded in understanding of the time-limited Central Government funding that has been provided through to 2029. This funding has been provided to speed the pace of recovery. An implication of pushing recovery investment out would be that Council would be funding a much greater share of this cost. We also need to be clear about the implications of water related debt moving off the Council balance sheet.
 - **Operational.** This includes identifying any key opportunities for efficiencies (the rapidly changing technological context with adoption and integration of Artificial Intelligence (AI) is an important element here); identifying opportunities to consider service levels (and the corresponding trade-

offs); through to whether Council continues to do some activities that are not considered 'core' (most of these opportunities are already included in the Strategic Review Programme).

- **Revenue opportunities.** This will cover the opportunities and implications in areas like:
 - leaning into HDC strengths/comparative advantage in certain areas e.g. the provision of Information Technology (IT) shared services across Hawke's Bay Councils;
 - fees and charges, and whether we have the balance right between private contribution and public contribution for a range of our activities and services (i.e. whether the ratepayer should (mostly) foot the bill or whether it makes more sense in some cases for there to be greater user-pays; and
 - corporate sponsorship and partnerships e.g. testing ideas like a 'Hastings Partners Programme' if pre-work suggests there is appetite among potential partners.

1.4 On 11 March 2025 this Committee received the report '*Council Strategic Framework - How We Work to Deliver Community Wellbeing and Achieve our Community Outcomes*'. This provided a Strategic Work Programme to help inform Council consideration of the 2027 LTP. For ease of reference, see **Attachments 1 and 2**.

1.5 The Strategic Work Programme is framed around 6 key pillars that go to 'what does better look like?':

- **Better Decisions** – a key decision point is coming on the sustainability of some of our ageing assets.
- **Better Pathways** – some parts of our business face new business risks and opportunities.
- **Better Performance** – we need confidence that our capital programme is delivering optimal value and performance. The capital works contracts represent a large area of spend and offer opportunities for identifying cost savings and more effective ways of working.
- **Better Value** – it is time to assess and question public value in some of our activities and the options to deliver them.
- **Better Prepared** – big things that are coming at us need a considered game plan.
- **Better Organised** – structures we create need to work for us and address a changing context.

1.6 The 11 March report noted that Council's operating environment was being shaped by our very significant forward capital works programme (now sitting around \$2.1bn, and driving Council's debt profile and debt servicing costs), and a range of external factors, including:

- limits to our community's ability to pay;
- central government regulatory reforms pushing toward regional consolidation of activities;
- climate change adaptation and our regulatory role to identify and help mitigate the impact of natural hazards; and
- Central Government and community expectations of Council's role – ranging from 'stick to knitting' vs wider wellbeing.

1.7 The table below provides an update on progress against key elements of the Strategic Work Programme. All this work will inform development of the 2027 - 2037 Long Term Plan.

Focus areas	Comment
Future planning & pre/post-election preparation	<ul style="list-style-type: none"> • 'Strategic choices' work is underway. The intention is to have this work ready for the new Council. • Pre-election Report complete.
Capital works programme – structure and contract reviews	<ul style="list-style-type: none"> • Good progress has been made on the structures and systems we have in place to support effective and efficient delivery of the capital works programme. • Contract reviews will continue to occur through into 2026.
Emergency Management	<ul style="list-style-type: none"> • Good progress is being made. See separate update paper to this Committee.
Natural Hazard work programme	<ul style="list-style-type: none"> • Good progress is being made on the Esk and Tangoio river hazard overlay project.
Review of Regional Structures	<ul style="list-style-type: none"> • Completed. Recommendations are being implemented. • The aim is to have a refreshed HB Regional Economic Development Agency (HBREDA) able to take forward a small set of regional priorities from 1 April 2026.
Review of Development Contributions	<ul style="list-style-type: none"> • This is a complex area. Good progress on understanding the changes that will be required has been made. See separate update paper to this Committee.
Activity snapshots	<ul style="list-style-type: none"> • Good progress is being made, and this work will now accelerate so that we are well-placed to brief the incoming Council on key areas such as senior housing.
Fees and charges operating framework	<ul style="list-style-type: none"> • Initial work suggests the broad policy framework is sound. There are some potential opportunities in reconsidering the weighting between public and private contribution and in refreshing internal processes to ensure fees and charges accurately reflect underlying cost changes.

2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Recovery Committee receive the report titled Update on Strategic Work Programme dated 19 August 2025.
- B) That the Committee note good progress is being made on the Strategic Work Programme that will inform the 2027 - 2037 Long Term Plan.
- C) That the Committee note officers have begun additional work to inform the key strategic choices for the incoming Council. The strategic work underway will inform the choices and trade-offs available to Council.

3.0 Background – Te Horopaki

- 3.1 On 11 March 2025 this Committee received the report ‘*Council Strategic Framework - How We Work to Deliver Community Wellbeing and Achieve our Community Outcomes*’. This report outlined Council’s context and broad operating environment and provided a Strategic Work Programme to help inform Council consideration of the 2027-2037 Long Term Plan. For ease of reference, see **Attachments 1 and 2**.
- 3.2 The Strategic Work Programme is framed around 6 key pillars that go to ‘**what does better look like?**’:



- 3.3 There are currently 45 actions in the Strategic Work Programme. There are two key broad areas of effort:
- A series of reviews of our large capital works contracts. The capital works contracts represent a large area of spend and offer a major opportunity for identifying cost savings and more effective ways of working, including the systems and structures we have in place in Council to support effective and efficient delivery.
 - A programme of internal reviews to generate the insights Council needs to better understand the current situation in specific areas and the options moving forward. These reviews will help to inform Council consideration of the 2027 - 2037 Long Term Plan.
- 3.4 Good progress is being made. The table in the Executive Summary provides a summary of progress. Separate papers to Council/this Committee cover – emergency management; and the review of development contributions. The work on activity snapshots and internal reviews will now accelerate so that we are well-placed to brief the incoming Council.

4.0 Discussion – Te Matapakitanga

- 4.1 Strategic decisions with associated choices and trade-offs await the new Council. Officers have also been advancing work to inform the key strategic conversations the incoming Council will need to have as it develops the 2027-2037 Long Term Plan. This is a continuation of work started for the 2024-2034 Long Term Plan discussions and the targets set for budget savings. It will continue to be very challenging to balance capital investment needs, the provision of key services and community facilities, and rating affordability.
- 4.2 Key considerations that will inform the strategic conversations include:
- Capital programme and debt.** There will be some choices here around timing of investment (particularly around recovery). We also need to be clear about the implications of water related debt moving off the Council balance sheet.
 - Operational.** This will likely have 3 key aspects:
 - Efficiencies.** Identifying any opportunities for efficiencies. Benchmarking will be a useful guide (but note this is difficult given the way different Councils report and deliver activities). The rapidly changing technological context with adoption and integration of AI is an important element. For example, there are some compelling opportunities in the contract management, tender process, and customer engagement areas.

- ii. **Service levels.** Identifying opportunities to consider service levels and the implications and trade-offs involved in these decisions.
- iii. **The role of Council in the provision of some activities.** Whether Council continues to do some activities that are not considered 'core'; or owns some assets (most of these opportunities are already included in the Strategic Review Programme).
- c) **Revenue opportunities.** There are some presenting opportunities in this space:
 - iv. **Leaning into our strengths/comparative advantage in certain areas.** For example, IT and payroll where Council already provides shared services to other Councils. Other opportunities might respond to the broader strategic context pushing toward regional consolidation of activities, for example, a regional building consenting authority and how we take forward regional spatial planning (part of the Government's Resource Management Act (RMA) reform package).
 - v. **Fees and charges.** Initial work suggests the broad policy framework is sound. There are, however, some potential opportunities in reconsidering the weighting between public and private contribution and in refreshing internal process to ensure fees and charges accurately reflect underlying cost changes.
 - vi. **Corporate sponsorship and partnerships** (including with Central Govt). We are testing with potential partners whether there is appetite for a Hastings Partners Programme (along the lines of the New Plymouth Partners Programme). This is a partnership programme between New Plymouth District Council and key Taranaki businesses and other organisations. Together, these partnerships have enabled significant investment in key community assets over and above what the Council and the region's ratepayers could have achieved on their own). The new Council will provide guidance on appetite on this if there is interest among potential partners. We also think there are some untapped opportunities in the corporate sponsorship space that could be worth pursuing, but this would require additional effort and resource.

5.0 Next steps – *Te Anga Whakamua*

- 5.1 Continue to progress the Strategic Work Programme so we are well-placed to support the incoming Council.

Attachments:

1	Council Strategic Framework	CG-17-32-00188
2	Table for Summary Strategic Framework	CG-17-32-00148

Tuesday, 11 March 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Strategy and Recovery Committee Meeting

Te Rārangi Take

Report to Strategy and Recovery Committee

Nā:
From: **Nigel Bickle, Chief Executive**

Te Take:
Subject: **Council Strategic Framework - How We Work to Deliver
Community Wellbeing and Achieve our Community Outcomes**

1.0 Executive Summary – Te Kaupapa Me Te Whakarāpopototanga

- 1.1 Council's operating environment is being shaped by our very significant forward capital works programme and a range of external factors. Our forward capital works programme has increased 4-fold since the 2018 Long Term Plan (LTP) and is now sitting around \$2.1bn. This is driving Council's debt profile and debt servicing costs.
- 1.2 We need to be sure we have the right systems, structures, and capabilities in place to effectively and efficiently deliver this important programme of work for our communities.
- 1.3 Beyond the fiscal and balance sheet constraints being driven by our capital investment programme, are a range of external and internal drivers and strategic matters facing Council. These include;
 - Our community's ability to pay,
 - Central government regulatory reforms pushing toward regional consolidation of activities,
 - Climate change adaptation and our regulatory role to identify and help mitigate the impact of natural hazards,
 - Capable general management of Council to ensure a constant focus on excellence in delivery and achieving outcomes for our communities.
- 1.4 In 2025 we will have local government elections. The Chief Executive is required to provide a Pre-Election Report which will highlight the key issues and opportunities facing Council areas of responsibility. It is important we have a clear understanding of these matters, so we set the foundation for the strategic work we need to do to inform the 2027 LTP.
- 1.5 A key strategic priority in the short term is a series of reviews of our large capital works contracts with external suppliers. Many of these contracts are due for renegotiation over the next couple of years. The capital works contracts represent a large area of spend and offer a major opportunity for

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identifying cost savings and more effective ways of working, including the systems and structures we have in place in Council to support effective and efficient delivery of infrastructure.

- 1.6 Beyond the focus on our large capital works contracts, will be a programme of internal reviews to generate the insights Council needs to better understand the current situation in specific areas and the options moving forward. These reviews will help to inform Council consideration of the 2027 LTP.
- 1.7 The reviews could take different forms depending on the matter, from a more formal review under Section 17A of The Local Government Act 2002 (requires Council to review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions) through to activity snapshots which seek to highlight for Council the true cost of business.
- 1.8 **Attachment 1** provides a summary of the work programme priorities that sit under each of the Strategic Focus Areas that have been identified. The table contains information on the Council Group that is leading/would lead the work; the role of the Democracy & Strategy Group in supporting the work; the managing/lead officer, and the likely timeframe for the work.
- 1.9 In line with my stated organisational focus on the capital plan moving forward, some of the interrelated work captured in the attachment is:
 - Ongoing capital plan review and refinement being undertaken as part of budget processes.
 - The development of a new fit for purpose Infrastructure Strategy to inform the next LTP (building on the Infrastructure Constraints Report and Essential Services Plan).
 - The value for money review of key contracts in place for the delivery of infrastructure.
 - The Development Contributions review and wider focus on funding of growth.

2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Recovery Committee receive the report titled Council Strategic Framework - How We Work to Deliver Community Wellbeing and Achieve our Community Outcomes dated 11 March 2025.
- B) That the Committee note that a key priority is a series of reviews of our large capital works contracts. The capital works contracts represent a large area of spend and offer a major opportunity for identifying cost savings and more effective ways of working, including the systems and structures in place in Council to support effective and efficient delivery of infrastructure and capital works.
- C) That the Committee note this report outlines additional strategic matters that the Chief Executive proposes be the focus of a strategic work programme that will inform Council consideration of the 2027 Long Term Plan.

3.0 Background – *Te Horopaki*

Council Operating Environment

- 3.1 Council faces a challenging operating environment. This is shaped by considerable recent growth and change in our capital works programme and a range of external and internal drivers.
- 3.2 Key external and internal drivers and strategic matters facing Council include:
- A very significant capital works programme that has grown from around \$523m in the 2028 LTP to around \$2.1bn in the 2024 LTP. This is a 4-fold increase. We need to ensure we have the right systems, structures and capabilities in place to effectively and efficiently deliver this important programme of work for our communities.
 - Fiscal and balance sheet constraints flowing from the provision of infrastructure to support growth and Cyclone recovery related expenditure.
 - Limits to the community's ability to pay.
 - Central government regulatory reforms pushing toward regional consolidation of activities. This has significant implications for 'regional architecture' (how we identify, advocate for, collaborate on, and deliver regional priorities), and any Council assets that may be "stranded" through regional consolidation.
 - Climate change adaptation and our regulatory role to identify and help to mitigate the impact of natural hazards. This is a challenging space, particularly given pressure to make room for growth and the preference of existing communities to protect rather than retreat.
 - Government and community expectations of Council's role – ranging from 'stick to knitting' vs wider wellbeing. This goes to our 'why'. A key question is - where do we want to be on the spectrum today (as this is likely to shift over time) from infrastructure and core community services only through to a more expansive view of Council's role in promoting cultural, social, economic and environmental wellbeing.
- 3.3 Regardless of which activities we choose to focus on we should be focusing on excellence in delivery and achieving outcomes. The two key parts of success are;
- 1 delivery to specifications and budgets (output),
 - 2 achieving purpose /outcome/s.
- 3.4 There are opportunities to be clearer about what success looks like (our key outcomes) and the important measuring and monitoring that is required to know if we are achieving these outcomes.
- Council has also grown significantly (largely due to significant growth in our capital programme). Work programmes have expanded. We are proud of the delivery record of this Council.
 - Looking to the future, it is timely to ask ourselves what does fit for purpose look like now - across structures, processes and capabilities? How do we ensure effective programme and project delivery? How do we build and maintain an effective learning and adaptive organisation?

4.0 Discussion – *Te Matapakitanga*

Strategic Work Programme

- 4.1 The key strategic focus areas have been grouped under the following headings:
- Effective regional structures,
 - A resilient Hastings,
 - Future planning & Pre/Post election preparation,
 - Council efficiency and effectiveness,

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- Finance/Information Technology,
 - Our people and processes.
- 4.2 **Attachment 1** provides a summary of the work programme priorities that sit under each of the Strategic Focus Areas, including the Council group that will lead the work, the role of the Democracy & Strategy team in supporting the work, the managing/lead officer, and the likely timeframe for the work.
- 4.3 A key priority is a series of reviews of our large capital works contracts. The capital works contracts represent a large area of spend and offer a major opportunity for identifying cost savings and more effective ways of working, including the systems and structures we have in place in Council to support effective and efficient delivery.
- 4.4 Beyond the focus on our large capital works contracts, there is an opportunity to support a programme of internal reviews to generate the insights Council needs to better understand the current situation in specific areas and the options moving forward. These reviews will help to inform Council consideration of the 2027 LTP.
- 4.5 The reviews could take different forms depending on the matter, from a more formal review under Section 17A of The Local Government Act 2002 (requires Council to review the cost-effectiveness of current arrangements for meeting the needs of communities within its district or region for good-quality local infrastructure, local public services, and performance of regulatory functions) through to activity snapshots which seek to highlight for Council the true cost of business.
- 4.6 There are opportunities to consider how we continue to evolve and mature our organisational capability and general management capability across our policy design and delivery of work. This includes being clearer about what success looks like (our key outcomes); how we embed important measuring and monitoring in our work programmes so that we know if/when we are achieving these outcomes; build 'learning from doing' more effectively into the organisation; and exercising effective project management across our projects and programmes. We can do this via clearer expectations on managers, a mix of different types of training, tools and templates that support good practice.
- 4.7 I want to highlight some of the matters captured in **Attachment 1**.
- 4.8 **Contract Reviews.** As noted earlier, our capital works contracts, represent a very significant share of Council spend. It is appropriate we ensure that these contracts are fit for purpose and that we have the internal structures, processes and capabilities in place to support effective and efficient delivery. From cost and delivery risk perspectives we should be prioritising these reviews.
- 4.9 **Emergency Management.** This is focused on implementing the Hawkes Bay Civil Defence Emergency Management 'Transformation Strategy'. This imposes significant investment, work programmes and accountabilities on Council as an independent entity and as a partner entity with other Councils, agencies and mana whenua. This is the subject of another Report on this Meeting Agenda.
- 4.10 **Review of Regional Structures.** This is a review commissioned by the Matariki Governance Group (MGG) on that group's role and function, and the delivery agents/mechanisms that the region may require to succeed and respond to Central Government reforms pushing toward regional concentration of activity. This work will provide important direction on how we progress regional priorities.
- 4.11 **Management of bespoke strategic and significant operational projects.** This area of work recognises that from time-to-time Council will take on major initiatives to improve our organisation and/or respond effectively to operational environment change and opportunities. A good example of this was the Voluntary Buy-out Programme for Cyclone affected category 3 homes. A key part of the success of this programme was the dedicated resourcing, structure and rigour we put around that programme. The next area of work we may need to consider, depending on future decisions, is any transition work relating to 3-Waters.

- 4.12 **Review of Development Contributions (DCs).** DCs are a critical revenue source that we use to support growth initiatives. It is recognised that DCs are no longer covering the cost of growth infrastructure, meaning that ratepayers are subsidising the cost of this infrastructure. The Government has recently signalled significant changes to this system, moving to a Development Levy system to be in place for the 2027 Financial Year. This project is focused on understanding the true cost of growth; how this fits into a Development Levy system; and how we best transition to the new system.
- 4.13 **Activity Snapshots.** Council began receiving activity snapshots as part of the development of the 2024 Long Term Plan. Their purpose was to highlight the actual cost of running various facilities or parts of Council business (particularly discretionary Council activities). This work supports wider reviews in some areas such as the Building Consents activity or specific Section 17A reviews. A running programme will be proposed to inform Council consideration of the 2027 LTP.

Attachments:

1	Table for Summary Strategic Framework	CG-17-32-00148
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Attachment A: Proposed strategic work programme priorities

Strategic Focus Areas	Work Programme Priorities	Description	Group Lead	Role of D&S	Manager/officer Lead	Timeframe
1. Effective regional structures	Review of Regional Structures	A review of the role of Matariki Governance Group (MGG) and the delivery agents/mechanisms that the region may require to succeed and respond to Central Govt reforms pushing toward regional consolidation of activity.	Democracy & Strategy	Lead	Manager, Special Projects	Draft report scheduled for mid-March 25
2. A resilient Hastings	Natural Hazard work programme	This involves changes to the District Plan and regulatory approaches to better identify and help to mitigate the impacts of natural hazards.	Planning & Regulatory Services	Active support and Watching brief	Manager, Environmental Policy	Ongoing
	Emergency Management	Implementing the HB CDEM Transformation Strategy. This imposes significant investment, work programmes and accountabilities on Council as an independent entity and as a partner entity with other Councils, agencies and mana whenua.	Office of Chief Executive	Active support	Chief Risk Officer GM, Democracy & Strategy	Over next 3 years
3. Future planning & Pre/Post election preparation	Pre-election Report	Will provide a common understanding of the challenges and opportunities facing Council activities and areas of responsibility.	Democracy & Strategy	Lead	Strategy Manager	Scheduled for May 25
	Briefings for incoming Council	Comprehensive briefing incoming Council.	Democracy & Strategy	Lead	Chief Executive	Post-election 25
	Long Term Plan & Annual Plan Development	Strategic Plan that outlines our activities and goals over the next 10 years. It explains the services and projects we aim to provide and how they will be funded, managed, and delivered.	Democracy & Strategy	Lead	Strategy Manager	Annual and every 3 years
4. Council efficiency & effectiveness	Council General Management and lifting Council's capability to deliver outcomes	Build capability to assist the CE with General Management of Council with an emphasis on continuous improvement and organisation development. General Management is the process of overseeing and coordinating all operational aspects of Council to achieve its goals and objectives efficiently and effectively. Intention is to build better capability relating to – situational awareness; policy development; major project oversight and control; and monitoring and evaluation. This is likely to be a mix of different types of training, tools and templates, and clearer expectations on managers.	Democracy & Strategy	Lead	Deputy Chief Executive GM, Democracy & Strategy	Ongoing
	Palmer Review (Planning)	Implementing recommendations of Palmer Review.	Planning & Regulatory Services	Watching brief	GM, Planning & Regulatory Services	TBC
	Palmer Review (Growth)	Implementing recommendations of Palmer Review.	Growth & Development	Watching brief	Director, Growth & Development	TBC
	Commercial activity and fee charging	This work is underway. Will apply learning and recommendations from Fees and Levies Audit.	Community Wellbeing & Services	Watching brief	GM, Community Wellbeing & Services	TBC
	Project and programme review and assistance, including: <ul style="list-style-type: none">- Contract reviews- Section 17A reviews- Activity snapshots (true cost of business)- Assets and shareholdings NB: Where possible benchmarking will be considered to provide additional insights.	Contract reviews. This work would review key high spend/impact contracts. Examples: design panel, roading maintenance contract, 3-waters maintenance contract, and recreational services contract.	Asset Management	Active support	GM, Asset Management	Dec 2025
		s17A reviews. This work will inform the 2027 LTP.	Democracy & Strategy	Lead	Manager, Strategic Projects	TBC
		Activity snapshots. A range of activity snapshots in key areas are proposed to inform future Council decision making – in particular the 2027 LTP. This work will also inform the issue of stranded overheads as a result of the possible creation of a new Three Waters entity.	Finance	Active support	Chief Financial Officer	TBC
		Council assets and shareholdings. Further work is required to understand future Council ownership position and investment needs.	TBC	Watching brief	TBC	TBC
		Management of bespoke Strategic and Significant Operational Projects	Democracy & Strategy	Lead	TBC	TBC
		Major initiatives we undertake to improve our organisation (internal focus) and respond well to operational environment change and opportunities (external focus) to move Council in the direction of our long-term strategy. For example, next steps with 3-Waters.	Democracy & Strategy	Lead	TBC	TBC
5. Finance, IT, Infrastructure	Review of Development Contributions	A review of DC policy, tools, and specific project allocations.	Democracy & Strategy	Lead	Strategic Programme Lead	By June 2026
	Infrastructure Strategy Update	This is a legislative requirement. It requires a fit for purpose future review and links to DC policy and other strategic matters identified.	Democracy & Strategy	Lead	Strategy Manager	Feb 2026
	Stranded Overhead Strategy	LWDW and other regional aggregation efforts could lead to stranded assets. We need to understand impact and options to manage and mitigate impact.	Finance	Active support	Chief Financial Officer	TBC
	Project Genesis	A major organisational project to upgrade Council's main information database.	Finance	Watching brief	Chief Information Officer	TBC

Tuesday, 19 August 2025

Item 7

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā:
From: Regan Smith, Chief Risk Officer

Te Take:
Subject: Civil Defence Emergency Management Update and Planning

1.0 Purpose and Summary - *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to provide the Committee with an update on the regional Civil Defence Emergency Management (CDEM) transformation programme, and Council planning to meet the obligations of the Hawke's Bay CDEM Service Level Agreement (SLA) adopted by the CDEM Group Joint Committee (Joint Committee).
- 1.2 Civil Defence Emergency Management is a key strategic priority within the Council Strategic Work Programme. This reflects the increased expectations for delivery of CDEM services and the greater responsibility for local delivery of CDEM services Council has under the Hawke's Bay CDEM SLA.

2.0 CDEM Governance Structure

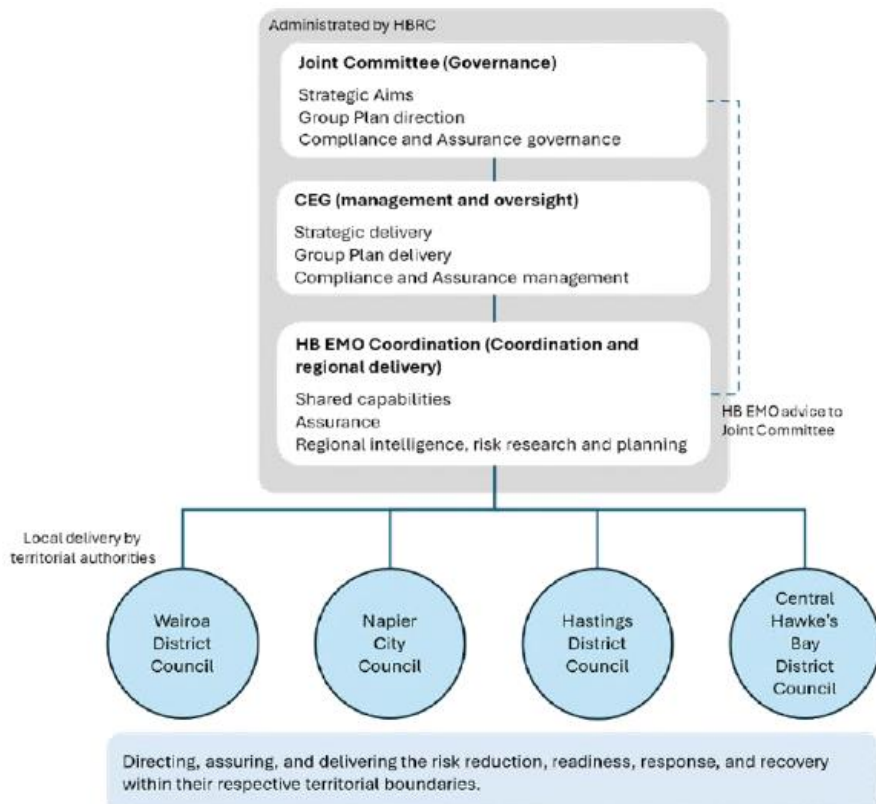
- 2.1 The CDEM system in Hawke's Bay consists of the following entities which are defined in statute:
 - 2.1.1 Governance of the goals and objectives for CDEM is provided by the Joint Committee, which includes a representative from each Local Authority that is a member of the HBCDEM Group. In Hawke's Bay the membership of the Joint Committee includes the Mayors of Central Hawke's Bay District Council, Hastings District Council, Napier City Council, and Wairoa District Council, and the Chair of the Hawke's Bay Regional Council (HBRC). Decisions made by the Joint Committee relating to CDEM are binding for all parties that form the Group, including Hastings District Council.
 - 2.1.2 Executive management of the CDEM system is provided by the Coordinating Executive Group (CEG). This includes oversight of the HB Emergency Management Office (EMO) and Group Plan. The membership of the CEG includes the Chief Executives of all Local Authorities and representatives from the Police, Fire and Emergency New Zealand, Iwi and District Health.



2.2

Hawke's Bay CDEM Group area

- 2.3 In addition to this governance and management structure, a HB EMO is in place to undertake the work required to deliver the CDEM Group Plan. The CDEM Group Office is a department administered by HBRC consisting of CDEM professionals responsible for coordinating Reduction, Readiness, Response and Recovery (4Rs) activities defined in the CDEM Act across the region.
- 2.4 Hastings District Council (HDC) is responsible for local delivery of Reduction, Readiness, Response and Recovery activities within the District in accordance with the HB CDEM Group Plan.



2.5

Hawke's Bay CDEM Group Governance Structure

3.0 CDEM Joint Committee Meeting – 28 July.

- 3.1 A meeting of Joint Committee was held on 28th July 2025 which considered and adopted the following matters. (**Attachment 1**):
- Hawke’s Bay (HB) CDEM Service Level Agreement (SLA).
 - HB CDEM Joint Committee Delegations.
 - Local Controller List Adjustments.
- 3.2 Decisions on the delegation of emergency powers to the Group Controller, and removal of Mr R Oosterkamp from the Local Controller list, were routine administrative decisions that required the Joint Committee approval.
- 3.2.1 For reference, the regional Group Controller and Local Controllers play a critical role in emergency management under the Civil Defence Emergency Management Act 2002 (CDEM Act). A Controller is appointed by the Joint Committee and is responsible for managing the response to emergencies within their designated area.
- 3.2.2 A Group Controller or Local Controller may exercise the following powers (CDEM Act s86 to 92) under a declared state of emergency signed by an authorised person, normally the Mayor of the district, when the action is considered necessary for preservation of life:
- Enter premises and evacuate premises,
 - Control access to areas and restrict movement (closing roads)
 - Requisition resources – including but not limited to land, buildings, equipment, food, medical supplies.
 - Give directions to any person to stop an activity that may cause an emergency.
- 3.3 The following people are appointed to Controller positions in the HB Group Plan:
- Group Controller: Shane Briggs.
 - Local Controllers: Craig Cameron (HDC); Clint Adamson (HDC); Dean Ferguson (HDC); Ben Swinburne; Dylan Muggeridge; Rachael Bailey; Russell Bond; Michael Hardie; Juanita Savage; Steve Gregory; Reuben George; Te Arohanui Cook; Stephanie Murphy.
- 3.4 The key decision affecting Council from the Joint Committee meeting was adoption of the HB CDEM SLA. This is a revised version of the SLA from the consultation draft previously shared with the Council and puts in to effect the decentralised CDEM responsibilities agreed to as part of the Regional Transformation Strategy.

4.0 Service Level Agreement Obligations

- 4.1 The benefit of the SLA adopted by the Joint Committee is clarification of the HB CDEM operating model, including the roles and responsibilities of each local Council. The SLA describes obligations across 16 areas of activity ranging from governance and staffing to funding and public education (**Attachment 2**). This provides direction on which Council can base service level and funding decisions that will need to be funded as part of the 2027 – 2037 Long Term Plan.
- 4.2 To inform funding requirements Officers will review the SLA roles and responsibility obligations to develop a delivery plan with service level options for the Committee to consider. Key focus areas for the delivery plan include:
- Community Resilience building.
 - Iwi Māori engagement
 - Hazard planning

- HDC emergency management workforce development.
- HDC emergency response framework and systems.

4.3 It should be noted that the SLA includes a provision for an annual review. The first review is to begin in early 2026. This is an opportunity to incorporate consultation with Heretaunga Takoto Noa Māori Standing Committee and emergency services agencies to ensure the SLA operating model adequately describes the role these partners play in delivering effective emergency management.

5.0 CDEM Workforce Development & Training

- 5.1 A key objective of the HB CDEM SLA is to increase the number of staff who are able to operate in an Emergency Operations Centre to coordinate emergency response activities. To achieve this goal the HB EMO has run a series of training courses over the last 12 months that have been attended by staff from all Local Authorities in the region including HDC.
- 5.2 The training programme is now on hold until the new year while a programme of region emergency management exercises is being undertaken. The HB EMO has engaged an external provider to develop an exercise scenario for each Local Authority which will involve teams of approximately 40 staff simulating the problem solving activities that need to occur within an Emergency Operations Centre. The exercise for HDC is scheduled to take place on 21st August 2025.

6.0 Kamchatka Magnitude 8.8 Earthquake & Tsunami Warning

- 6.1 On 30th July 2025 at 11:24am NZST a magnitude 8.8 earthquake struck off the east coast of Kamchatka, Russia at a recorded depth approximately 75km. The earthquake triggered the US Tsunami Warning System to issue Tsunami advisories for all Pacific rim countries to expect waves of between 0.3m and 1m.
- 6.2 New Zealand's National Emergency Management Agency (NEMA) issued a series of National Advisories for Tsunami activity warning people to expect strong and unusual currents and unpredictable surges at the shore from 21:21pm NZST onwards. This included issuing multiple Emergency Mobile Alerts (EMA) to mobile phones nationwide to raise public awareness.
- 6.3 In response to this event the HDC on-call Incident Management Team activated a monitoring capacity to ensure public communication were supported and intelligence gathering activities could be coordinated. This included using the Council incident management platform FACT24 to record all incident team actions and intelligence relating to the event.
- 6.4 As this was a National event NEMA was the lead agency and all CDEM Groups in the country, including Hawke's Bay, acted to support of the messaging issue by NEAM. Overall, the information provided for this event was timely and appropriate, and there was fortunately no noticeable impact in New Zealand from the Tsunami waves.

7.0 Coroner Inquest into the Auckland Anniversary Weekend Floods and Cyclone Gabrielle

- 7.1 Coroner Erin Woolley has commenced hearings into the deaths as a result of the 2023 Auckland Anniversary Weekend floods and Cyclone Gabrielle. Hearings are currently taking place in Auckland and are likely to move to Hastings in October and November 2025.
- 7.2 The Inquest is likely to examine warnings, weather forecasts, landslide and flood risks, preparedness and emergency responses in affected areas.
- 7.3 HDC is actively supporting the Inquest by providing all information requested by the Coroner. Council officers are working in collaboration with Simpson Grierson, the legal representatives for Hastings District Council, Napier City Council, and Central Hawke's Bay District Council, to compile the necessary documentation ahead of the Hastings Hearings.

8.0 Emergency Management Delegations

- 8.1 To ensure the district is adequately prepared to manage an emergency response during the Local Government election period appropriate delegations from the Council will be established. A report covering all delegations required from the Council will be tabled in September which will cover the local emergency management powers required.

9.0 Recommendations - *Ngā Tūtohunga*

That the Strategy and Recovery Committee receive the report titled Civil Defence Emergency Management Update and Planning dated 19 August 2025.

Attachments:

1 ➡	CDEM Group Joint Committee Agenda 28 July 2025	EMG-01-25-06-25-10	Under Separate Cover
2 ➡	Hawkes Bay Civil Defence Emergency Management Service Level Agreement	EMG-01-25-06-25-11	Under Separate Cover

Tuesday, 19 August 2025

Item 8

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā:
From: Raoul Oosterkamp, Director - Growth & Development

Te Take:
Subject: Growth and Development Activity Update

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to provide an update on planning, delivery and uptake activity in the residential, industrial and commercial growth and development areas.
- 1.2 This update will be supported by a **PowerPoint Presentation**, (Attached in the Attachments Volume) highlighting “on-the-ground” progress made over the last 3 months, and noting upcoming areas of focus for the next 3 months in the following areas:
 - Structure & Area Planning Activity,
 - Enabling Intensification,
 - Active Development Areas, and
 - Industrial Areas.
- 1.3 Regular updates on the progress of Growth and Development strategies and plans—including the Future Development Strategy Implementation Plan, Hastings District Council’s inputs into the Regional Spatial Plan, and various development frameworks such as urban centre frameworks and master plans—will be provided separately on a scheduled basis.
- 1.4 The exact timing and format of these updates will be confirmed once the committee structures and meeting schedules are finalised following the 2025 Local Government election.

2.0 Recommendations - Ngā Tūtohunga

That the Strategy and Recovery Committee receive the report titled Growth and Development Activity Update dated 19 August 2025.

3.0 Structure & Area Planning Activity Update

Lyndhurst Extension Area (Hastings)

Status – In Progress

- 3.1 The Structure Planning process is now well advanced, with detail around infrastructure requirements (roading, 3 waters and reserves) as well as an initial assessment of costs associated with the provision of infrastructure (public and private). The intent is to shortly progress to stakeholder engagement.
- 3.2 Learning from previous structure planning activities have been applied to thinking that is informing the Lyndhurst Extension structure plan, ensuring good urban planning outcomes are realised, while Council's funding and cost recovery risk is mitigated.

Kaiapo Road (Hastings)

Status – In Progress

- 3.3 As previously reported, the structure planning of Kaiapo Road (430 dwellings) is reliant on the stormwater solution given its propensity to have surface flooding. The modelling of stormwater is advanced. Initial groundwater findings indicate a very high-water table, suggesting that the potential to accommodate future development may be more restricted than originally projected.
- 3.4 Officers continue to assess the impacts of the hydrological modelling results on housing yield, and will report back to Council its findings, viability implications, and recommendations in due course.

Arataki Extension – Fast-tracked Resource Consent

Status – In Progress

- 3.5 National developer, CDL New Zealand Ltd (CDL) has been successful in applying for referral to use the Fast-track (FT) process for its Arataki land holdings. This is step one of a multi staged process.
- 3.6 This project endeavours to subdivide land and develop approximately 150 to 200 residential dwellings over an approximately 11Ha site in Havelock North.
- 3.7 CDL have been working closely with Council Officers to prepare a substantive application for resource consent and other approvals to the Environmental Protection Authority (EPA). On 25 July 2025 CDL lodged the FT Resource Consent application with the EPA, which is now being processed accordingly.

4.0 Enabling housing Intensification Update

- 4.1 The Local Area Plans Programme (LAPP) is focused on the place-based delivery of medium-density housing. The programme takes an integrated approach, aligning above and below ground infrastructure and amenity open spaces within neighbourhoods, to ensure that residential intensification results in well-functioning urban environments.

- 4.2 Public consultation on the Draft LAPs for the areas within Hastings Central, identified as 'West' (St Leonards/Stortford), 'East' (Heretaunga Street East/Karamu Road), 'North' (Mahora) and 'Hospital' (Part Frimley/Camberley) is now complete.
- 4.3 Officers presented the macro-level findings of this engagement to Council in August 2025, and pending further feedback look to finalise these first four in September 2025. An implementation plan to give effect to the LAP's will accompany these plans.
- 4.4 Opportunities to realise quality intensified market housing continue to be proactively explored.

5.0 Active Development Area Updates

Wairatahi (Stock Road)

- 5.1 The Wairatahi Development EPA submission was lodged by Heretaunga Tamatea Pou Tahua Limited Partnership to fast-track the subdivision of approximately 28 hectares of land in Flaxmere, Hastings, under the COVID-19 Recovery (Fast-track Consenting) Act 2020. The proposal includes 452 residential units, a Neighbourhood Centre, a Community Hub, and extensive green space and stormwater infrastructure. The masterplan integrates Te Ao Māori values, particularly the protection and enhancement of the Irongate Stream, and aims to deliver a well-functioning, inclusive, and intergenerational urban environment.

Howard Street

- 5.2 Construction of public works is now complete, with the exception of amenity reserves purchase, formation and landscaping which is scheduled to occur in 2025/26 and 2026/27.
- 5.3 Residential construction activity continues at Howard Street, with Tumu (Peak View Development) and TW Group progressing with home construction. Hero International remain in the earthworks phase of their subdivision.

Iona

- 5.4 Majority landowner, CDL continue to progress their subdivision at pace, with the initial Lots in Stage 1 now under construction.
- 5.5 Road improvements and public services including 3 waters, and other utilities along Middle Road is progressing to plan, with the final portion being road, stormwater and utilities improvements between the Gilpin Road intersection and Endsleigh Road, which is scheduled to take place from late August to the end of 2025. Iona Road upgrades will commence after the completion of Middle Road.
- 5.6 All works remain on track for completion by December 2026.

Brookvale

- 5.7 Brookvale remains an active development area with subdivision works complete, resource consent applications being assessed, and private plan changes in progress.
- 5.8 The priority focus of the program remains on the global stormwater management solution and associated land acquisition processes, with construction targeted to commence in the 4th Quarter of 2025. Romanes Drive transport and drinking water improvements are on track to commence in the 3rd Quarter of 2025 and be concluded mid-2026.
- 5.9 Construction of new residential homes in Area A remains steady.

6.0 Industrial Development Area Update

- 6.1 Activity across the industrial estates (Irongate, Omahu and Whakatu) remains slow, however Officer's are seeing an increase in general enquiries.

- 6.2 The Irongate Industrial Estate has seen substantive progress of the Mainfreight Regional Distribution Centre, another major national business, relocating to Hastings. Resource Consent for the new Hastings NZ Post Regional Distribution Centre in Tomoana has also been granted.

7.0 Next steps – *Te Anga Whakamua*

- 7.1 This report is part of a regular reporting regime to Council on growth and development activity across the district. Officers will provide another growth and development work program update report to Council post the 2025 Local Body Election and to the appropriate Committee at that time.

Attachments:

1	Growth Development Presentation	CG-17-32-00200	Under Separate Cover
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Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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 wellbeing of communities in the present and for the future.

Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the social, economic, environmental, and cultural wellbeing of communities in the present and for the future, by directing planning and investments to enable residential and commercial growth across the Hastings District.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

Future Development Strategy (FDS) matters have been reported through to the Napier-Hastings Future Development Joint Committee. The FDS has been prepared as a partnership between the three Partner Councils and three iwi authorities, being Maungaharuru-Tangitū Trust, Mana Ahuriri Trust and Tamatea Pōkai Whenua.

Structure planning matters will continue to be reported through the Heretaunga Takoto Noa Māori Standing Committee, District Plan and Bylaw Subcommittee and Council. Specific areas of growth and development risk will be reported to this Committee and the Risk and Assurance Committee.

Sustainability - *Te Toitūtanga*

The FDS, Local Area Plans, and Structure Plans consider sustainability issues such as housing, transport, employment, cultural wellbeing, the environment, climate change and resilience.

Financial Considerations - *Ngā Whakaarohanga Ahumoni*

The fiscal management of growth and development has been set in the 2024/34 Long Term Plan. Opportunities to further manage, reduce or transfer Council's financial risk exposure (now or in the foreseeable future) continue to be explored, and progressed when beneficial to Council.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

Growth matters are significant. The FDS, structure planning, LAPs, bylaws and capital investment are consulted on through local government consultation and engagement processes.

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

The management of the overall program of growth is an across-Council activity involving many teams and officers.

Risks

Risks are managed through standard operational processes, and where applicable escalated to Council for consideration.

Rural Community Board – *Te Poari Tuawhenua-ā-Hapori*

Growth and development matters applicable to rural communities are reported to the Rural Community Board as appropriate.

Tuesday, 19 August 2025

Item 9

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā:
From: Councillor Apatu, Chair, Community Wellbeing Subcommittee

Te Take:
Subject: Chair's Review of the Community Wellbeing Subcommittee 2025

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The Community Wellbeing Subcommittee is responsible for making delegated decisions and advising the Strategy and Recovery Committee by:
- Providing guidance to Council officers in respect of the drafting of Council's Community Strategies and providing oversight of any relevant Special Consultative Procedures.
 - Providing oversight of the implementation of Council's Community Strategies.
 - Providing oversight of the implementation of Council's Community Plans, Fabulous Flaxmere, Safer Hastings, Civic Pride and Events, Youth Pathways, Keep Hastings Beautiful Strategies, Health, Cultural, Education, Sports, Arts and Heritage Strategies.
- 1.2 This report, from Councillor Apatu, provides an overview of key highlights, outcomes and challenges for the Community Wellbeing Subcommittee in 2025.

2.0 Recommendations - *Ngā Tūtohunga*

That the Strategy and Recovery Committee receive the report titled Chair's Review of the Community Wellbeing Subcommittee 2025 dated 19 August 2025.

3.0 Background – *Te Horopaki*

- 3.1 As my tenure as a Councillor concludes at the end of this term, it is with both pride and a sense of responsibility that I present this final overview of the Community Wellbeing Subcommittee's activities throughout 2025.
- 3.2 This Subcommittee has diligently addressed a diverse range of initiatives crucial to the social and cultural fabric of the Hastings District.
- 3.3 The Subcommittee has always sought to understand, support, and enhance the wellbeing of our community, identifying both notable successes and ongoing challenges that warrant continued strategic focus.
- 3.4 Over the past year, there has been growing uncertainty regarding proposed changes to the Local Government Act and the Government's stated intention for Councils to focus primarily on their 'core services'. While the definition of 'core' often refers to infrastructure such as roads, water, and waste management, our experience shows that community wellbeing is just as fundamental to a thriving, resilient district.
- 3.5 Reducing Councils' mandate to invest in social outcomes, such as those discussed and considered by this sub-committee, could risk leaving significant gaps in support for groups including Māori, Pasifika, youth, older people, and culturally diverse communities. These are not optional extras—they are critical to the health, safety, and liveability of Hastings.
- 3.6 If Councils are restricted to a narrow service delivery model, the flow-on effect for social cohesion could be profound. Initiatives that bring people together, foster inclusion, and build a sense of belonging, such as community events, wellbeing programmes, and youth strategies, may no longer receive funding or governance attention.
- 3.7 Without these investments, the risk of isolation, inequality, and community fragmentation increases, ultimately placing greater strain on social services and eroding the collective resilience that Hastings has worked hard to build.
- 3.8 We must continue to advocate for a balanced approach that recognises the vital role this Council plays in shaping connected, supportive and resilient communities.

4.0 Discussion – *Te Matapakitanga*

- 4.1 **Main Areas of Activity during the last year:**
- 4.2 **Sport and Active Recreation Facilities (SARF) Review:** We received the final version of the Hastings District Sport and Active Recreation Facilities Review. This critical document outlines objectives to 'Retain, Maintain, and Plan' for existing recreational land and facilities, emphasising their importance for diverse geographic, socio-economic, and demographic needs. It also highlights the need to maintain and optimize existing facilities, considering enhancements like irrigation and lighting, and to investigate partnerships with sports organisations to maximize asset use. The youth strategy is set to naturally inform this broader strategy. The Subcommittee was informed, and this document will guide future operational and planning decisions.
- 4.2 **HDC and NCC Joint Alcohol Strategy (JAS) Review:** A draft final review report of the Joint Alcohol Strategy 2017-2022 was presented. This review assessed the effectiveness of the JAS and enabled the two Councils to consider this against current data and context. It was highlighted that the JAS Reference Group has already successfully completed approximately two-thirds of its implementation plan (22 out of 35 projects), with an additional 7 partially completed. The Council is seen as a leader in alcohol harm reduction through its facilitative role. However, questions were raised about whether the current strategic approach was still fit-for-purpose. Notably, engagement with Hastings District Youth Council showed strong support for the recommended option to pause the review and explore alternative strategic approaches. This pause acknowledged current

circumstances and allowed for greater flexibility, aligning the strategy with the ongoing Local Alcohol Policy (LAP) review.

- 4.3 **Toitoti Review:** An operational review of the Toitoti Hawke's Bay Arts and Events Centre was shared. A significant highlight from the youth perspective was that Toitoti is considered the "go-to venue for youth events, school balls and award ceremonies". The design allowing extension and outdoor flow, as demonstrated by events like Toitū Te Reo, was noted as a significant added value. The importance of the Community Engagement role in fostering these vital relationships and events was underscored.
- 4.4 **Youth Council Verbal Update:** Our Youth Councillors provided a valuable update, detailing their focus on Long Term Planning for the next five years and ensuring alignment with Regional Council submissions. The Youth Council was deservedly congratulated for their dedicated work.
- 4.5 **Mahi for Youth Programme (Youth Team Update):** The Youth Team provided a comprehensive update on the Mahi for Youth Programme, lauded for its valuable contribution to Rangatahi. This programme aims to place young people into employment or education outcomes, with a cost of \$6,164.78 per participant. It was identified as a "great return on investment" given that preventing a young person from starting or remaining on a job seeker benefit (which can cost \$13,942.76 - \$16,365.44 annually) yields significant financial and societal benefits. The programme directly addresses various barriers to employability, including addiction, housing instability, lack of soft skills, and mental health struggles, thereby mitigating risks associated with being NEET (Not in Education, Employment, or Training). The latest data from Infometrics shows that the annual average NEET rate in the Hastings District was 10.5% in the year to March 2025, down from 11.1% in the previous 12 months. This shows that the collective impact of organisations across the district has started to make a difference and that this should be an area to continue to keep a focus on.
- 4.6 **Hawke's Bay Predator Free Presentation:** An update was provided on regional predator-free initiatives, with a request for Council collaboration and support. It was noted that Hawke's Bay is currently behind other regions in predator-free coordination, and that schools and marae are identified as key partners in this effort. The Subcommittee supported further collaboration.
- 4.7 **Futureopoly Presentation:** A regional event, it annually connects over 900 young people (up from 485 in 2022) with real, local career opportunities through gamified, hands-on engagement. The event was specifically developed to address the significant number of students who lacked knowledge of rewarding local pathways. The Subcommittee expressed support to retain Futureopoly in the region, acknowledging its critical role, especially with the Graeme Dingle Foundation Hawke's Bay soon to cease operations. Council will now consider how best to assist with its transition and sustainability.
- 4.8 **Arts and Culture Strategy 2025:** The draft strategy was presented, which aims to set a clear, coordinated direction for Council's support and investment in arts, culture, and creativity, aligning with regional frameworks and mana whenua input. The Subcommittee acknowledged the robust work and supported its progression.
- 4.9 **Multicultural Strategy Review and Progress Report:** Updates were provided on the review of the Hastings District Multicultural Strategy 2020-2025, which envisions Hastings as "an inclusive, welcoming community where everyone belongs". Highlights include cultural celebrations like International Cultures Day and various language week celebrations. The Subcommittee endorsed ongoing efforts and supported the strategy refresh proposed.
- 4.10 **Older Persons Portfolio:** Discussion centered on reactivating the positive ageing strategy and increasing engagement with older persons, acknowledging growing interest from the over-65 demographic in ageing well. The Subcommittee supported a funding application to fund the development this strategy.

5.0 Key Challenges Identified

- 5.1 **Funding and Resource Constraints:** The discontinuation of central government funding for initiatives like the Welcoming Communities Coordinator poses a significant challenge, leading to reduced resources for key programmes like the Multicultural Strategy. This necessitates a greater reliance on partnerships with other organisations for implementation.
- 5.2 **Maintaining Momentum Amidst Change:** With the Graeme Dingle Foundation Hawke's Bay ceasing operations, there is a clear risk of losing years of momentum, strong engagement, and a proven, culturally responsive model in youth career pathway development if Futureopoly cannot find a new organisational home. Similarly, the pause in the Joint Alcohol Strategy review carries the risk of losing momentum in alcohol harm reduction efforts.
- 5.3 **Council's Capacity and Core Services:** More recent discussions raised questions about costs, staffing, and whether certain event/programmes fits within Council's 'core' services. This reflects a broader challenge where Council faces increased cost-reduction pressures. In addition, Council Officers have been focused on building community resilience and emergency preparedness post-Cyclone Gabrielle, impacting their capacity to lead and facilitate certain forums or strategies.
- 5.4 **Bridging Knowledge Gaps and Engagement:** There remains a challenge in ensuring consistent and widespread community engagement across all initiatives, especially when resources for broad consultation are limited. The need for continued mana whenua engagement across various strategies remains essential.
- 5.5 **Addressing Complex Social Issues:** Initiatives like the Mahi for Youth Programme highlight the complex and multi-faceted barriers young people face in gaining employability, including addiction, mental health issues, and lack of soft skills. Homelessness remains a regional issue that is not improving, despite positive local partnerships. These areas require sustained, collaborative effort and adequate resourcing for various community services.

6.0 Conclusion

The 2025 Community Wellbeing Subcommittee is very signifiant of the dynamic and vital nature of our community's wellbeing. From fostering youth aspirations, to strengthening our multicultural fabric, and addressing critical social challenges, the work of this Subcommittee is at the heart of building a thriving Hastings District. While challenges around funding and resourcing persist, the overwhelming support for the community programmes across all our facilities demonstrates the community's demand and the proven impact of these programmes. The continued dedication of Council officers, community partners, and our youth appointees is commendable, and I am confident that their ongoing efforts, coupled with strategic planning, will continue to build a stronger, more resilient, and inclusive Hastings for all.

Attachments:

There are no attachments for this report.

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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 wellbeing of communities in the present and for the future.

Link to the Council's Community Outcomes – Ngā Hononga ki Ngā Putanga ā-Hapori

The Community Wellbeing Subcommittee purpose is to provide oversight of the implementation of Council's Community Plans, Fabulous Flaxmere, Safer Hastings, Civic Pride and Events, Youth Pathways, Keep Hastings Beautiful Strategies, Health, Cultural, Education, Sports, Arts and Heritage Strategies and therefore its mahi promotes the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

Māori Impact Statement - Te Tauākī Kaupapa Māori

The Community Wellbeing Subcommittee will consider opportunities to address inequities for Māori and Pasifika communities when making delegated decisions and advising the Strategy and Recovery Committee.

Sustainability - Te Toitūtanga

The Community Wellbeing Subcommittee will consider kaitiakitanga of the natural environment and its enhancement and protection when making delegated decisions and advising the Strategy and Recovery Committee.

Financial considerations - Ngā Whakaarohanga Ahumoni

N/A

Significance and Engagement - Te Hiranga me te Tūhonotanga

N/A

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

No consultation is required for this update report. Internal and external consultation is considered and completed when required.

Risks

N/A

Rural Community Board – Te Poari Tuawhenua-ā-Hapori

The Rural Community Board has membership on the Subcommittee.

Tuesday, 19 August 2025

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting****Item 10***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā:
From: **Ross Franklin, Financial Advisor**

Te Take:
Subject: **Update on Review of Development Contributions**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 This report provides an update on the review of Council's Development Contributions Policy (DC Policy). It is focussed on highlighting the key issues and matters that have been identified through the first stage of the review.
- 1.2 During the 2024-2034 Long Term Plan (LTP) deliberations councillors asked that the current DC Policy be reviewed. This followed concern over the level of proposed borrowing to support growth in the draft LTP. In the adopted 2024-2034 LTP Council is proposing to spend \$203m on infrastructure projects to service growth. This is a significant increase on the historical levels of expenditure for growth.
- 1.3 Since the current DC Policy was introduced, Council has collected more than \$47m from the development community to help fund the costs of infrastructure. Thus, the DC Policy has been effective in reducing the burden of growth on ratepayers.
- 1.4 All aspects of Council's DC Policy are being reviewed. This includes our approach to resourcing the Policy regime, our processes, our assumptions and past Policy decisions, our financial modelling and an assessment of whether revenue collected from the growth community has been sufficient to fund Council's expenditure to provide infrastructure to facilitate growth.
- 1.5 The DC Policy is complex. See **Attachment 1** for a brief explanation of development contributions. It is taking some time to fully unpick the links between policy parameters, data and model requirements, processes, and resourcing. We need to understand where we can improve so that we have a robust DC Policy that will meet the District's needs; support an effective transition to the new regional water entity (for 3-waters related development contributions); and ensure we can effectively transition to the Government's proposed Development Levy system.

1.6 The first stage of the review has confirmed that:

- Council's current DC Policy is not fully recovering the cost of growth from the growth community. Further detailed work is required to quantify this with rigour. Note, the use of Development Agreements (and upfront developer funding for infrastructure) has limited Council's exposure for some growth projects.
- The current legislative environment, whereby the DC value for new development is set based on the date a resource consent is lodged, is resulting in a significant under-recovery of growth costs.
- It is likely that there will be a need for different resourcing, processes, data requirements, and likely a new DC model to effectively support an updated DC Policy and to ensure we are well-placed to transition to the Government's proposed Development Levy system.
- Further detailed policy work on Household Unit Equivalents (HUEs) and catchment areas would usefully inform an updated DC Policy.

1.7 The table below groups the key issues/opportunities that have been identified to date into the following workstreams: 1) **Policy and legislative framework**; 2) **People**; 3) **Processes**; and 4) **Tools**.

Workstream	Issues or opportunity identified	Improvements sought
Policy & legislative framework	The current policy document needs to be modernised and improved. Existing legislation enables developers to lock in contributions below the eventual cost of growth infrastructure.	Revise wording based on best practice. In particular need to review: <ul style="list-style-type: none"> • The triggers for the calculation of DCs. • Any current concessions that reduce the amounts paid.
People	Appropriate people resources are required to support this important work. Council will spend \$200m over 10 years and will need to increase annual revenues from \$5-6m to \$18m p.a. This warrants greater resourcing.	Adopt a cross Council functional team approach to maintaining the DC Policy so that it is understood and owned by all areas of the organisation. Increase the level of resourcing so that the DC Policy is continually being monitored, reviewed and reported on in terms of how well it is delivering on the goal of growth paying for growth.
Processes	Enhanced processes, procedures, and documentation are required to support effective implementation of the DC Policy and to support best practice monitoring and evaluation.	Robust, well documented end to end processes covering data collection, financial modelling, monitoring and reconciliation to Council's financial records will enable management and Councillors to be better informed on how the DC Policy is working and whether there any risks or fiscal gaps emerging. The process needs to highlight the key variables and data dependencies that need to be reviewed. This should include a process to identify the cost of any concessionary arrangements agreed to from time to time.
Tools	The existing models to forecast growth and contribution amounts are no longer fit for purpose	New models need to be developed that provide greater flexibility and enable key inputs and variables to be changed and updated on a regular basis.

		The models need to be able to be reconciled against actual and forecast costs and revenues.
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- 1.8 Officers will engage with the incoming Council to outline the issues being addressed and potential options. It has been expected that the Mayoral Advisory Finance will provide the governance oversight as the Policy review progresses. That Advisory may morph into a Development Contributions Working Party dependent on any decisions of the new Council. There will need to be ongoing, interactive processes with Council governance as key components of the Policy are developed prior to Council considering a proposed new Policy in early 2026. The check-in points are still being developed and will be refined with the current Chair of the Mayoral Advisory Finance.

2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Recovery Committee receive the report titled Update on Review of Development Contributions dated 19 August 2025.
- B) That the Committee note the Chief Executive has commissioned a review of Council's Development Contribution Policy and that this forms part of the Strategic Work Programme.
- C) That the Committee note that the initial phase of work has focussed on the issues or matters that need to be addressed through the Policy development process. The second phase of work will consider changes needed to the Council's Development Contribution Policy, the processes, procedures, data, and resourcing that is required to meet the District's growth and rating objectives and effective transition to the Government's proposed Development Levy system, and support an effective transition to the new regional water entity (for 3-waters related development contributions).
- D) That the Committee note the Mayoral Advisory Finance will provide governance oversight in the form of a working party as the Development Contribution Policy is reviewed.

3.0 Background – Te Horopaki

- 3.1 Council's first DC Policy was developed between June 2005 and June 2007. The first DC Policy became operative on 1 July 2007. The initial DC Policy adopted the legislative framework introduced in the Local Government Act 2002 and the move to a DC Policy was to address issues with the existing, financial contributions regime under the District Plan where it was difficult to change the levies.
- 3.2 A cross functional project team of Council officers worked with consultants to develop the initial DC Policy. The initial DC Policy was prepared with support from SPM Consultants who provided the financial model (the SPM model) which is still used today.
- 3.3 Following the development of the initial DC Policy and model the cross functional team was disbanded and the administration of the Policy and SPM model became the responsibility of Council's finance team. The DC Policy administration became part of the role of a new Development Contributions Officer within the finance team.
- 3.4 Each year project schedules and the other assumptions such as growth projections were updated and the SPM model updated to adjust the development contributions with the DC Policy amended following consultation.

- 3.5 The last major review of the DC Policy took place in 2016, resulting in a new amended DC Policy from July 2016. The main changes were to the Household Equivalent Units and the catchments used to assign costs.
- 3.6 No previous reviews have attempted to calculate whether the DC Policy was fully recovering the cost of growth from the growth community.

4.0 Discussion – *Te Matapakitanga*

- 4.1 The effectiveness of the current DC Policy in fully funding the cost of growth has been highlighted by the Local Government Sector in recent times. Central Government has acknowledged the issues and has proposed reform through a move to a new Development Levy system (which is at an early stage of development).
- 4.2 Many Councils have highlighted that, due to limitations with the legislative regime, the costs of growth are not being fully funded from the growth community, leaving a shortfall that will need to be funded from ratepayers.
- 4.3 The ability of developers to “lock in” the amount payable, often years in advance of the actual development and the construction of associated infrastructure, has created risks for ratepayers, especially when there was a period of high inflation in the costs to deliver infrastructure.
- 4.4 A review of the larger consents that have been lodged where development has not yet occurred shows consents representing approximately 750 household unit equivalents (HUEs) have “locked in” the DC amounts at levels significantly lower than the current 2024-25 DC charges. Over 500 of these large consents relate to the larger multi-staged Greenfields developments for areas such as Iona, Brookvale and Frimley. This will result in a future fiscal shortfall relative to the budget assumptions in the Long Term Plan.
- 4.5 The first stage of the DC Policy review has identified opportunities to improve the underlying data and assumptions as well as components of the DC Policy. This work will inform the workstreams and these opportunities will result in new approaches being developed for consideration by the incoming Council.
- 4.6 The key issues/opportunities that have been identified to date have been grouped into the following workstreams:
- Policy and legislative framework,
 - People,
 - Processes,
 - Tools.
- 4.7 There are two aspects that are relevant to all the workstreams: - growth infrastructure costs; and growth model & projections. This information is critical if we are going to have a robust and effective system.
- 4.8 The table below provides indicative timeframes for the work that needs to be completed to adopt a new DC Policy for 2026-27 financial year. Officers are working through the sequencing of this work. It may be possible to solve some key issues through an updated DC Policy for FY26-27 and continue to progress other key elements on a slightly longer timeframe. This advice will be provided to the incoming Council.

Target Date	Work to be completed	Explanation
31 December 2025	Growth infrastructure costs Growth model & projections Catchment areas	All the key data inputs and assumptions need to be available to load into a financial model so the new proposed DCs can be calculated and reviewed prior to consultation.

	Household Unit Equivalents Development of new financial model(s)	
February 2026	Policy Document Financial Model (DC calculation)	The policy document itself and proposed new DCs need to be available for Council to review and sign off on prior to consultation.
June 2026	Processes & Procedures Reconciliation of where we are at	New policies and procedures need to be aligned with the new policy and financial model. Some of the decisions made when developing the new policy will influence the size of any gap between what growth has cost Council and how much can reasonably be recovered from the growth community.

5.0 Next steps – *Te Anga Whakamua*

- 5.1 The project team will engage with the incoming Council to outline the issues being addressed and potential options. There will need to be an ongoing, interactive, process as key components of the policy are developed prior to Council considering the proposed new policy in February 2026.

Attachments:

- 1 [Brief guide to Development Contributions](#) CG-17-32-00196

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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 wellbeing of communities in the present and for the future.

Link to the Council's Community Outcomes – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the economic wellbeing of communities in the present and for the future.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

At this point of the Policy development process there are no particular aspects that need to be highlighted.

Sustainability - *Te Toitūtanga*

At this point of the Policy development process there are no particular aspects that need to be highlighted.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

This is a critical focus of the Policy review. Further detailed work is required and planned.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

No decision is being sought in this Report. Given the early stage of the policy development process 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*

Consultation will be a key part of the Policy development process in 2026.

Risks

Opportunity: To have a robust Development Contributions Policy regime that ensures Council can effectively transition to the Government's proposed Development Levy system and can meet the District's growth and rating affordability objectives.

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
Council's DC policy and the processes, procedures, data, and resourcing requirements support an effective DC regime.	Council's DC regime is not fully recovering the cost of growth from the growth community with this creating further pressure on rating affordability.

Rural Community Board – *Te Poari Tuawhenua-ā-Hapori*

At this point of the Policy development process there are no particular aspects that need to be highlighted.

Brief guide to Development Contributions: What they are, how they are calculated, and who pays.

Development Contributions help ensure that growing communities have the infrastructure they need—without shifting the financial burden to existing residents. They're a vital tool for sustainable urban planning.

Development Contributions are fees charged by local councils to developers when new subdivisions, buildings, or infrastructure projects are undertaken. These contributions help fund the additional demand placed on public infrastructure and services due to growth.

They ensure that:

- New developments pay a fair share for the infrastructure they require.
- Existing ratepayers aren't unfairly burdened with the cost of growth.

Councils calculate Development Contributions based on:

- **Projected growth** in population and development.
- **Cost of infrastructure** needed to support that growth (e.g., roads, water supply, stormwater systems, parks).
- **Demand created** by the specific development (e.g., number of dwellings, floor area, location).

Each council uses a **Development Contributions Policy**, which outlines:

- The methodology for calculating charges.
- The types of infrastructure funded.
- Contribution rates by development type and location.

Developers are responsible for paying Development Contributions.

- These costs are typically paid:
 - At the time of resource consent or building consent.
 - Or when a service connection is requested.

While developers pay the fees, the cost may be passed on to **property buyers** through sale prices.

The introduction to the current, Hastings District Council Development Contributions policy states that

The purpose of the Development Contributions Policy is to ensure that reserves and infrastructure capital expenditure is predominantly funded by those parts of the community who benefit from or necessitate that expenditure.

Those responsible for creating growth within our district, whether through subdivision, building, new service connections or a change in land use, are being asked to pay a fair share of the resulting additional infrastructure cost incurred by Council.

How it all works in practice

Building, maintaining and implementing an effective Development Contributions policy is a little more difficult. You need accurate costs, and growth projections that are closely aligned to what actually happens on the ground.

The policy determines how the DC regime is implemented and determines who pays and how many units of demand (referred to as Household Equivalent Units or HUEs) are generated from different types of development. It also defines the different services where contributions will be sought and defines the catchments (the areas that will pay for the costs of services provided from growth within those areas).

The **financial model(s)** that calculate the charge for each HUE is where the rubber hits the road – this calculates how much each unit of demand pays.

In effect each project, or group of projects, that Council seeks to recover a portion of costs from development, is modelled on the basis that over time the full cost assigned to growth will be recovered.

The base DC calculation, say for Water Supply, is an accumulation of the unit amount required to fund each water project.

In simple terms its similar to the calculation done for your mortgage. The costs, of the works to be funded from growth, represent the principal sum. Then interest is added over time and a fixed amount is calculated that needs to be repaid based on the number of payments to be made and payment frequency (HUEs for DCs vs monthly payments for a mortgage).

So, the idea is that the costs plus interest are fully repaid from units of growth linked to the capacity of the infrastructure built.

Then it gets a little more complicated:

Unlike a mortgage, where there is certainty around the number of repayments (units), the units for DCs are based on estimates. The reality is that the actual units each year are different to the estimated units assumed in the modelling so there is a difference, and the calculations need to constantly be refined (updated) to make sure the full amount is collected.

Then you have the impact of any Council decisions to modify the costs, or contributions and you have the impact of Government legislation.

A major impact is the legislative provision that says the DC is to be based on the policy in place when the consent is lodged. This means any cost increases between the date a consent is lodged and the date development actually occurs (and the date the DCs are actually paid) cannot be fully recovered.

So, in reality, the modelling and DC regime may not collect the correct amount and, at any point in time, there is likely to be a gap between the cost of growth and the amount recovered from growth.

Along the way, to complete the financial modelling to calculate the amount to be paid per unit of growth, a Council needs to juggle, and estimate, many variables:

- What works are needed to service growth over time
- How much those works will cost

- What proportion of each project can be recovered from growth
- How many units of growth each project can service (capacity).
- How many units of growth there will be each year
- The composition of that growth such as how many units will connect to council services
- The value of any growth Council has decided not to fund through DCs due to policy decisions excluding certain areas or types of growth from DCs
- What the finance rate (interest costs) will be.

Tuesday, 19 August 2025

Item 11

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Recovery Committee Meeting***Te Rārangi Take*

Report to Strategy and Recovery Committee

Nā:
From: Graham Palmer, Project Manager

Te Take:
Subject: Receipt of 'Regional Climate Change Risk Assessment Report'

1.0 Purpose and Summary - Te Kaupapa Me Te Whakarāpopototanga

- 1.1 The Climate Action Joint Committee (CAJC) is a regionwide Council committee formed in July 2023 to provide governance around the impacts and opportunities of Climate Mitigation and Adaption. The CAJC membership is made up to two elected members from each partner Council, plus representation from each Post [Treaty] Settlement Governance Entity (PSGE) within the Hawke's Bay region and up to two members and one alternate appointed to represent the Ngāti Kahungunu Taiwhenua and Board representatives on the Hawkes Bay Regional Council Māori Committee.
- 1.2 The Report recommends the Committee receive the 'Hawke's Bay Regional Climate Change Risk Assessment Report (CCRA) commissioned by the CAJC. (attached as Attachment 1).

2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Recovery Committee receive the report titled Receipt of 'Regional Climate Change Risk Assessment Report' dated 19 August 2025.
- B) That the Committee receive the Hawke's Bay Climate Change Risk Assessment Report.
- C) That the Committee notes the resolutions from the Climate Action Joint Committee meeting held on 9 May 2025, that Council:
 - i. Consider the findings and opportunities for further work outlined in the Hawke's Bay Climate Change Risk Assessment technical report, including how to integrate climate risk information into decision-making at all levels.

- ii. Commit to providing staff resource and funding for ongoing collaboration on climate action, including allocating budget in the next Long Term Plan to enable a future iteration of the Hawke's Bay Climate Change Risk Assessment to be undertaken during the 2027-2037 period.
- iii. Commit to regional collaboration on climate action to continue building resilience.
- iv. Commit to processes of continuous improvement to address the impacts of climate change on vulnerable communities including tangata whenua.

3.0 Background – *Te Horopaki*

- 3.1 The National Adaptation Plan (NAP) (published by the Ministry for the Environment, the Plan seeks to support New Zealanders to adapt, live and thrive in a more damaging climate) requires councils to consider climate change risk assessments for supporting their work on climate adaptation. Many regions and districts have already completed their first climate change risk assessments, following the publication of the first National Climate Change Risk Assessment in 2020.
- 3.2 The CAJC was established to “Oversee and guide the development and implementation of a Regional Emissions Reduction Plan...” And “Oversee and guide the development and implementation of a spatial Regional Climate Risk Assessment to deliver on responsibilities under the National Adaptation Plan...”
- 3.3 In August 2024, the CAJC commissioned work to produce the region's first climate change risk assessment, based on existing available data and information and noting it would be a starting point for future work.
- 3.4 The Technical Advisory Group subsequently engaged independent risk experts Urban Intelligence to undertake this assessment. Data to inform the assessment was gathered from national and local sources, including information provided by the five councils.
- 3.5 The CCRA brings together available data and information with expert analysis to provide a snapshot in time of Hawke's Bay's climate risks at regional and district-levels. The CCRA is intended to serve as a shared resource and public evidence base about our known climate risk, and as a foundation for further climate risk and adaptation work across the region.

4.0 Discussion – *Te Matapakitanga*

Joint Committee resolutions

- 4.1 On Friday 9 May 2025 meeting, the CAJC formally received the Climate Change Risk Assessment report and passed the following resolutions.
- 4.2 That the Climate Action Joint Committee:
 - Receives and considers the Hawke's Bay Climate Change Risk Assessment staff report.
 - Receives the independent Hawke's Bay Climate Change Risk Assessment technical report produced by Urban Intelligence.
 - Recognises and acknowledges the collaborative effort to deliver a public-facing assessment that forms the first shared evidence base of climate risk for the region.
 - Shares the key findings and opportunities for further work set out in the Hawke's Bay Climate Change Risk Assessment technical report with the five partner councils, our regional PSGEs and Taiwhenua organisations, HB CDEM Group Joint Committee, HB

Lifelines organisations, the Regional Planning Committee and Central Government partners.

- Requests that the TAG reports back to the CAJC on options to progress a region-wide climate data investment strategy/roadmap and regional climate change collaboration governance models, considering the roles and responsibilities of Emergency Management and councils by 30 September 2025.

4.3 The CAJC recommends to the five partner councils that they:

- Note the publication of the Hawke's Bay Climate Change Risk Assessment technical report.
- Consider the findings and opportunities for further work outlined in the Hawke's Bay Climate Change Risk Assessment technical report, including how to integrate climate risk information into decision-making at all levels.
- Commit to providing staff resource and funding for ongoing collaboration on climate action, including allocating budget in the next Long Term Plan to enable a future iteration of the Hawke's Bay Climate Change Risk Assessment to be undertaken during the 2027-2037 period.
- Commit to regional collaboration on climate action to continue building resilience.
- Commit to processes of continuous improvement to address the impacts of climate change on vulnerable communities including tangata whenua.

5.0 Key findings

5.1 The CCRA (Attachment 1) is a comprehensive document over 230 pages. It contains a regional overview and individual district summaries for each territorial authority.

5.2 It highlights the following risk types for the Hastings District:

- River and surface (rainfall) water flooding risk is the most severe hazard influenced by climate change.
- Vulnerability of critical Three Waters infrastructure.
- Coastal flooding exposure is increasing.
- Landslides are a main source of isolation risk.
- River and surface water flooding poses risk to Gross Regional product (Economic Production).
- Increasing risks to communities and primary sector industry from an increase in climate temperatures.

6.0 Next steps

6.1 Staff are continuing to work collaboratively across partner councils on joint climate action. Staff within each organisation are considering the findings of the CCRA and options to ensure climate risk considerations are recognised within their respective organisations.

6.2 The CAJC has requested officers to report back to the Committee "on options to progress a region-wide climate data investment strategy/ roadmap and regional climate change collaboration governance models, considering the roles and responsibilities of Emergency Management and councils by 30 September 2025".

Attachments:

