

Thursday, 4 September 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council
Council Meeting

Kaupapataka

Supplementary Agenda – Urgent Item

Te Rā Hui:
Meeting date: **Thursday, 4 September 2025**

Te Wā:
Time: **1.00pm**

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: **Chief Executive - Nigel Bickle**

Thursday, 4 September 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council

Council Meeting

Kaupapataka

Supplementary Agenda – Urgent Item

Tiamana

Chair: Mayor Sandra Hazlehurst

Mematanga:

Membership:

Ngā KaiKaunihera

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

Tokamatua:

Quorum:

8 members

Apiha Matua

Officer Responsible:

Chief Executive – Nigel Bickle

Te Rōpū Manapori me te

Kāwanatanga

Democracy and

Governance Services:

Louise Stettner (Extn 5543)

Te Rārangi Take

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Thursday, 4 September 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Council Meeting

Te Rārangi Take

Report to Council

Item 14A

Nā:
From: Nigel Bickle, Chief Executive

Te Take:
Subject: Item Not On The Agenda

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

- 1.1 The Agenda Item 'Report back on Matariki Governance Group (MGG) meeting on 29 August 2025' (Agenda Item) is not on the Council Agenda issued for the Council Meeting on 4 September 2025.
- 1.2 The purpose of this Report is to satisfy the requirements of Council Standing Order 9.12 regards 'Items of Business Not on The Agenda, Which Cannot Be Delayed'.
- 1.3 Standing Order 9.12 states:

"A meeting may deal with an item of business that is not on the agenda where the meeting resolves to deal with that item and the Chair provides the following information during the public part of the meeting:

 - a) The reason the item is not on the agenda; and
 - b) The reason why the discussion of the item cannot be delayed until a subsequent meeting."

Items not on the agenda may be brought before the meeting through a report from either the Chief Executive or the Chair.
- 1.4 The Item is not on the agenda as, the Matariki Governance Group (MGG) meeting was only held on Friday 29 August. This update paper was written as quickly after the meeting as possible.
- 1.5 Discussion cannot be delayed until a subsequent Council meeting in 2025, as it is recommended Council will benefit from seeing and understanding this work at this point rather than waiting for a later meeting.

2.0 Recommendations - *Ngā Tūtohunga*

- A) That Council receive the report titled Item Not On The Agenda dated 4 September 2025.
- B) That Council resolves to deal with the Agenda Item 'Report back on Matariki Governance Group (MGG) meeting on 29 August 2025' as an Urgent Agenda Item.

Attachments:

There are no attachments for this report.

Thursday, 4 September 2025

Item 14B

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Council Meeting

Te Rārangi Take

Report to Council

Nā:
From: Gus Charteris, Interim Group Manager: Strategy

Te Take: Report back on Matariki Governance Group (MGG) meeting of 29
Subject: August 2025

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

- 1.1 This report provides a report back on the **Matariki Governance Group (MGG)** meeting on 29 August 2025. MGG is Hawke's Bay's regional leadership forum made up of the region's Mayors, Regional Council Chair, and Chairs of Post-Settlement Governance Entities (PSGEs). The MGG vision is that *"every household and every whānau is actively engaged in, contributing to, and benefiting from a thriving Hawke's Bay economy"*.
- 1.2 The focus of the 29 August 2025 meeting was:
- An update from the **HB Regional Economic Development Agency (REDA¹)**, and the **Regional Recovery Agency (RRA²)**, on their joint work to support MGG to determine a small set of shared regional priorities. These priorities are intended to be the focus of regional collaboration and form the basis of the refreshed work programme of REDA. Please see Appendix A for the key background papers that include the analytical work to support the initial areas of focus and direction of travel. .
 - Updates from the RRA and REDA on their respective work programmes.
- 1.3 The work to establish a small set of shared regional priorities follows a *'Review of Regional Structures'* commissioned by MGG in October 2024 and delivered in April 2025. Key recommendations of that review were:
- *Rec 2: Focus MGG's role and function on identified shared regional priorities and holding HBREDA (and other delivery agents if contracted) to account for achieving desired outcomes*

¹ REDA is the regional agency charged with leading regional development efforts that are aligned with funder objectives. It is currently funded by the 5 Hawke's Bay Councils via a 3 year funding agreement.

² The RRA was established post Cyclone Gabrielle to help advance the region's recovery and resilience through close collaboration with Matariki partner organisations, Government and its agencies.

that contribute to the Matariki vision that “every household and every whānau is actively engaged in, contributing to, and benefiting from a thriving Hawke’s Bay economy”.

- *Rec 5: Focus available local government funding on a small set of agreed shared regional priorities and activities and continue to seek opportunities for external funding from central Government and the private sector for specific projects of interest.*
- *Rec 4: Utilise the existing legal form and shareholding structure of HBREDA to deliver agreed shared regional priorities on behalf of MGG and run an open recruitment process to establish the governance, executive, and management capability required to deliver agreed shared regional priorities. A refreshed HBREDA would ideally comprise a mix of functions and capabilities from across HBREDA and the HB Regional Recovery Agency (RRA). This includes advocacy, convening, policy/analytical and commissioning capability as well as senior-level expertise with regional mana, able to bring a focus to regional needs across economic and social strategy and the ability to engage effectively with decision-makers (in particular central Government).*
- *Rec 18: MGG to direct the Board Chairs of HBREDA and the RRA to lead a process to support MGG to clarify and establish regional priorities/the regional strategy for HBREDA. This work needs to take place as soon as possible as these priorities and accompanying work programmes will guide the capability required for a refreshed HBREDA .*

Starting point and process for assessing regional priorities

1.4 The process the RRA and REDA have undertaken for assessing regional priorities has involved a two stage consideration of priorities:

- Level 1 – Broader priorities that the region wants to signal commitment to, support, and have some focus on
- Level 2 – Priorities for the refreshed regional entity to take action on, priorities that need joined up action and collaboration, and that promote the social and economic development of Hawke’s Bay.

1.5 This two-stage process has involved:

- Drawing on previous Matariki priority setting exercises.
- Engagement with Matariki partner organisations, which confirmed the previous input and support for the existing long list of priorities as a starting point.
- Joint discussions between the Boards of the RRA and HBREDA, to refine the priorities and consider the criteria for the work programme selection. Through these discussions, the framing around ‘lifeblood’ issues emerged, as well as specific areas of focus where a joined-up approach, supported by the refreshed regional entity, could be of most benefit.
- Review of research and analysis that supported an ‘intervention logic’, including:
 - Existing analysis or data identifying/supporting a suggested area as a priority including previous REDA-commissioned research,
 - Review of Census, Statistics NZ and local data, as well as existing research,
 - Central government direction, particularly key policies around housing, infrastructure, economic development and social sectors,
 - Evidence of regional advantage – why an area is particularly important, relevant or unique for Hawke’s Bay,
 - Assessment of collective advantage – whether an issue requires joined up action and regional coordination to achieve the best solutions,

- Assessment using gateway tests: Informed by the analysis outlined above (and detailed in the attached proposal), the review working group considered the existing long list of priorities against the following gateway tests:
 - Does the matter require joined-up action/coordination and/or a regional voice?
 - Will the matter shift the economic/social/development dial for Hawke's Bay?
 - Is there a strong evidence base/intervention logic to support the matter being a regional priority?

Overview of regional priorities

- 1.6 Level 1 – Broader priorities: The broad priorities are arranged around three key themes, with Regional Spatial Planning as a central linking and coordinating tool to enable the development of Hawke's Bay in a way that moves the economy and its people forward.
- **Infrastructure for Productive Growth** – future-proofing infrastructure that enables and accelerates growth of our economy; includes water security, strengthening key transport links, infrastructure for housing, completing infrastructure recovery programmes
 - **Economic and Business Growth and Development** – ensuring the foundations for success are present, to allow businesses to 'go for growth' within enabling but clear regulatory and environmental limits; including sector growth strategies, regulatory enablement programmes, Māori economy and investment attraction.
 - **Supporting whānau wellbeing** – building strong and stable communities through the provision of affordable housing across the housing spectrum, providing accessible services for our most vulnerable and those in work, as well as those looking for work; includes Workforce development and readiness, Housing system resilience, Hauora/health access and Te Reo Māori
 - **Regional spatial planning and Te Taiao** – joining government and regional planning together to provide a clear blueprint for growth, encouraging investment confidence and signalling our regional infrastructure pipeline.
- 1.7 A clear theme from MGG parties emerged from discussion around the identification of Level 1 priorities – some were matters that should be "kept an eye on", but that they did not necessarily need joined up action from the regional entity and there may be existing delivery mechanisms. For instance, while Te Reo was of critical importance, there were organisations well placed to lead in this area, and no one suggested it should be the responsibility of the refreshed entity.
- 1.8 There are also factors that will overlap between these areas, for example, environmental considerations will be applied within work addressing the infrastructure priority as well as spatial planning. This speaks to the need for a regional entity to be able to monitor, and if needed coordinate, on how entities in the region develop the best joint approach to issues.
- 1.9 Level 2 – Possible priorities for a refreshed entity: Setting priorities for the refreshed regional entity is the second phase in the prioritisation exercise. However, discussions through the initial process, particularly those involving the HBREDA and RRA Boards, have provided some indicators and possible focus areas to inform selection of programme priorities for a refreshed entity.
- 1.10 Themes emerging from the discussion included the identification of lifeblood issues linked to maintenance and growth in traditional primary sector and linked industries, the need for enhanced productivity and the need to be open to/seize opportunities in emerging and non-traditional areas of economic activity.
- 1.11 Key areas to address lifeblood issues:
- **Water** – maintain and grow existing strength areas, support areas with new growth potential, enable most productive land-uses rather than locking in historic uses, protect cultural and environmental values.

- **Workforce development** – address issues in region, sector-linked approaches, social components (health, pastoral care) vitally important to success. As well as being vital in terms of supporting productivity and the ability of whānau to contribute to and benefit from the economy, Health/Hauora was also seen by Matariki partners as important in its own right for a thriving community.
- **Housing sufficiency and affordability** – ensure whānau access to underpin a healthy productive workforce and attract and provide capacity for people and capability in Hawke’s Bay.

1.12 Address key development tenets for Hawke’s Bay and provide capability to support joined up, coordinated action and effective advocacy to Government:

- **Regional Spatial Plan and Infrastructure** - Support cross-party coordination and Government engagement and advocacy in support of plan development and infrastructure planning; support completion of the recovery journey where required.
- **Economic development initiatives** – work with business sectors and respond to investment and other opportunities

1.13 With an overlay to ensure it works for everyone:

- **Geographic equity** – across whole region, and role of Regional Spatial Plan in linking regional development spatially.
- **Stakeholders** – informed by what stakeholders are identifying.
- **Applicability across sectors** – e.g. workforce not just about particularly sectors, water not just about productive use

1.14 Alongside all of this, maintaining the space and trust for a refreshed regional entity to respond to future context and opportunities.

Next steps for confirming regional priorities

1.15 The HBREDA and RRA Boards will continue work on the priorities framework for the Letter of Expectations for the refreshed REDA regional entity. The priorities and proposed workstreams outlined above (and in more detail in the accompanying papers) will be used as the starting point.

1.16 The incoming Council will be briefed on this work as soon as practical. The MGG intention is for the regional priorities proposals and possible work programmes to be considered, and if agreed endorsed, at a meeting in November. This will be early for the incoming Council but there is a need to have the regional priorities set and agreed before a Letter of Expectations for the refreshed REDA is considered and formally endorsed at the MGG meeting scheduled for Friday 12 December 2025. This Letter of Expectations will shape the skills and experience of the staff that the HBREDA Board and interim CE will need to appoint to deliver on behalf of the region. The recruitment process needs to begin before Xmas so the refreshed REDA is in a good position to take ownership of new priorities and work programmes from 1 April 2026 (the end of the current transition period from the existing work programme to a refreshed and re-focused work programme).

Update from the Regional Recovery Agency (RRA)

1.17 The RRA continues to help advance the region’s recovery and resilience priorities through close collaboration with Matariki partner organisations as well as Government and its agencies.

1.18 The RRA’s primary areas of focus are:

- Continued oversight and support of regional recovery programmes, including coordination and engagement with relevant Crown agencies/entities, and regional delivery partners involved in Crown-funded recovery efforts.
- Providing secretariat and programme management support to the Regional Housing Leadership Group to advance the Housing System Resilience initiative.

- Direct engagement with the Crown to advocate for necessary funding, decisions or regulatory/policy adjustments to ensure successful delivery of agreed recovery programmes of work.
- Supporting partner agency led recovery activities.
- Coordinating multi-organisation programmes of work.
- Providing support and/or leadership on specific recovery and resilience projects.
- Advancing the “Lessons Learned” report required by the adopted recommendations of the ‘Bush Report’, considering resilience directions and starting to address the closedown of the organisation’s programme and handover of any ongoing matters to appropriate organisations.

1.19 Positive progress continues to be made by councils and other agencies across a range of recovery delivery work. Transport programmes are advancing well, and the first flood protection main construction contract has been awarded. Much of the RRA’s work is centred on supporting lead organisations in their work and managing reporting and Government liaison processes.

Update from the Regional Economic Development Agency (HBREDA)

1.20 Through the Letter of Expectations from the MGG, the HBREDA transition board has been tasked with:

- running business-as-usual activities,
- progressing existing projects, with no new initiatives to be started,
- recommending a future organisational form aligned with regional priorities and the closure of the RRA.

1.21 The following updates were provided on progressing existing projects:

- **FoodEast Haumako Fermentation Centre of Excellence** - Development of a strategic business case for the proposed FoodEast Haumako Fermentation Centre of Excellence. This project is underway, and a report is expected this month.
- **Review of the Value of Tourism in Hawke's Bay** - Independent assessment of the value of the visitor economy and promotion in the region, together with options for sustainable funding and delivery of destination marketing. This project is underway and is on track.
- **Economic Impact Assessment of State Highway 2 Resilience Initiatives** - Economic impact assessment of SH2 from Napier to Gisborne. This project is jointly funded by HBREDA and Trust Tairāwhiti and is in two stages:
 - Stage 1 - An assessment of the impacts that disruptions due to climate-related hazards have on road users along the route, following the standard transport appraisal method set out by NZTA in its Monetised Benefits and Costs Manual (2024). This stage is complete and supported the Hawke’s Bay Regional Council's inclusion of the project in the Regional Land Transport Plan (RLTP).
 - Stage 2 - Computable General Equilibrium (CGE) economic modelling of the potential impacts associated with increasing resilience along the route on the regional and national economies. This work would support a proposed ‘East Coast Connectivity’ business case. This stage has not yet been initiated.

2.0 Recommendations - Ngā Tūtohunga

- A) That Council receive the report titled Report back on Matariki Governance Group (MGG) meeting of 29 August 2025 dated 4 September 2025.
- B) That Council note that good progress is being made by the Regional Recovery Agency (RRA) and the HB Regional Economic Development Agency (REDA) identifying a small set of shared regional priorities that are intended to be the focus of regional collaboration and form the basis of the refreshed REDA work programme.
- C) That Council note that the incoming Council will be briefed on the work to establish regional priorities as soon as practical given the importance of this work in informing a new Letter of Expectations for REDA and the skills and experience of the staff that the HBREDA Board and interim CE will need to appoint to deliver on behalf of the region. The recruitment process needs to begin before the end of the year so the refreshed REDA is in a good position to take ownership of new priorities and work programmes from 1 April 2026 (the end of the current transition period from the existing work programme to a refreshed and re-focused work programme).

Attachments:

- | | | |
|---|--|---------------|
| 1 | ↓ Matariki Regional Priorities - Report to MGG
290825 - final | CG-17-1-01792 |
| 2 | ↓ Matariki meeting - August 2025 - Regional Priorities
Presentation Final 280825 | CG-17-1-01795 |
| 3 | ↓ Matariki Regional Priorities - Phase 1 report to MGG
Supporting Document - 220825 Final | CG-17-1-01793 |
| 4 | ↓ Regional Public Service - Matariki Supporting
Whanau final | CG-17-1-01794 |

2.1



MATARIKI GOVERNANCE GROUP PAPER

29 August 2025

Matariki Governance Group Regional Priorities – Update on process and recommended approach to regional priorities

Item X

PURPOSE

To update Matariki Governance Group (MGG) on progress with the review of regional priorities process, and seek endorsement of the revised regional priorities, supporting information and criteria. The report also seeks endorsement of initial workstream areas for the refreshed regional entity for further development. The priorities, supporting information, criteria and initial workstream areas are addressed both below and in the supporting information paper appended.

This report and recommendations follow the update to MGG at the meeting on 6 June 2025, where the process for undertaking the prioritisation work was determined, and the draft priority list of regional priorities were endorsed as a basis for further development.

The review process to date has involved reviewing existing regional priorities and strategy work, engaging with Matariki partner organisations, and examining research, evidence and data to present MGG with a set of regional priorities for Hawke's Bay that are informed by sound intervention logic and evidence, and reflect the views and vision of Matariki partner organisations.

RECOMMENDATIONS

That Matariki Governance Group (MGG):

- a) Receive the report on regional priorities from the RRA and REDA.
- b) Endorse the revised regional priorities, supporting information, work programme criteria (namely the gateway tests, lifeblood issues, and "Important for Everyone" factors) and the initial workstream areas as a basis for further development of a work programme and letter of expectation for the refreshed regional entity.
- c) Request that this work be considered in the work being undertaken on the refreshed regional entity and support processes for the Matariki Governance Group

CONTEXT

1. This work on the MGG Regional Priorities responds to Recommendation 18 of the Report for the *Review of Regional Structures* (the Review):
"MGG to direct the Board Chairs of HBREDA and the RRA to lead a process to support MGG to clarify and establish regional priorities/the regional strategy for HBREDA. This work needs to take place as soon as possible as these priorities and accompanying work programmes will guide the capability required for a refreshed HBREDA."
2. The paper considered by MGG on 6 June 2025 outlined the significant amount of work and engagement that has already taken place on identifying priorities for MGG and the Hawke's Bay region, starting with the Matariki HBRED Strategy and Action Plan in 2016, through to later refreshes and the changing context following the recovery from COVID and the impacts of Cyclone Gabrielle.
3. While the work has evolved and matured over time, it still emphasises the key areas of focus for the region are around a growing economy, supporting its people.

4. Building off the existing priority work, and informed by the latest research from Hawke's Bay and nationally, a long list of priorities was provided to the last MGG meeting as a starting point.

PROCESS

5. The discussion at the MGG meeting on 6 June 2025 pointed to a two stage consideration of priorities:
 - 5.1. Level 1 – Broader priorities that the region wants to signal commitment to, support, and have some focus on
 - 5.2. Level 2 – Priorities for the refreshed regional entity to take action on, priorities that need joined up action and collaboration, and that promote the social and economic development of Hawke's Bay.
6. Following endorsement for the process, the review group undertook the following process:
 - 6.1. **Drawing on previous Matariki priority setting exercises** (as outlined in the paper to MGG on 6 June 2025)
 - 6.2. **Engagement with Matariki partner organisations** (to the extent they wished to engage), which confirmed the previous input and support for the existing long list of priorities as a starting point.
 - 6.3. **Joint discussions between the Boards of the RRA and HBREDA**, to refine the priorities and consider the criteria for the work programme selection. Through these discussions, the framing around 'lifeblood' issues emerged, as well as specific areas of focus where a joined-up approach, supported by the refreshed regional entity, could be of most benefit.
 - 6.4. **Review of research and analysis of intervention logic**, including:
 - 6.4.1. Existing analysis or data identifying/supporting a suggested area as a priority including previous REDA-commissioned research
 - 6.4.2. Review of Census, Statistics NZ and local data, as well as existing research
 - 6.4.3. Central government direction, particularly key policies around housing, infrastructure, economic development and social sectors
 - 6.4.4. Evidence of regional advantage – why an area is particularly important, relevant or unique for Hawke's Bay
 - 6.4.5. Assessment of collective advantage – whether an issue requires joined up action and regional coordination to achieve the best solutions.
 - 6.5. **Assessment using gateway tests**: Informed by the analysis outlined above (and detailed in the attached proposal), the review working group considered the existing long list of priorities against the following gateway tests:
 - 6.5.1. Does the matter require joined-up action/coordination and/or a regional voice?
 - 6.5.2. Will the matter shift the economic/social/development dial for Hawke's Bay?
 - 6.5.3. Is there a strong evidence base/intervention logic to support the matter being a regional priority?
 - 6.5.4. Is there significant support for the matter among Matariki partners?
7. A Steering Group meeting was held on 12 August 2025 to gather further input, including on how to incorporate Matariki partner feedback received. Following the Steering Group meeting, the

documentation was further developed and circulated for review by the HBREDA and RRA Boards and the Steering Group, before being brought to MGG for consideration.

PROPOSAL – OVERVIEW OF REGIONAL PRIORITIES

8. **Level 1 – Broader priorities:** The broad priorities are arranged around three key themes, with Regional Spatial Planning as a central linking and coordinating tool to enable the development of Hawke's Bay in a way that moves the economy and its people forward.
 - 8.1. **Infrastructure for Productive Growth** – *future-proofing infrastructure that enables and accelerates growth of our economy; includes water security, strengthening key transport links, infrastructure for housing, completing infrastructure recovery programmes*
 - 8.2. **Economic and Business Growth and Development** – *ensuring the foundations for success are present, to allow businesses to 'go for growth' within enabling but clear regulatory and environmental limits; included sector growth strategies, regulatory enablement programmes, Māori economy and investment attraction.*
 - 8.3. **Supporting whānau wellbeing** – *building strong and stable communities through the provision of affordable housing across the housing spectrum, providing accessible services for our most vulnerable and those in work, as well as those looking for work; includes Workforce development and readiness, Housing system resilience, Hauora/health access and Te Reo Māori*
 - 8.4. **Regional spatial planning and Te Taiao** – *joining government and regional planning together to provide a clear blueprint for growth, encouraging investment confidence and signalling our regional infrastructure pipeline.*
9. In discussion around the identification of these Level 1 priorities, a clear theme from MGG parties was that some of these are matters that are important to the region that we should "keep an eye on", but that they did not necessarily need joined up action from the regional entity and there may be existing delivery mechanisms. For instance, while Te Reo is of utmost importance, there are organisations well placed to lead in this area, and no one suggests it should be the responsibility of the refreshed entity.
10. There are also factors that will overlap between these areas, for example, environmental considerations will be applied within work addressing the infrastructure priority as well as spatial planning. This speaks to the need for a regional entity to be able to monitor, and if needed coordinate, on how entities in the region develop the best joint approach to issues.
11. **Level 2 – Possible priorities for a refreshed entity:** Setting priorities for the refreshed regional entity is the second phase in the prioritisation exercise. However, discussions through the initial process, particularly those involving the HBREDA and RRA Boards, have provided some 'indicators' and possible focus areas to inform selection of programme priorities for a refreshed entity.
12. Themes emerging from the discussion included the identification of lifeblood issues linked to maintenance and growth in traditional primary sector and linked industries, the need for enhanced productivity and the need to be open to/seize opportunities in emerging and non-traditional areas of economic activity.
13. Key areas to address lifeblood issues:
 - 13.1. **Water** – maintain and grow existing strength areas, support areas with new growth potential, enable most productive land-uses rather than locking in historic uses, protect cultural and environmental values

- 13.2. **Workforce development** – address issues in region, sector-linked approaches, social components (health, pastoral care) vitally important to success. As well as being vital in terms of supporting productivity and the ability of whānau to contribute to and benefit from the economy, **Health/Hauora** was also seen by Matariki partners as important in its own right for a thriving community.
- 13.3. **Housing sufficiency and affordability** – ensure whānau access to underpin a healthy productive workforce, and attract and provide capacity for people and capability in Hawke’s Bay
14. Address key development tenets for Hawke’s Bay and provide capability to support joined up, coordinated action and effective advocacy to Government:
- 14.1. **Regional Spatial Plan and Infrastructure** - Support cross-party coordination and Government engagement and advocacy in support of plan development and infrastructure planning; support completion of the recovery journey where required.
- 14.2. **Economic development initiatives** – work with business sectors and respond to investment and other opportunities
15. With an overlay to ensure it works for everyone:
- 15.1. **Geographic equity** – across whole region, and role of Regional Spatial Plan in linking regional development spatially
- 15.2. **Stakeholders** – informed by what stakeholders are identifying
- 15.3. **Applicability across sectors** – e.g. workforce not just about particularly sectors, water not just about productive use
16. Alongside all of this, maintaining the space and trust for refreshed regional entity to respond to future context and opportunities.

EXAMPLES OF WORKSTREAMS FOR THE REFRESHED REGIONAL ENTITY

17. An initial application of this framing to our Hawke’s Bay context has produced the following priorities for a refreshed regional entity:

Area	Possible focus
Water	Act as an advocate, regional voice and coordinator of water security activity/actions, empowered to consider this work from a development/economic growth lens, with the expectation that national regulatory mechanisms will support an appropriate balance between the human, cultural/environmental and economic needs.
Workforce Development and retention	Take on the co-ordinating and advocacy for the priorities identified by the Regional Skills Leadership Group. Introduce specific new priority targeted at attraction and retention of workers as they approach higher earning potential life-stages. Link to health access and prevention Link to Economic and Business Growth and Development.
Housing	Provide support if required for the regional housing entity and work programme, including supporting the MGG Housing Leadership Group

	<p>members to establish a regional housing entity, and develop a regional housing strategy.</p> <p>Focus on advocating for a place-based housing strategy agreed by Government, including greater place-based management over Kāinga Ora tenancies.</p>
Regional Spatial Plan	<p>Support development of Regional Spatial Plan through:</p> <ul style="list-style-type: none"> • Regional coordination • Coordination with/advocacy to Government • Economic perspectives • Support for councils' lead planning roles
Supporting and finishing key recovery initiatives	<p>Support and coordination as commissioned by Councils and Matariki for key recovery work programmes post the life of the RRA, including ongoing interaction with several Government departments.</p> <p>Focus on resilience for the region – both resiliency of sectors, plus for the region as a whole</p>
Infrastructure strategy coordination and advocacy	<p>Drawing on Regional Freight Distribution Strategy, SH2 Napier to Tairāwhiti study, and RSP and other infrastructure planning, provide co-ordination and advocacy to enable key infrastructure investments.</p>
Sector/industry growth strategies	<p>Support and/or co-ordinate sector or industry growth strategies where value can be added in partnership with industry sectors</p>
Whānau access to Hauora/Health	<p>Support and advocacy to programmes to enhance access to health and improved health outcomes</p>
Influence	<p>Unblocking pathways for major initiatives, both regionally and with central government</p>

18. These workstream priority areas are provided as a starting point for further discussion and development. Effective delivery of priorities of this nature will be achieved through a refreshed entity that is able to advocate to and work well with central Government, coordinate across Matariki partners, business and Government, ensure decisions are made based on the high-quality economic data required to drive a shift to a future-focussed economy, engage with larger employers and sectors as well as emerging employers and sectors, and scope potential emerging priorities and opportunities for the region.

NEXT STEPS

19. Should MGG agree to the recommendations in this paper, the next steps will be for the HBREDA and RRA Boards to continue work on the priorities framework for Letter of Expectations for the refreshed regional entity, using these priorities and workstreams as a starting point.
20. Given the timing of the local body elections, it is intended that the proposals in this paper are brought back to the MGG meeting on 31 October 2025 for reconfirmation.

21. By 5 December 2025, a Letter of Expectations and Framework for the priorities and the refreshed regional entity will be finalised in draft, in order to be considered and formally endorsed at the MGG meeting on Friday 12 December 2025.

Authors:

Ross McLeod, Chief Executive Hawke's Bay Regional Recovery Agency

Richard Briggs, Acting Chief Executive, Hawke's Bay Regional Economic Development Agency



**THE BRIEF:
review regional
priorities and
create a smaller
set of regional
priorities to
inform the work
of the refreshed
regional delivery
entity**

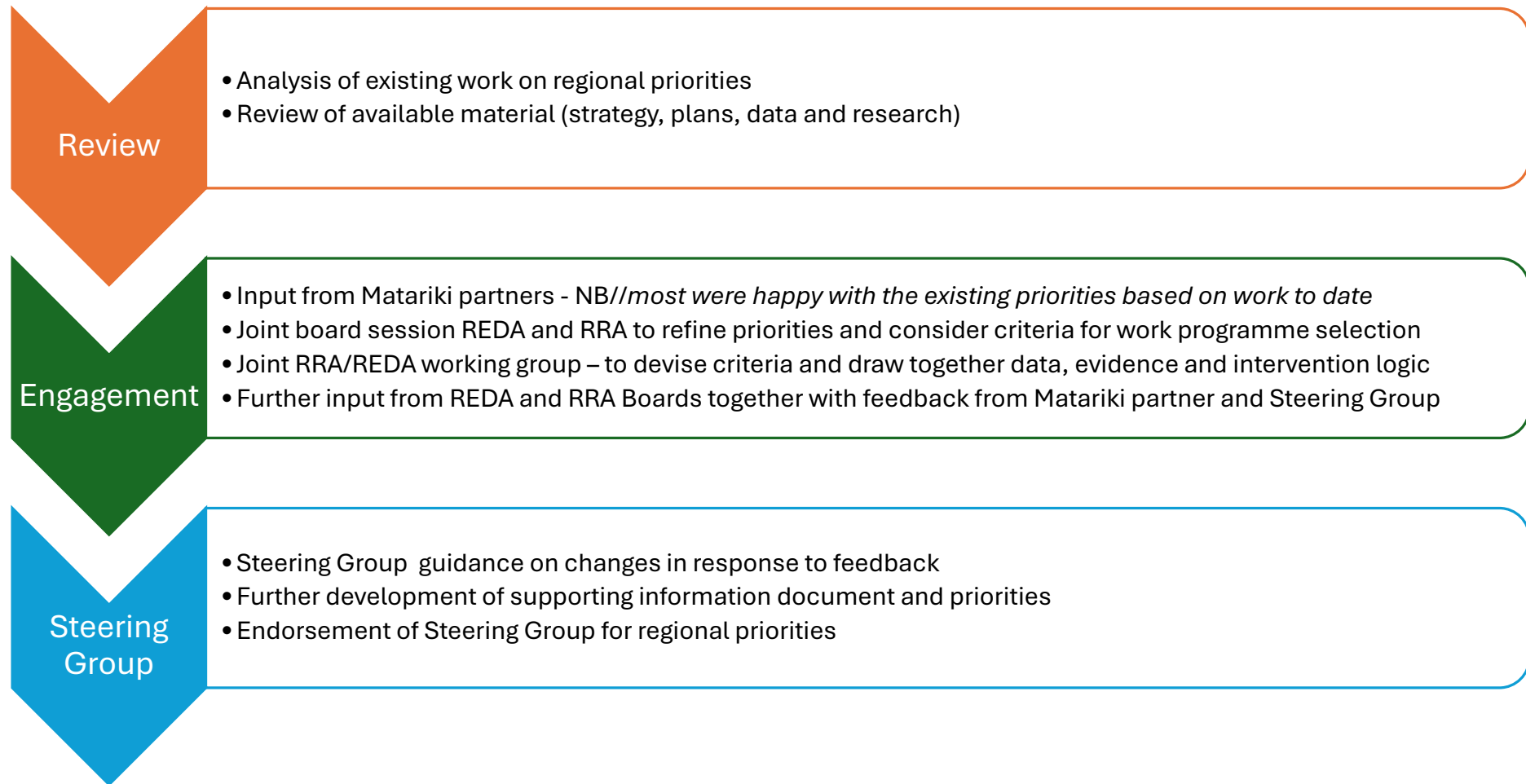
Following on from the Review of Regional Structures MGG directed HBREDA and RRA Board Chairs to lead a process supporting MGG to review and confirm regional priorities:

- Draw from existing priorities and work (from MGG, partner organisations and Cyclone recovery planning)
- Based on sound intervention logic based on evidence, data and research that informs priority setting
- Reinforcing the MGG vision through a focus on regional needs that deliver value and impact across economic and social domains
- Regional priorities for entity – those requiring joined up action and regional coordination and/or leadership

**Deliver a matrix of regional priorities
for endorsement**



The review process:



Two levels of Regional Priorities:

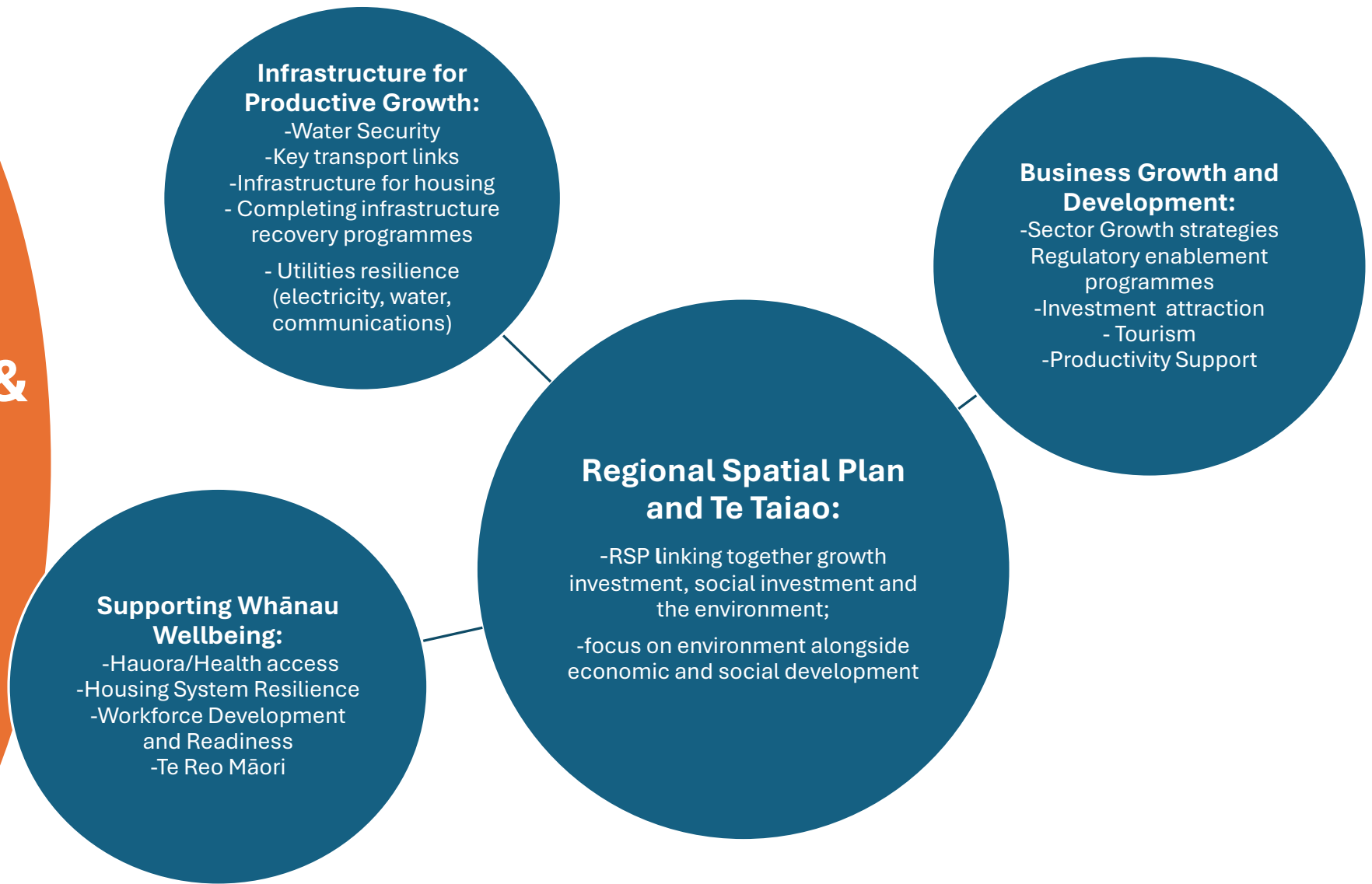
MGG shared vision remains:

Every household and every whānau is actively engaged in, contributing to, and benefiting from a thriving Hawke's Bay economy.

MGG and wider discussion pointed to two levels for the consideration of priorities:

- **Level 1** – Key themes and broader priorities that the region wants to signal commitment to, support, and have focus on
- **Level 2** – Priorities for the refreshed REDA entity to take action on – priorities that need joined up action and collaboration, and that promote the social and economic development of Hawke's Bay

Key themes & priority area :



Regional Priorities

What are we focused on



INFRASTRUCTURE FOR PRODUCTIVE GROWTH

*FUTURE-PROOFING
INFRASTRUCTURE THAT
ENABLES AND
ACCELERATES GROWTH
OF OUR ECONOMY*



ECONOMIC AND BUSINESS GROWTH AND DEVELOPMENT

*ENSURING THE
FOUNDATIONS FOR
SUCCESS ARE PRESENT,
TO ALLOW BUSINESSES TO
'GO FOR GROWTH' WITHIN
ENABLING BUT CLEAR
REGULATORY AND
ENVIRONMENTAL LIMITS*



SUPPORTING WHĀNAU WELLBEING

*BUILDING STRONG AND STABLE
COMMUNITIES THROUGH THE
PROVISION OF AFFORDABLE
HOUSING ACROSS THE HOUSING
SPECTRUM, PROVIDING
ACCESSIBLE HEALTH SERVICES
FOR WHĀNAU, INCLUDING OUR
MOST VULNERABLE AND THOSE
IN WORK OR LOOKING FOR WORK*



REGIONAL SPATIAL PLANNING AND TE TAI AO

*JOINING GOVERNMENT
AND REGIONAL PLANNING
TOGETHER TO PROVIDE A
CLEAR BLUEPRINT FOR
GROWTH, ENCOURAGING
INVESTMENT CONFIDENCE
AND SIGNALLING OUR
REGIONAL
INFRASTRUCTURE
PIPELINE*

Gateways:

(for items on refreshed entity
work programme)

Does the matter require joined-up
action/coordination and/or a regional voice?

Will the matter shift the
economic/social/development dial for
Hawke's Bay?

Is there a strong evidence base/intervention
logic to support the matter being a regional
priority?

Is there significant support for the matter
among Matariki partners?


Lifeblood issues
– that are holding
our community
and economy
back:

- Water
- Workforce
- Social issues affecting the community and workforce – housing, health



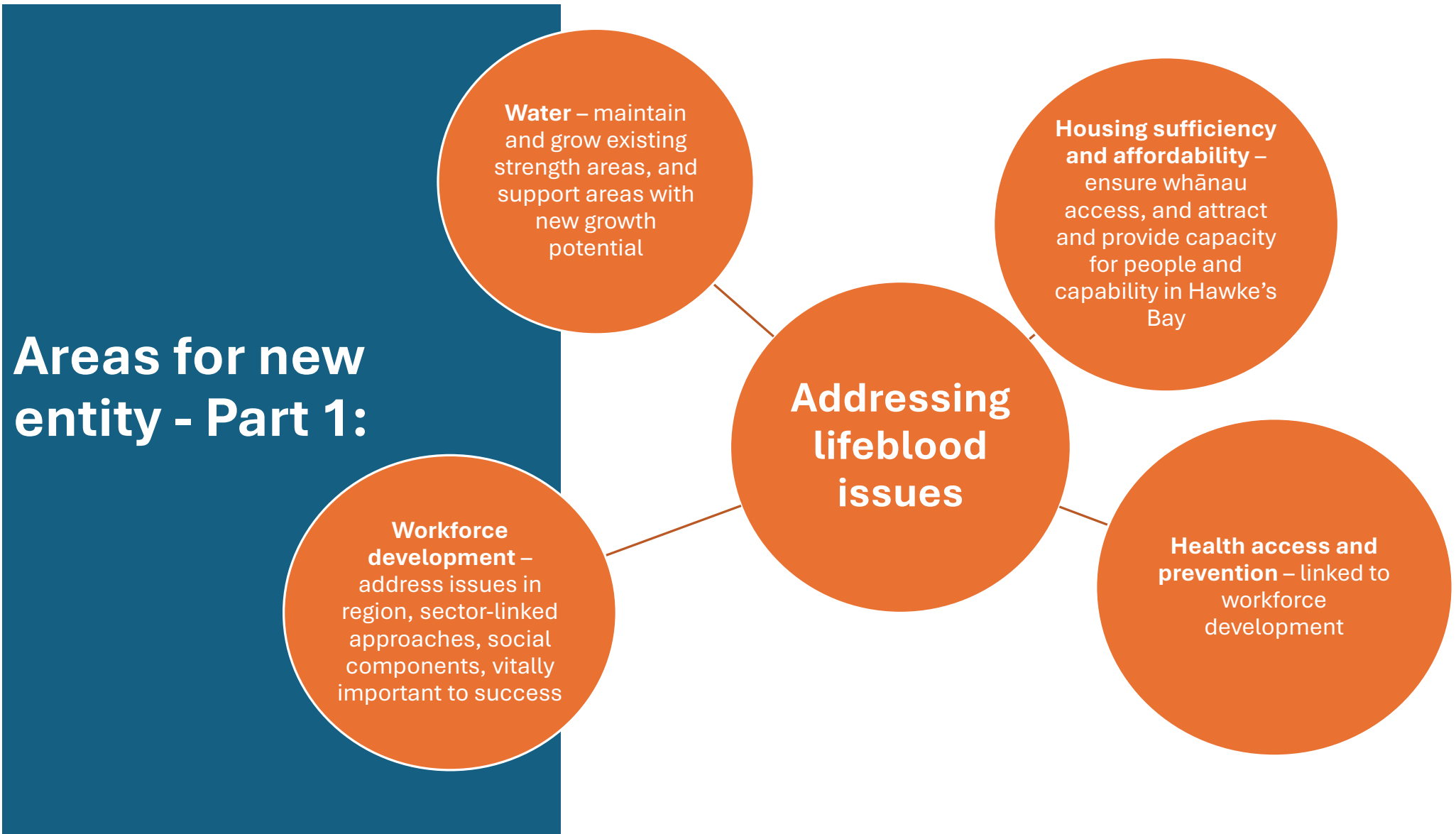
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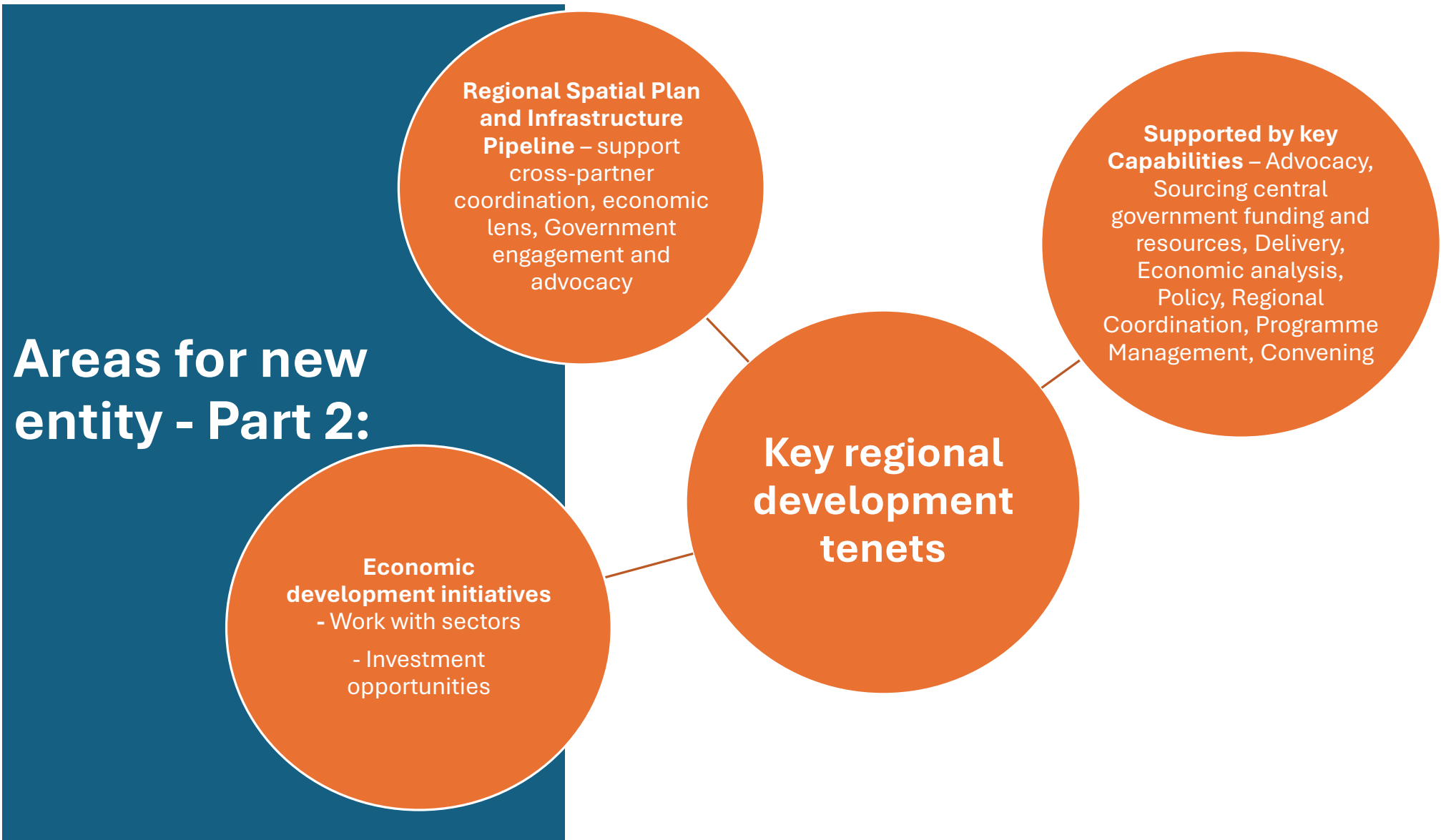
**Important
for
everyone:**

- **Geographic equity** – benefits felt across the whole region, and key role of Regional Spatial Plan in linking regional development spatially
 - **Stakeholders** – informed by what stakeholders are identifying
 - **Applicability across sectors** – e.g. workforce not just about particular sectors, water not just about productive use
 - With **space and trust** for refreshed REDA to respond to future context and opportunities.
- 
- A blue dashed line consisting of several curved segments, located in the bottom right corner of the slide.

Analysis:

- Research on the local Hawke's Bay economy points to **opportunities** to be more productive, create higher wage jobs, generate growth, diversify and keep people in the region
- We don't have all the answers – taking the **next step** in identifying and developing economic development opportunities should be a specific piece of work for the new entity
- But there are **existing pieces of work** and strategies in the region that could be picked up and help to drive these outcomes, e.g.:
 - Priorities identified by the Regional Skills Leadership Group
 - Supporting the work of the MGG Housing Leadership Group
 - Drawing on the Regional Freight Distribution Strategy and SH2 Napier to Tairāwhiti study
 - Remaining Recovery priorities handed over from RRA





Feedback from Steering Group

Key feedback from the Steering Group:

- Focus needs to be broader than economic development – **regional development** (REDA picking this up in their work)
- Differentiate between activities and work **where the entity will lead** (e.g. economic development) and **where it will support**/coordinate/advocate (e.g. Regional Spatial Planning)

Possible workstreams:

Water	Act as an advocate, regional voice and coordinator of water security activity/actions, from a development/economic growth lens, with the expectation that national regulatory mechanisms will support an appropriate balance between the human, cultural/environmental and economic needs.
Workforce Development and retention	Take on the co-ordinating and advocacy for the priorities identified by Regional Skills Leadership Group.
Housing	Provide support if required for the regional housing entity and work programme, including supporting the MGG Housing Leadership Group members to establish a regional housing entity, and develop a regional housing strategy.
Regional Spatial Plan	Support development of Regional Spatial Plan through: <ul style="list-style-type: none"> • Regional coordination • Coordination with/advocacy to Government • Economic perspectives • Support for councils lead planning roles
Supporting and finishing key recovery initiatives	Support and coordination as commissioned by Councils and other Matariki partners for key recovery work programmes post the life of the RRA, including ongoing interaction with several Government departments. Resilience for the region – both resiliency of sectors, plus for region – and not losing lessons from Gabrielle
Infrastructure strategy coordination & advocacy	Drawing on Regional Freight Distribution Strategy, SH2 work and RSP and other infrastructure planning, provide co-ordination and advocacy to enable key infrastructure investments
Sector/industry growth strategies	Support and/or co-ordinate sector or industry growth strategies
Whānau access to Hauora/Health	Support and advocacy for programmes to enhance access to health and improved health outcomes
Influence	Unblocking major initiatives, both regionally and with central government

Maintaining the space and trust for the refreshed regional entity to respond to future context and opportunities

Core capabilities

During this work, a mix of functions and capabilities have also been shared as being needed to ensure appropriate actioning of the regional priorities

These are noted for any next level of refreshing the REDA entity:

- Regional Leadership and Advocacy: the ability to unlock resources and secure funding.
- Programme and Project Leadership: facilitates, convenes, and coordinates key programmes and projects, driving collaboration and effective delivery of outcomes.
- Policy Analysis and Advisory: provides expert policy analysis and guidance, helping to shape strategies that address complex regional challenges and opportunities.
- Commissioning Expertise: manages the commissioning of specialised expertise to maximise impact and accountability.
- Regional Mana and Executive Leadership: embodies regional authority and influence, providing executive leadership that inspires confidence.
- Holistic Regional Development: maintains a focus on both economic and social development, ensuring the entity addresses the full spectrum of regional needs and engages effectively with decision makers.

Recommendations

That Matariki Governance Group:

- a) Receive the report on regional priorities from the RRA and REDA.
- b) Endorse the revised regional priorities, supporting information, work programme criteria (namely the gateway tests, lifeblood issues, and “Important for Everyone” factors) and the initial workstream areas as a basis for further development of a work programme and letter of expectation for the refreshed regional entity.
- c) Request that this work be considered in the work being undertaken on the refreshed regional entity and support processes for the Matariki Governance Group

Matariki Governance Group Regional Priorities

Section 1 – Background and next steps:

At the Matariki Governance Group (MGG) meeting on 6 June 2025, the process and initial assessment of regional priorities was discussed. This process is a response to Recommendation 18 of the Report from the *Review of Regional Structures*, which recommended Matariki establish regional priorities and a regional strategy for a refreshed regional entity.

The review process involves reviewing existing regional priorities and strategy work, engaging with Matariki partner organisations, and examining research, evidence and data to present MGG with a set of regional priorities for Hawke's Bay that are informed by sound intervention logic and evidence, and reflect the views and vision of Matariki partner organisations.

This document forms the basis of a recommendation paper to go to the MGG meeting on Friday 29 August. The intention will be for that meeting to confirm priorities for adoption and provide a recommendation to the new post-election MGG.

Following the local body elections, the MGG meeting on Friday 31 October will consider and hopefully re-confirm the priorities. By Friday 5 December, a Letter of Expectations and Framework for the priorities and the refreshed regional entity will be finalised in draft, in order to be considered and formally endorsed at the MGG meeting on Friday 12 December.

Section 2 – Starting point for regional priorities:

The MGG's shared vision remains that: *"every household and every whānau is actively engaged in, contributing to, and benefiting from a thriving Hawke's Bay economy"*. This provides a touch-stone and guide for this prioritisation work.

The intention of this process is to build off the significant amount of work and engagement on identifying priorities that the region has already undertaken, starting back with the Matariki HBRED Strategy and Action Plan in 2016, later refreshes of this, and then more recent work including the Regional Recovery Plan 2.0 in 2024 and the Regional Deals proposal earlier this year.

Looking to the existing priority work, and informed by the latest economic research commissioned by REDA, the initial long-list of priorities taken to MGG were arranged around three key themes, with Regional Spatial Planning as a central linking and coordinating tool:

- **Infrastructure for Productive Growth** – e.g. water security, key transport links, housing infrastructure, energy, completing recovery
- **Economic and Business Growth and Development** – e.g. sector growth strategies, investment attraction work, Māori economy, productivity support initiatives and regulatory enablement

- **Supporting whānau wellbeing** – e.g. Hauora/health access, housing, workforce development and readiness, te reo Māori
- **Regional spatial planning and Te Taiao**– links these three streams together to form a comprehensive region-wide future development strategy

Section 3 – Process:

Following endorsement for the proposed process by MGG, the review working group undertook the following steps:

- **Drawing on previous Matariki priority setting exercises**
- **Engagement with Matariki partner organisations** (to the extent they wished to engage): confirmed previous input and support for the existing long list of priorities as a starting point.
- **Joint discussions between the Boards of the RRA and HBREDA:** Through a joint discussion between the Boards of the RRA and REDA, the framing around ‘lifeblood’ issues emerged, as well as specific areas of focus where a joined-up approach, supported by the refreshed regional entity, could be of most benefit.
- **Review of research and analysis of intervention logic:**
 - Existing analysis or data identifying/supporting a suggested area as a priority including previous REDA commissioned research
 - Review of Census, Stats NZ and local data, as well as existing research
 - National Government direction, particularly key policies around housing, infrastructure, economic development and social sectors
 - Evidence of regional advantage – why an area is particularly important, relevant or unique for Hawke’s Bay
 - Assessment of collective advantage – whether an issue requires joined up action and regional coordination to achieve the best solutions
- **Assessment using gateway tests:** Informed by the analysis outlined above (and detailed in the attached proposal), the review working group considered the existing long list of priorities against the following gateway tests:

Gateway tests for selecting priorities
• Does the matter require joined-up action/coordination and/or a regional voice?
• Will the matter shift the economic/social/development dial for Hawke’s Bay?
• Is there a strong evidence base/intervention logic to support the matter being a regional priority?
• Is there significant support for the matter among Matariki partners?

Section 4 – Analysis

Our ability to ensure that *every household and every whānau is actively engaged in, contributing to, and benefiting from a thriving Hawke's Bay economy* requires:

- an understanding of the resources available to us – across people, businesses, the natural environment, infrastructure and institutions
- acknowledgement of the drivers of growth, environmental and social limits
- analysis of the additional resources required to ensure we optimise the region's growth potential.
- an understanding that our region is not homogenous - we have rural and urban communities, different sub-climates, accessibility and infrastructure variance, and different societal needs through our rural areas, towns, and urban suburbs.

Section 4a – Our economy

For a thriving economy we need the private sector to be generating wealth from our region's resources.

To optimise our region's resources, we first need a clear view of exactly what resources we have. Natural resources are easily identifiable and have underpinned Hawke's Bay's economy through generations. But our people, businesses, institutions, and existing infrastructure are just as important inputs for achieving Matariki's goal.

As we facilitate and encourage growth to enhance our collective wellbeing, we can't allow environmental damage or damage to society from unmitigated commercial extremes. Identifying environmental limits and operating within them will allow us to maximise our collective economic welfare as a region. We must ensure we do not compromise the health and wellbeing of our resources.

Identifying strong and agreed limits with clear and enforceable oversight will provide clear boundaries for businesses to operate confidently to maximise profits and opportunities. The greater the agreement on what these limits are, the greater the ability for the private sector to generate wealth, while ensuring the protection of our lifeblood natural resources.

Agreement and acknowledgement of these limits, and the regulations to manage those limits is what will ultimately provide the social licence for private enterprise to go for growth in Hawke's Bay. This speaks to the importance of common regulations and settings across the region, for example, Council consenting codes, a regional spatial plan and common interpretation and application of laws such as the RMA.

We must continuously question whether our economy *is* thriving as we pursue what more we may be able to achieve for households and whānau.

REDA Research

A snapshot of Hawke's Bay's economic status paints a mixed picture as to whether our economy is currently thriving. Research undertaken for REDA at the end of 2024 highlighted that:

- while population, GDP and employment growth have been stronger than nationally over the last five years, productivity is generally lower than nationally, even within industries...
- ...there are differences in economic performance across districts and communities, and an uneven distribution of the benefits from regional growth between the two larger TAs and the two smaller ones.
- Limited jobs growth is expected in Wairoa and Central Hawke's Bay over the next five years, and
- the unemployment rate of Māori and Pacific people is well above the average regional and national rates, and national rates for Māori and Pacific people.

The analysis highlighted that the region's largest industries, by GDP contribution, in 2023 were:

1. Manufacturing (14%)
2. Agriculture, forestry and fishing (11%)
3. Healthcare and social assistance (10%)
4. Rental, hiring and real estate services (9%)
5. Construction (8%)
6. Professional, scientific and technical services (8%)

And that the largest industries in terms of employment were:

1. Agriculture, forestry and fishing (12%)
2. Manufacturing (12%)
3. Healthcare and social assistance (12%)
4. Construction (10%)
5. Retail trade (9%)
6. Education and training (7%)

However, the analysis showed that these industries were middling-to-low in terms of productivity within the region, with the exception of rental, hiring and real estate:

- Manufacturing: 8th most productive out of 19 regional industries analysed (8/19)
- Agriculture, forestry and fishing: 11/19
- Healthcare and social assistance: 14/19
- Rental, hiring and real estate services: 1/19
- Construction: 12/19
- Professional, scientific and technical services: 6/19
- Retail trade: 13/19
- Education and training: 17/19

Analysis of the industrial make up of Hawke's Bay shows the regional economy was not any more or less diversified than the national economy as a whole. However, the research did show Hawke's Bay's economy has a higher concentration of some industries compared to the national average – they are more dominant here than elsewhere. Industries that are over-represented in Hawke's Bay's economy compared to the national average were identified as:

- horticulture and fruit growing
- pulp, paper, and corrugated paper product manufacturing
- meat and meat product manufacturing
- agriculture, forestry, and fishing support services
- forestry and logging
- sheep, beef cattle, and grain farming
- fruit, oil, cereal, and other food product manufacturing
- textile, leather, clothing, and footwear manufacturing
- beverage product manufacturing.

The research noted that 'over-representation' of industries compared to the national average, typically indicates that the industry is a net exporter. Hawke's Bay's economy as a whole is more reliant on international export markets than New Zealand's national economy: Exports comprised 31% of the regional economy, compared to 22% nationally. The sectors contributing to this are not the region's most productive.

Recent New Zealand research on productivity highlights a need to ensure that resources are allocated in their most productive way. This includes producing outputs that fetch high prices (relative to costs) in addition to consideration of their physical productivity.

The industries Hawke's Bay's economy is most concentrated around are heavily export-related. Within that, many are for 'raw' commodity products or those with minimal value-add. While this can allow for these industries to benefit when global prices for such commodities are high, having a more export-concentrated regional economy than New Zealand's economy also introduces greater risk and volatility into the region's economy, for instance through exposure to exchange rate fluctuations.

The REDA research concluded that a focus on four cross-cutting areas would support existing industries to become more productive, while providing potential for non-dominant industries to develop and grow:

- Skills and talent
- Transport and connectivity
- Energy and water
- Business and industry development

Further information on the REDA research is outlined in Appendix 1.

Regional Deals proposal

In early 2025, the region came together to submit a proposal to central Government's 'Regional Deals' process. While our region wasn't selected for progression in the first phase of the Government's work programme, the proposal provides a strong starting point for informing these priorities.

The proposal was developed by drawing on existing regional priorities, the REDA research outlined above, and engagements with PSGEs, the business community and local government in the region.

The Regional Deals proposal used Matariki's overarching vision of every household and every whānau being actively engaged in, contributing to and benefiting from, a thriving Hawke's Bay economy. The proposal sought to align our region's strengths, priorities and vision with the Government's goals and priorities. It focused on regulatory enablement, greater regional decision-making and prioritisation, and seeking legislative and funding tools aligned with the outcomes we want to achieve for the region.

Specifically, it proposed focusing on the following areas:

- **Regulatory Enablement Programme:** Establish a Regional Building Consent Authority and plan changes which support development. This will delivery regional consistency, greater efficiencies and cost savings, more zoned land and support a regional approach to housing growth.
- **Investing for Housing Growth:** A programme of growth-related water services and transport investments across the region to enable development and improve the supply of affordable, quality housing. This can be supported through enhancements to the existing Development Contributions regime and funding tools for infrastructure funding costs.
- **Aligning Infrastructure and System Investment for Economic Growth and Productivity Gain:** Delivering connected and resilient transport infrastructure which reflects the region's priorities, including through greater local control, prioritisation and decision-making, utilising multi-year appropriation funding from existing mechanisms. This will also see us working with key business sectors on sector strategies to help identify and address issues and blockages that are impeding growth in the key sectors of our economy.
- **Water for Prosperity and Growth:** Maintaining and enhancing the health and wellbeing of our rivers and freshwater ecosystems while enabling primary sector investment and export growth through greater water security in the region.
- **A Regional Spatial Plan for Hawke's Bay:** Providing a long-term, region-wide vision and framework for growth to ensure integrated planning, decision-making and investment that supports our joint economic growth agenda.

Breakout box: Te Ōhanga Māori – the Māori economy

Research published by the Ministry for Business, Innovation and Employment in 2023 paints a picture of Aotearoa's Māori economy as having undergone a significant transformation between 2018 and 2023. A more fulsome overview of the research is presented in Appendix 2. The report uses Tākitimu to define the regional rohe to fit with the regional council boundaries.

Te Ōhanga Māori finds that that, nationwide, the Māori economy has shifted dramatically since 2018, moving away from its traditional reliance on primary industries, with the three largest sectors in 2023 being:

- Professional, scientific, and technical services at \$5.1 billion
- Administrative, support, and other services at \$4.2 billion
- Real estate and property services at \$4.1 billion.

In 2023, the asset base of Te Ōhanga Māori was valued at \$126 billion. Of this Tākitimu accounted for \$5.95 billion, made up of:

- Primary industries: \$2.26 bn (38% of Tākitimu asset base)
- Public and professional services: \$1.46 billion (25%)
- Manufacturing and construction: \$0.38 billion (6%)
- Retail and hospitality related: \$0.33 billion (6%)
- Other: \$1.52 billion (26%)

Specific findings and observations on Tākitimu include:

- Takitimu's Māori economy consisted of 1,002 businesses in 2023. Construction (223) and Agriculture, forestry and fishing (221) combined account for half these. These were followed by Professional, scientific, and technical services (114), Rental, hiring, and real estate services (90) and Transport, postal, and warehousing (51) in the top five industries for Māori owned businesses.
- Māori employers in Takitimu on average earn \$55,000 - essentially the same amount as Māori employees (\$54,000). In contrast in 7/11 rohe, Māori employers earn on average more than Māori employees. Non-Māori employers in the rohe on average earn \$88,300 and non-Māori employees earning on average \$66,100 a year in 2023.
- Self-employed Māori in Takitimu earn on average \$45,000, compared to non-Māori self-employed earning on average \$47,600.
- Māori employers in Takitimu have the fourth lowest average income of Māori employers across the 11 rohe.
- Māori employees in Takitimu have the lowest average income for Māori employees across the 11 rohe.
- Takitimu also has the most evenly distributed average income across Māori employers, Māori self-employed and Māori employees of the 11 rohe.

Central Government has a goal to double the value of New Zealand's exports

Many New Zealand businesses generate income by selling goods and services to the rest of the world. Hawke's Bay businesses do this to a greater extent than the national average. While this makes these sectors vital to base economic activity in the region, relying on export industries may mean we miss some opportunities to achieve our goal of a thriving Hawke's Bay economy. It is noted that a qualitative analysis of some of our key export sectors identifies how they are struggling:

- While sheep and beef prices are currently at an all-time high, sheep and cattle farms have been struggling to achieve long-term commercial returns of capital. Given our region's employment dependence on processing of meat, petfood, leather, wool, etc, this is a significant concern.
- Most existing commodity apple varieties and traditional growing systems are barely adequate (having regard to horticultural and international trade risks). Many traditional operations without integration or scale are barely covering production costs.
- Projected returns shown in feasibility studies in some primary sector industries are no longer compelling for New Zealand investors, and existing businesses are spinning off much less cash for reinvestment.
- There was no market for uncontracted grapes in 2025 in Hawke's Bay. Some growers are already deciding to mothball significant areas of their Hawke's Bay vineyards in 2026.
- Hawke's Bay is recognised as a somewhat difficult place to establish large horticultural businesses due to land ownership fragmentation and water constraints.

Sustaining and growing our primary sector has always been a key regional priority.

If we are to continue with such a goal, then we must look at how to do it differently. A focus on innovation, introduction of technology, modernised farming systems, and ways to attract greater capital for the required investments into the sector appear to be a must. Business sector feedback indicates traditional sources of capital are becoming more difficult to find and attract by individual Hawke's Bay businesses.

Versatile soils, access to water and appropriate climate have been the keys to success in Hawke's Bay's traditional key industries. While climate changes may occur, the region needs to focus on water and land useability.

Hawke's Bay needs to be smart with water. The 2023 Hawke's Bay Regional Water Assessment identified that: "by 2040, the region could experience a shortfall between demand and supply of freshwater of nearly 25 million cubic metres, increasing to 33 million cubic metres by 2060...under medium scenario projections that assume significant improvements in water use efficiency and conservation."

Science work undertaken indicates that limits on the ability to take water from the Heretaunga aquifers are inevitable to maintain/improve water sustainability. The situation is likely to be exacerbated by climate change. In this context, steps to enhance water security will be vital for environmental, economic, cultural and human wellbeing.

Alongside regulation of water taken from rivers and aquifers there are ongoing opportunities to invest in both improving supply (for example through storage, aquifer recharge, recycling of water) and managing demand (for example for reducing leakage and driving water use efficiency). A number of these initiatives are already in play and there is scope to enable new opportunities.

Water security has been identified as a ‘life blood’ issue for the sustainable operation and growth of primary sector industries and the economy overall. If action is not taken, there is a significant risk that the primary sector will go backward. However, if considered and economically viable action is taken, there are opportunities to unlock innovative and optimal land uses and growth on land where historic land uses are currently in place due to a lack of access to water. These sorts of exemplars demonstrate the criticality of water security for the region.

Hawke’s Bay’s primary sector should by no means be the region’s sole priority. However, we know all too well from lessons such as the closures of the Whakatu and Tomoana meatworks that when large sectors or employers go backwards or stay static, this can deliver punishing blows not only to our economy but also to our social fabric and the wellbeing of whānau and communities. Moving the economic dial is critical to moving the social dial.

This points to a need to look to both enhance productivity in traditional sectors through innovation, and look to increase diversity in the region’s economy.

Assisting business through regionalised sector strategies may support businesses within certain sectors in the region to build their collective value proposition and identify avenues for growth. Central government often support or develop national strategies for particular sectors, often with a focus on increasing the value of New Zealand goods and services exported to overseas buyers. While these strategies can benefit relevant sectors in the region, there are likely to be opportunities enable the region’s businesses to grow by working with them on regional sector strategies.

This is not about winding a certain sector down in order to wind others up – it is not a zero-sum proposition within the Hawke’s Bay. As a region we sell goods and services to people in New Zealand and around the world. We seek investment from within New Zealand and around the world. Focussing on what we can create and sell as a region, allows us to be agnostic to whether a good or service is sold to an overseas buyer, a buyer in another part of New Zealand, or within our region. Our focus is on generating a thriving *Hawke’s Bay* economy.

The focus industries identified by the Government’s Invest NZ strategy highlight the opportunities from the development and adoption of new technology, particularly for goods-producing sectors and energy generation. Associated with this will be the need to increase service provision, which highlights the need for a skilled workforce and agglomeration capacity in our main urban centres.

Breakout box: Government's Going for Growth and Invest NZ strategy:

The current Government's [Going for Growth](#) strategy highlights that: *New Zealand's GDP per capita (output per person) is low compared to other advanced economies and the gap has been widening.*

The report further states: *New Zealand has also experienced poor labour productivity performance over many decades compared to other advanced economies. There are many likely causes of this poor performance, for example:*

- *New Zealand's small population and distance from large economies means businesses face weak domestic competition, struggle to achieve scale and*
- *are often poorly connected to international markets*
- *New Zealand has very low rates of capital investment by business in plant, machinery and technologies*
- *New Zealand businesses are comparatively slow to adopt productivity-enhancing innovations.*

The Going for Growth economic strategy is based on five key pillars:

- Developing talent
- Competitive business settings
- Promoting global trade and investment
- Innovation, technology and science
- Infrastructure for growth

At a high level, such pillars and language is regularly seen in Government economic strategies – from both sides of the Parliament. One aspect, though, has been given greater significance by the current Government – attracting inward investment, due to New Zealand's shallow capital pools.

The Government's **Invest New Zealand** strategy identifies and promotes [key Growth sectors](#) to overseas investors through investment prospectuses. Currently, these include:

- Advanced transportation - covering space, aerospace, marine and other transport technology development.
- Aquaculture - including consumer products and production techniques
- Cleantech - including biofuels, future fuels, waste-to-value and decarbonisation technology.
- Renewable energy - including energy production and transfer of total energy use to being powered by renewable energy (e.g. including industrial and transportation energy use).
- Food and beverage - including a subsector focus on pet food, value-added dairy and alternative protein.
- Technology and Innovation - with a subsector focus on Agritech and Healthtech.
- Tourism - including hotel investment attraction and tourism attraction investment.

While the Government's focus is on attracting international capital to New Zealand, our focus on *Hawke's Bay's economy* allows us to think about this from a within-country perspective – the chances within these industries and others to promote an 'invest in Hawke's Bay strategy' (to complement our 'live in Hawke's Bay' and tourism campaigns).

Infrastructure

A key piece of local research and policy work on productivity in recent years was the [Regional Freight Distribution Strategy](#). At its heart, the strategy presents a 30-year plan covering all transport modes of sea, air and land, and the end-to-end supply chain from production, to manufacturer, to customer, across the region. It presents a strong rationale for investing in, and growing, Hawke's Bay's logistics industry, particularly around key infrastructure in Napier, as well as intra-regional links.

Key findings from the strategy were:

1. The current transport network does not support or enable users to grow and invest with confidence. This was true before Cyclone Gabrielle and has become more crucial since.
2. SH5, SH2, air and sea lanes provide strategic freight corridors for the region.
3. The fragile state of SH5 between the Hawke's Bay and Auckland (Hawke's Bay's main domestic market and a key import channel) is increasing transport costs and eroding regional competitiveness.
4. Rail does not connect efficiently with industrial land developments leaving road transport as the only realistic option for cargoes including export, import and forestry.
5. There is limited industrial zoned land in the current regional plan.
6. The SH51 corridor including current rail and main arterial roads is highly susceptible to natural disasters and involves over 38 rail crossings through urban areas.
7. International air freight is limited through Napier Airport forcing time sensitive cargoes to move via road over long distances e.g. Auckland.
8. There is opportunity to deconflict modes of transport within the region e.g. separating active modes with heavy transport especially in the Ahuriri corridor and on SH51.

The strategy aligns with the distribution hub strategies of Ruakura to the North at Hamilton, and Te Utanganui to the South West at Palmerston North.

Infrastructure resilience

The importance of the resilience of crucial infrastructure links particularly at the norther and southern points of the region, has also been regularly highlighted in work by the Regional Transport Committee and others.

In December 2024, HBREDA and Trust Tairāwhiti commissioned an assessment on the potential economic benefits of improving the resilience of State Highway 2 between Gisborne, Wairoa and Napier. This includes understanding how businesses reliant on the corridor and the wider economy are affected by road closures and diversions, and how improved resilience might contribute to investment and development decisions for existing and prospective businesses.

Cyclone Gabrielle also highlighted gaps and risks in infrastructure resilience – particularly utilities infrastructure like water, power and internet supply. The Recovery Plan 2.0 identified how electricity supplies were disrupted, meaning telecommunications facilities went down for extended periods. Access for restoration was impacted due to damage to roads and bridges. Lifeline utilities need greater resilience built into them.

At a broader level, utilities resilience – particularly energy supply, sustainability and cost – has consistently been identified as an issue by Hawke's Bay businesses in engagement with HBREDA and in development of these regional priorities.

It is important that the region enables the right sort of activities to happen for the benefit of the people of the region. We must remind ourselves through this priority setting process that our focus is on the *households and whanau of Hawke's Bay*.

Which itself presents the additional question: why has the region traditionally viewed itself along the lines of what it exports to the rest of the world, when two-thirds of regional GDP comes from intra-regional activity and inter-regional activity with the rest of New Zealand?

To do this well, we must optimise the resources we have access to. We must attract capital to grow these resources. Having strong underlying institutions, regulations and limits which allow businesses to maximise profits within these agreed boundaries will support us to maximise Hawke's Bay's economic and social growth potential.

As we assess our resources we must keep in mind the outcomes we desire from securing a thriving Hawke's Bay economy. Our agreed vision focusses on benefits accruing to households and whanau. This in turn requires analysis of whether households and whanau themselves are thriving.

Section 5b - Our households and whānau¹

Families and households

Hawke's Bay is home to a population of 181,100 people² - or 3.4% of the national population. Hawke's Bay is home to 50,076 Māori – or 5.6% of the national population.

Census 2023 data shows the region comprising 43,473 families (3.4% of the national number), within 62,964 households in occupied private dwellings (3.5% of the national number).

There were 13,161 families with at least one Māori ethnic group member identified by the 2023 census (5.0% of the national number), and 16,179 households in occupied private dwellings (4.9% of the national number).

By family type, 43.1% were classed as a couple without children, compared to a national average of 41.5%, and up from 42.2% in 2013 and 42.9% in 2018. 38.3% were classed as a couple with child(ren), below the national average of 42%, and up from

¹ Data, terminology and descriptions in this section are from the Stats NZ census portal for Hawke's Bay: <https://tools.summaries.stats.govt.nz/places/RC/hawkes-bay-region>

² Stats NZ: June 30, 2024

36.8% in 2013 and 37.6% in 2018. 18.6% of families were classed as being one parent with child(ren), compared to the national average of 16.5%, but down from 21% in 2013 and 19.5% in 2018.

For families with at least one Māori ethnic group member, 26.3% were classed as a couple without children, compared to a national average of 28.5% and up from 23.9% in 2018 (no 2013 data available for this dataset). 40.8% were classed as a couple with child(ren), compared to a national average of 41% and up from 40.5% in 2018. 32.9% were classed as One Parent with child(ren), compared to a national average of 30.5% and down from 35.6% in 2018.

The average number of usual residents per Hawke's Bay household was 2.6 in 2023, compared to a national average of 2.7 and up from 2.5 in 2013 (2018: 2.6).

Age

The median age in Hawke's Bay was 40.4 years in 2023 (2018: 40.6), above the national median of 38.1 years (2018: 37.4). The median age for Māori in Hawke's Bay was 27.1 in 2023 (2018: 25.4), above the national median of 26.8 years (2018: 25.4).

By life-cycle age group, Hawke's Bay has:

- A greater proportion of people aged under 15 years (19.8%) than the national average (18.7%)
- A lower proportion of people aged 15-29 years (17.3%) than the national average (19.4%)
- A lower proportion of people aged 30-64 years (43.6%) than the national average (45.3%)
- A greater proportion of people aged 65+ years (19.4%) than the national average (16.6%).

Housing need

We know there is housing need across the region. Based on published data from Central Government, we get part of the picture of that need, e.g.:

- A total of 993 are on the Housing Register across the region, with 996 in Category A (based on latest figures from June 2025). This is a reduction from a year ago, with 1,323 total on the Housing Register in June 2024.
- On a per population basis, three of Hawke's Bay's TAs are in the top 10 of those with the highest numbers on the Housing Register.
- In the last quarter, 123 Emergency Housing Grants were provided across the four TAs, at a total cost of \$287,850. This is a significant reduction from the previous quarter (ending March 2025), where there were a total of 234 Grants provided. The numbers for Napier and Hastings have halved over this period.
- As at May 2025, there are 3,401 public housing places across the region (CHPs and Kāinga Ora).

- A total of 292 public housing places have been added in the region since December 2023.
- There are a total of 386 transitional housing places in the region, which is 73 places fewer than in December 2023.
- From the latest Census data, there were 4,032 people across Hawke's Bay that were severely housing deprived (the official definition of homeless).
- The Government's latest insights report into homelessness does not include any Hawke's Bay specific data or insights, however overall notes that around the country figures are indicating upwards trends in people living without shelter.

Incomes and socio-economic deprivation

Median personal income by age:

- The median personal income for a 15-29 year old worker in Hawke's Bay was \$27,300 in 2023, above the national median of \$25,000
- The median personal income for a 30-64 year-old worker in Hawke's Bay was \$54,600 in 2023, below the national median of \$57,900.
- The median personal income of a person aged 65 years and over in Hawke's Bay was \$27,000 in 2023, slightly above the national median of \$26,600.

Total personal income by age

- 15-29 years old
 - \$1-\$30,000: 52.7% (of this age bracket earn \$1-\$30,000)
 - \$30,001-\$50,000: 20.5%
 - \$50,001 and above: 26.7%
- 30-64 years old:
 - \$1-\$30,000: 26%
 - \$30,001-\$50,000: 18.8%
 - \$50,001 and above: 55.1%
- 65 years and above
 - \$1-\$30,000: 60.7%
 - \$30,001-\$50,000: 20.8%
 - \$50,001 and above: 18.6%

Median household income

- The median household income in the Hawke's Bay region was \$86,800 in 2023 (2018: \$62,800), below the national median of \$97,000 (2018: \$75,700)

Deprivation scores

Measured by the New Zealand index of socioeconomic deprivation, on an index of 1-to-10, where 1 is the least deprived, and 10 the most deprived,

- 48.8% of the Hawke's Bay population is rated at 7-10, compared to 40.9% of the national population
 - Within this, 15.9% are rated as 10 (most deprived), compared to 10.5% of the national population
- 51.2% of the Hawke's Bay population is rated at 1-6, compared to 59.2% of the national population
 - Within this, 9.6% are rated as the least deprived, compared to 9.7% of the national population.

Break-out box: Social Investment

In a March 2025 Cabinet Paper on central Government's Social Investment Work programme, the Minister for Social Investment sets out the importance of driving better outcomes for people and breaking cycles of disadvantage, including through preventative action. See Appendix 3 for a more fulsome overview of the information in this breakout box.

Research undertaken by the Social Investment Agency (SIA), and its predecessor the Social Wellbeing Agency, analysed¹ young New Zealanders who turned 18 in 2020, by need – across indicators of abuse and neglect; early offending, victimisation and contact with the justice system; poor mental health; lack of household and community resources.

Nationally, 10% of these young people were classed as having high needs. The Research highlighted that at a District Level, Wairoa District had one of the highest concentrations of high needs in the country: 31% of children aged 7-13 were identified as having high need by this definition, and 27% of youth aged 14-17 years.

In related research¹, the Social Investment Agency tracked 10 social outcomes to determine the highest-needs of young New Zealanders in 2022. This included:

- No school qualification
- Non-enrolment in school before age 16
- Receiving jobseeker benefit
- Receiving special needs/food grant
- Admitted to ED 3+ times in last 5 years
- Ever had serious mental health referral
- Ever been in emergency or social housing
- Ever any evidence of homelessness
- Ever been charged with violent offence
- Ever been victim of violence.

For those aged 20-29 years old in 2022, this SIA research showed that at a District level, Wairoa again had a high concentration of need. In addition, at a suburb level, other areas of Hawke's Bay were highlighted, including Westshore, Ahuriri, Napier Central, Onekawa East, and Camberley.

Education

At a national level, the Ministry of Education operates to a target of 75% of all school leavers having at least an NCEA level 2 qualification (or equivalent). It also targets 55% of school leavers progressing directly from NCEA level 2 or 3 or equivalent, to Level 4 or above tertiary study.

School leavers

2023 NCEA attainment data can be broken down by TA:

- Central Hawke's Bay: 64% of school leavers left after attaining NCEA level 2 (26%) or Level 3 (38%)
- Hastings: 78% of school leavers left after attaining NCEA Level 2 (26%) or Level 3 (52%)
- Napier: 76% of school leavers left after attaining NCEA Level 2 (26%) or Level 3 (50%)
- Wairoa: 56% of school leavers left after attaining NCEA Level 2 (27%) or Level 3 (29%)
- National average: 76% of school leavers left after attaining NCEA Level 2 (23%) or Level 3 (53%).

Study participation

2023 census data shows Hawke's Bay study participation (full-time, part-time, not in study) as similar to the New Zealand average from 0-14 years, and then again from 30-years+. However, in Hawke's Bay:

- the proportion of 15-19 year olds in full time study was 59.7%, compared to a national average of 66.9%; the proportion of 15-19 year olds not studying was 36.5%, compared to a national average of 29.5%. The proportion of 15-19 year olds in part time study was similar to the national average, at 3.8%.
- The proportion of 20-24 year olds in full time study in Hawke's Bay was 9.3%, compared to 22.5% for the national average; the proportion of 20-24 year olds not in study in Hawke's Bay was 85.6% compared to a national average of 71.5%. The proportion in part time study was similar, at 5.2%.
- The proportion of 25-29 year-olds in full time study was 4.5% in Hawke's Bay, compared to a national average of 6.7%; the proportion of 25-29 year olds not in study was 91.5% in Hawke's Bay, compared to a national average of 88.6%.

Qualifications (from Level 1 certificate through to doctorate degree)

2023 census data shows

- 18.2% of the population have no qualification, compared to the New Zealand average where 15.7% of the general population have no qualification.
- The proportion of the Hawke's Bay population whose highest qualification is a Level 1 or Level 2 certificate is higher than the national average.

- The proportion whose highest qualification is a Level 3 certificate is their highest qualification is slightly below the national average
- The proportion whose highest qualification is a Level 4 certificate, Level 5 diploma or Level 6 diploma is higher than the national average
- 12.6% of the Hawke's Bay population has their highest qualification at the Bachelor degree and Level 7 qualification level, compared to a national average of 15.5%.
- 4.8% of the Hawke's Bay population has their highest qualification at the post-graduate or honours degree level, compared to a national average of 6.2%
- 2.4% have a Masters degree as their highest qualification, compared to a national average of 4.4%
- 0.5% have a doctorate degree, compared to a national average of 1%.

Employment projections

Between 2024 and 2029 6,000 jobs are expected to be created in Hawke's Bay, according to research by Infometrics. Just over two-thirds of these new jobs will be in Hastings and about a quarter in Napier. Wairoa and CHB will see very little net job creation over the next five years. With healthcare and social assistance, and the horticulture and fruit growing industries expected to create the most jobs in Hawke's Bay over the next five years, these industries are an important focus. Job growth will mainly be in hospitals, allied health services and residential care services. In horticulture, jobs will be created in apple, pear and berry growing.

Iwi and hapū wish to ensure we look beyond seasonal work and towards building a highly skilled and productive future workforce and not just a low-wage seasonal workforce. While RSE will have a role, our focus should be on steady and secure, well-paid employment.

Workforce Development:

Regional Skills Leadership Group – priorities and refresh.

In 2022 the Hawke's Bay Regional Skills Leadership Group presented its [Regional Workforce Plan](#). This plan was centred around five pou (highlighted below.) Following Cyclone Gabrielle in 2023, a refreshed plan building on the five pou was published. Combined, the reports focussed on:

- Primary sector:
 - Including a focus on horticulture and meat processing, as industries prepare for new technologies such as robotic harvesting, and as they experience shortages during times of peak demand.
- Construction sector
 - Including “a need for broader apprenticeship schemes so apprentices can see that a career in construction has many pathways”
- Wāhine in the Workforce

- Including “being more inclusive and flexible to the needs of wāhine as kaimahi. This includes assisting their skill development as well as support to overcome any challenges they may face. These challenges can include a lack of self-confidence, childcare responsibilities, and the need to update skillsets.”
- Rangatahi and School Transitions
 - Including that: “Information provision is central to rangatahi making informed decisions regarding local career and training choices. The importance of starting a coordinated relationship between kura and employers as early as possible holds the key to rangatahi achieving a successful transition to employment. Anecdotally there is more mahi that needs to be done to clarify local career options and to do everything possible to make sure rangatahi have a fair opportunity to make an informed choice. One frustration is the lack of relevant industry aligned career advice and provision. Rangatahi might be more interested in mahi if they can see where the opportunities and growth areas are in their rohe.”
- Work Ready Job Seekers.
 - Including that: “Job seekers that receive quality wraparound support and mentoring have greater employment success. Stakeholder engagement has identified that most employers are willing to provide the support and the training to teach the job seeker the skills they need for the role. However, it is reported that finding someone who is reliable and willing to do the mahi is often the issue. The RSLG encourages a wider use of te ao Māori approaches to support whānau centred solutions to engaging with employment. Facilitating meaningful connections to whakapapa and whenua may provide some insights to understanding the barriers that prevent people from entering the workforce and pursuing careers.

The 2023 refresh introduced a number of further priorities:

- Cyclone recovery
 - Action: Working collaboratively with partners and industry to shape sustainable solutions that retain, retrain, and redeploy local kaimahi, and which provide transferrable skills that give them the confidence to move between sectors.
 - Action: Supporting jobs and skills hub models across the region using the knowledge we have built to meet the workforce needs of the cyclone recovery.
- Driver licensing in schools:
 - *“A driver’s licence is a tool that reduces inequities and increases social inclusion, but of the 28 secondary kura in our region, only four currently offer a driver licencing programme. In New Zealand it is estimated that between 70,000 and 90,000 rangatahi face barriers in obtaining a licence*

which include cost, time, navigating the system, whānau support, identification documents, restriction breaches, learning challenges and a lack of confidence. These challenges are disproportionately affecting the vulnerable rangatahi in our communities.”

- Action: Work in collaboration with government agencies, such as the Ministry of Education, local government, and Matariki Driving Licencing Collective to achieve a funding model that supports free, accessible and tailored driver licencing programmes in Hawke’s Bay high schools
- Healthcare workforce:
 - “Population growth, increased life expectancy, increasing rates of disease, mental illness and addiction, and COVID-19 are all contributors to previously unseen levels of demand on the healthcare system and workforce...we do not have a sufficient local labour force to meet current and future healthcare workforce needs. High attrition rates due to pay and working conditions have contributed to persistent staff shortages across the system.”
 - Action: Undertake a current scope of nursing, kaiāwhina and Allied Health workforce programmes across the rohe. This mahi will allow us to identify where there are opportunities to develop programmes that grow Māori and Pasifika workforces.
 - Action: Work in collaboration with Te Whatu Ora, Toitū te Waioara, and local training providers to improve workforce pipelines and address critical staffing shortages to grow a resilient health workforce.

Health

Prevention and access to healthcare is central to the wellbeing of communities, as well inextricably linked to the capacity and ability to work.

Key health data demonstrates the importance of improving access to healthcare in Hawke’s Bay.

Primary Health Organisation (PHO) Enrolment in Hawke’s Bay³

As of 1 July 2023, approximately **91.6%** of Hawke’s Bay residents were enrolled with a Primary Health Organisation (PHO). Based on the estimated regional population of **175,074**, this means that around **14,700 people were not enrolled** with a PHO.

This gap is significant, as individuals who are not enrolled:

- Are less likely to have an ongoing relationship with a general practice,
- May face higher costs for GP services,

³ Health Hawke’s Bay Annual Report 2023: 167,823 enrolled (91.6%) as of 1 July 2023 and Ministry of Health, Q1 2024: National PHO enrolment rate ~94.4%

- Are less likely to receive proactive health interventions such as immunisations, screening reminders, and chronic disease management.

By comparison, the **national PHO enrolment rate** as of early 2024 was **94.4%**, highlighting a small but important shortfall in enrolment coverage in Hawke's Bay.

Work-Related Injuries⁴

Hawke's Bay/Tairāwhiti has the **highest rate of work-related injuries** in New Zealand, with **140 claims per 1,000 full-time equivalent (FTE) workers**, compared to the **national average of 90 per 1,000 FTE**.

Childhood Immunisation⁵

Immunisation coverage at 24 months in Hawke's Bay remains below national targets:

- **78.4%** of all children in Hawke's Bay are fully immunised by 24 months.
- For **Māori tamariki**, this drops to just **66.2%**.

This is well below the **national target of 95%**.

Breakout box: Māori Health outcomes and the economy:

New research undertaken by the New Zealand Institute of Economic Research (NZIER) for Tihei Takitimu Iwi-Māori Partnership Board and REDA released in May 2025 shows the productivity impacts in the economy of health disparities for Māori. The Health and Productivity Opportunities report assessing the economic value of addressing priority health conditions in Hawke's Bay working-age Māori identified that:

- Productivity drives growth, employment, incomes and wellbeing
- Māori health outcomes are important to the Hawke's Bay economy, where a significant portion of the workforce is Māori
- The productivity impacts of priority conditions in Hawke's Bay working-age Māori represent a significant economic opportunity

The findings indicate that addressing priority conditions in Hawke's Bay working-age Māori could have significant economic value to the local economy and improve whānau wellbeing. Overall patterns of health service use suggest preventative care may not be effectively reaching working-age Māori in Hawke's Bay, resulting in avoiding premature mortality in working-age Māori females and significant ill-health in working-age Māori males as they age.

It finds that improving early intervention could boost the region's economy by over \$120m a year, with over 90% of this value associated with premature mortality (including mental health as a key driver). The value of potential productivity gains is equivalent to 1,800 healthy workers per year in the Hawke's Bay economy.

⁴ [Stats NZ – Injury Statistics: Work-Related Claims 2021](#)

⁵ [Te Whatu Ora – Health Targets Performance](#)

The Regional Public Service has provided further data and analysis in confidence to aid Matariki in consideration of its priorities and focus areas.

Section 5: Initial Proposal

Direction from MGG pointed to a two stage consideration of priorities:

- Level 1 – Broader priorities that the region wants to signal commitment to, support and have some focus on
- Level 2 – Priorities for the refreshed regional entity to take action on, priorities that need joined up action and collaboration, and that promote the social and economic development of Hawke's Bay

Following the process outlined above, using the analysis outlined in Section 5, the following priorities are proposed:

Level 1 – Broader priorities: The broad priorities are arranged around three key themes, with Regional Spatial Planning as a central linking and coordinating tool to enable the development of Hawke's Bay in a way that moves the economy and its people forward.

- **Infrastructure for Productive Growth** – *future-proofing infrastructure that enables and accelerates growth of our economy; includes water security, strengthening key transport links, infrastructure for housing, completing infrastructure recovery programmes, ensuring utilities resilience (e.g. energy/power, water and internet supply, provision, cost, sustainability)*
- **Economic and Business Growth and Development** – *ensuring the foundations for success are present, to allow businesses to 'go for growth' within enabling but clear regulatory and environmental limits; included sector growth strategies, regulatory enablement programmes, Māori economy and investment attraction.*
- **Supporting whānau wellbeing** – *building strong and stable communities through the provision of affordable housing across the housing spectrum, providing accessible services for our most vulnerable and those in work, as well as looking for work; includes Workforce development and readiness, Housing system resilience, Hauora/health access and prevention and Te Reo Māori*
- **Regional spatial planning and Te Taiao** – *joining government and regional planning together to provide a clear blueprint for growth, encouraging investment confidence and signalling our regional infrastructure pipeline.*

In discussion around the identification of these level one priorities, a clear theme from Matariki Governance Group parties was that, while some of these are matters that are important to the region that we should "keep an eye on", they did not necessarily need joined up action from the regional entity and there may be existing delivery mechanisms. For instance, while Te Reo is of utmost importance, there are organisations well placed to lead in this area, and no one suggests it should be the responsibility of the refreshed entity.

There are factors that will overlap between these four Level 1 priorities. For example, environmental considerations will be applied within work addressing the infrastructure priority, as well as spatial planning.

Central importance of spatial planning:

Feedback during priority development has identified importance of regional spatial planning and Te Taiao to overall regional success and the success of the other priorities. Central Government has made clear that regional spatial planning is important for productive regional deals and partnerships. As a central co-ordinating priority, it represents something that should be actively driven across the region. This is reflected in the workstream priorities for a refreshed entity in the section below.

Level 2 – Possible workstream priorities for a refreshed entity:

Setting workstream priorities for the refreshed regional entity is the second phase in the prioritisation exercise. However, discussions through the phase one process, particularly those involving the REDA and RRA Boards, have provided some ‘indicators’ and possible focus areas to inform selection of programme priorities for a refreshed entity. Themes emerging from the discussion included the identification of lifeblood issues linked to maintenance and growth in traditional primary sector and linked industries, the need for enhanced productivity and the need to be open to/seize opportunities in emerging and non-traditional areas of economic activity.

Key areas to address lifeblood issues:

- **Water** – maintain and grow existing strength areas, support areas with new growth potential, enable most productive land-uses rather than locking in historic uses, protect cultural and environmental values
- **Workforce development** – address issues in region, sector-linked approaches, social components (health, pastoral care) vitally important to success
- **Housing sufficiency and affordability** – ensure whānau access to underpin a healthy productive workforce, and attract and provide capacity for people and capability in Hawke’s Bay

Address key development tenets for Hawke’s Bay and provide capability to support joined up, coordinated action and effective advocacy to Government:

- **Regional Spatial Plan and Infrastructure** - Support cross-party coordination and Government engagement and advocacy in support of plan development and infrastructure planning; support completion of the recovery journey where required.
- **Economic development initiatives** – work with business sectors and respond to investment and other opportunities

With an overlay to ensure it works for everyone:

- **Geographic equity** – benefits felt across whole region, and role of Regional Spatial Plan in linking regional development spatially
- **Stakeholders** – informed by what stakeholders identifying
- **Applicability across sectors** – e.g. workforce not just about particularly sectors, water not just about productive use

With space and trust for refreshed regional entity to respond to future context and opportunities.

Supported by key capabilities: advocacy, economic analysis, policy, regional coordination, programme management and convening. Sourcing maximum government funding and resources (where possible) will be critical in helping to advance these priorities. Over recent years, the Hawke’s Bay region has shown how successful we can be at this, particularly by focusing on having ‘one voice to Wellington’ to represent the region as a whole.

The review into regional structures was clear that a strong delivery arm for Matariki was needed. Deploying the highest level of capability that can be afforded is crucial for Matariki and the refreshed regional entity to deliver on these priorities and advance these workstreams.

Examples of possible workstreams for refreshed entity:

The following priorities for a highly functioning refreshed regional entity will be achieved through an entity that is able to advocate to and work well with central Government, ensure decisions are made based on the high-quality economic data required to drive a shift to a future-focussed economy, engage with larger employers and sectors as well as emerging employers and sectors, and scope potential emerging priorities for the region.

Area	Possible focus – further information
Water	<ul style="list-style-type: none"> • Water security has been identified as a lifeblood issue for the sustainable operation and growth of primary sector industries and the economy overall • Steps to enhance water security will be vital for environmental, economic, cultural and human wellbeing. Alongside regulation of water taken from rivers and aquifers there are ongoing opportunities to invest in both improving supply (for example through storage, aquifer recharge, recycling of water) and managing demand (for example for reducing leakage and driving water use efficiency). A number of these initiatives are already in play and there is scope to enable new opportunities. • Water storage is also part of an overall solution, and regional groups are already engaging with central Government on this, as well as action by the Regional Council and private landowners.





	<ul style="list-style-type: none"> • This presents a role for the refreshed regional entity to act as an advocate, regional voice and help coordinate water security activity/actions. The regional entity would be empowered to consider this work from a development/economic growth lens, with the expectation that national regulatory mechanisms will support an appropriate balance between the human, cultural/environmental and economic needs. • This work would benefit from the development of sector or industry growth strategies, where future need and uses for water could be identified.
Workforce Development and retention	<ul style="list-style-type: none"> • Take on the co-ordinating and advocacy for the priorities identified by the Regional Skills Leadership Group. (See RSLG break-out box) <ul style="list-style-type: none"> ○ Some aspects of this work may be best pursued by individual MGG partners. A co-ordination and information sharing function will still be required, including to ensure learnings are reported across MGG partners ○ This work would benefit from being linked to specific sector or industry growth strategies. ○ This work would benefit from a strong relationship with EIT and other tertiary institutions around the country. • Introduce specific new priority targeted at attraction and retention of workers as they approach higher earning potential life-stages. Link to Economic and Business Growth and Development. • Introduce new priority of encouraging more school leavers into further study, with the acknowledgement that many forms of study are not available in Hawke's Bay (e.g. university study) – consider strategies to entice Hawke's Bay university students back to the region after they finish their studies. <ul style="list-style-type: none"> ○ Research shows that while salaries for school leavers might be higher than for age-group counterparts in other parts of the country, future salary growth potential is less without further training or education. • Work with Tihei Takitimu, Hauora Māori providers and others to help support the realisation of targeted

	programmes for health access and health prevention for Māori and others who work
Housing	<ul style="list-style-type: none"> • Provide support if required for the regional housing entity and work programme, including supporting the MGG Housing Leadership Group members to establish a regional housing entity, and develop a regional housing strategy. • Focus on advocating for a place-based housing strategy agreed by Government, including greater place-based management over Kāinga Ora tenancies. • Co-ordinate regional engagement on the Government's Going for Housing Growth policy, potential GST-sharing
Regional Spatial Plan	<ul style="list-style-type: none"> • Support development of Regional Spatial Plan through: <ul style="list-style-type: none"> ○ Regional coordination ○ Coordination with/advocacy to Government ○ Economic perspectives ○ Support for councils' lead planning roles • Linking of Government, Council and other investment in infrastructure in a whole-of-region plan – signal investment planning to business: align planning framework with investment intentions and signal growth and investment locations to market, enable development of regional pipeline for infrastructure, working with central Government bodies including the Infrastructure Commission, MfE. • This work would support the development of regional sector or industry growth strategies.
Supporting and finishing key recovery initiatives	<ul style="list-style-type: none"> • Support and coordination as commissioned by Councils for key recovery work programmes post the life of the RRA, including ongoing interaction with several Government departments. This will include ongoing interaction with several Government departments, including DIA, DPMC, MPI, NZTA/Transport, MHUD, MBIE, NEMA. • Advance and coordinate resilience priorities for the region emerging from the RRA's resilience and lessons learned programmes
Infrastructure strategy coordination and advocacy	<ul style="list-style-type: none"> • Drawing on Regional Freight Distribution Strategy, SH2 Napier to Tairāwhiti work and RSP and other infrastructure planning, provide co-ordination and advocacy to enable key infrastructure investments

Sector/industry growth strategies	<ul style="list-style-type: none">• Support and/or co-ordinate sector or industry growth strategies
Whānau access to Hauora/Health	<ul style="list-style-type: none">• Support and advocacy to programmes to enhance access to health and improved health outcomes
Influence	<ul style="list-style-type: none">• Continue valuable ongoing interaction with central government• Unblocking major initiatives, both regionally and with central government









Appendix 1 – REDA research “cross-cutting areas”

Cross-cutting

AREA	ACTION AREAS FOR FURTHER INVESTIGATION
 Transport	<ul style="list-style-type: none"> Present the case for additional government investment in roading resilience and future proofing. Initially focus on the SH2 Wairoa to Napier road, including an assessment of the economic activity associated with SH2 and the impacts of not investing (NZIER study underway). If successful, repeat the exercise for SH5.
 Skills and talent	<ul style="list-style-type: none"> Support the case for the Hawke's Bay airport runway extension and future proofing, and the feasibility of getting more flights/competing airlines into Hawke's Bay Support the economic development case for further investment in the Wairoa airport extension.
 Energy	<ul style="list-style-type: none"> Develop an energy strategy for the region, identifying the combination of investments that will provide resilience, including additional hydro, solar and energy storage, co-generation and gas.
 Business and industry development	<ul style="list-style-type: none"> Promote the story about the region's industry and innovation capabilities and advantages to support targeted talent and investment attraction. Explore options to develop: <ul style="list-style-type: none"> investment readiness support for SMEs more targeted investment attraction focused on leveraging family connections ways to match HB-based capital with HB business opportunities work to ensure business development, R&D, investment support is effective for Māori enterprises and leaders support for the Chamber of Commerce and other business support agencies to build the capability of Pacific entrepreneurs and enterprises in the region, including through training, procurement, health and safety, and start-up support. Assess the case for the development of a Special Economic Zone in Wairoa.

REDA Industry specific recommendations

Industry specific

AREA	ACTION AREAS FOR FURTHER INVESTIGATION	
 Food and Beverage	<ul style="list-style-type: none"> Support the development of a feasibility assessment and business case for establishing equipment/facilities at Foodeast-Haumako – starting with an assessment of the opportunities associated with the development of fermentation capabilities. 	
 Horticulture and related processing	<ul style="list-style-type: none"> Identify and progress horticulture land diversification opportunities across the region, for example, oats, hemp, seed drying, with an initial focus on the Central Hawke's Bay and Wairoa, including supporting infrastructure required (for example, coolstore). Support the wine growing industry with their export strategy, including identifying resources required for implementation. 	
 Forestry and wood processing	<ul style="list-style-type: none"> Develop the case for Councils adopting a wood encouragement policy for the region, supporting the procurement of wood-based construction. 	
 Construction	<ul style="list-style-type: none"> Work with the Councils and government agencies to assess the extent to which progressive procurement has been implemented and whether and how it can be better applied. 	
 Tourism	<ul style="list-style-type: none"> Develop a case and model for ongoing support for Hawke's Bay Tourism. Support the development of a plan and case for developing the tourism industry in Wairoa, including cultural, natural and adventure tourism (and leveraging space tourism interests). 	
 Wool and textiles	<ul style="list-style-type: none"> Assess the feasibility of developing a wool/fibre centre of excellence in the region. 	
 IT and digital	<ul style="list-style-type: none"> Assess the feasibility and case for a digital/high tech innovation centre and landing pad. 	
 Machinery and equipment	<ul style="list-style-type: none"> Develop new approaches to encourage business networking/benchmarking for advanced manufacturers (for example, company visits, insights and discussions on common business development issues). 	

Appendix 2: Te Ōhanga Māori

Te Ōhanga Māori 2023 report - by [MBIE](#) and [BERL](#) - highlights that:

Te Ōhanga Māori contributed 16.7% of New Zealand's expenditure GDP in 2023. This represents the spending of Māori households and businesses in the economy. However, different ways of measuring GDP can show a different picture.

- Using an income measure of GDP - the incomes received by individuals (wages) and organisations (profits) - Te Ōhanga Māori accounted for 10.6% of New Zealand GDP.
- Further, using a production measure of GDP - the value added by Māori entities (organisations, trusts and incorporations), businesses of Māori employers and self-employed Māori - Te Ōhanga Māori accounted for 8.9% of total New Zealand GDP.

The report notes that:

Value added (production GDP) from Te Ōhanga Māori totalled \$32 billion in 2023, up from \$17 billion in 2018. While this growth is significant at a headline level, **it conceals the significant transformation of the Māori economy with less economic activity concentrated in the primary industries of agriculture, forestry, and fishing, and more concentrated in diverse areas, such as professional, scientific, and technical services; and administrative, support, and other services.**

The Māori economy has shifted dramatically since 2018, moving away from its traditional reliance on primary industries, with the three largest sectors in 2023 being:

- Professional, scientific, and technical services at \$5.1 billion
- Administrative, support, and other services at \$4.2 billion
- Real estate and property services at \$4.1 billion.

In particular, the professional, scientific, and technical services sector increased by four-fold, up from \$1.2 billion in 2018. This sector includes high-value services such as architecture and engineering, scientific research and development, computer and information technology services, and management consulting.

The construction and transport, postal, and warehousing sectors both also grew notably to contribute over \$2 billion each in value add. At the same time, some sectors within Te Ōhanga Māori have experienced a decline in their production GDP generated, namely manufacturing, retail, accommodation, and food services, and wholesale trade.

Regarding entrepreneurship, the report notes that:

“Māori entrepreneurship experienced dramatic growth again between 2018 and 2023. The number of self-employed Māori surged by 49 percent, while the number of Māori employers increased by 31 percent. Despite this significant progress, Māori remain underrepresented in these roles compared to the wider Aotearoa New Zealand population.”

Takitimu – specific analysis of our rohe

MBIE's Te Ohanga Maori report uses Takitimu to define the regional rohe. Specific findings and observations include:

- Takitimu's Māori economy consisted of 1,002 businesses in 2023. Of these, Construction (223) and Agriculture, forestry and fishing (221) combined account for half of these. These were followed by Professional, scientific, and technical services (114), Rental, hiring, and real estate services (90) and Transport, postal, and warehousing (51) in the top five industries for Māori owned businesses in the rohe.
- Māori employers in Takitimu on average earn \$55,000 - essentially the same amount as Māori employees (\$54,000). In contrast in 7/11 rohe, Māori employers earn on average more than Māori employees. Non-Māori employers in the rohe on average earn \$88,300 and non-Māori employees earning on average \$66,100 a year in 2023.
- Self-employed Māori in Takitimu earn on average \$45,000, compared to non-Māori self-employed earning on average \$47,600.
- Māori employers in Takitimu have the fourth lowest average income of Māori employers across the 11 rohe.
- Māori employees in Takitimu have the lowest average income for Māori employees across the 11 rohe.
- Takitimu also has the most evenly distributed average income across Māori employers, Māori self-employed and Māori employees of the 11 rohe.

Appendix 3: Social Investment Agency analysis

In a March 2025 Cabinet Paper on central Government's Social Investment Work programme, the Minister sets out the importance of driving better outcomes for people and breaking cycles of disadvantage, including through preventative action.

The paper highlights recent nationwide data analysis that between 2017 and 2022, people in society with the most complex needs grew by 71%. A larger cohort of people who were most at risk of developing high and complex needs grew by 62%.

Significant investment and resources are required to support people with high and complex needs. But a step-change in preventative measures – with longer-term outcomes in mind – is also required. Research undertaken by the Social Investment Agency (and its predecessor the Social Wellbeing Agency) analysed⁶ young New Zealanders who turned 18 in 2020 by need, and found:

For the 1% of young people with the very highest needs⁷, at the age of 17 years:

- Over one-third (38%) lived with families where the income per family member (equivalised income) was less than \$20,000 p.a.
- Most (92%) were supported by a main benefit
- Over half (51%) lived with an adult who had received support for a mental health or an addiction issue
- Most (83%) lived with an adult who had been convicted and sentenced for a relatively serious criminal offence.

For the following 9% of young people with high needs, at the age of 17 years:

- Nearly one-third (30%) lived with families where the income per family member (equivalised income) was less than \$20,000 p.a.
- Most (83%) were supported by a main benefit
- Over a third (39%) lived with an adult who had received support for a mental health or an addiction issue
- Most (69%) lived with an adult who had been convicted and sentenced for a relatively serious criminal offence.

⁶ <https://www.sia.govt.nz/assets/Document-Library/Wellbeing-of-children-and-young-people-who-offend.pdf>

⁷ 15 factors across four areas of wellbeing were analysed and combined into an indicator of need, covering:

- Abuse and neglect: Child is subject of previous Oranga Tamariki contact and/or report of concern; child is subject of previous Oranga Tamariki investigation; child has had a care and protection placement.
- Early offending, victimisation and contact with the justice system: Child has a prior nonserious offence; an adult in the same household has experience with Corrections.
- Poor mental health: Child has received support for mental health or addiction; an adult in the same household has received support for alcohol or drug abuse/dependence; an adult in the same household has received a mental health specialist service.
- Lack of household and community resources: Household income; whether household income is below \$20,000; household income relative to neighbourhood average income; whether the household has 4+ children; whether household is supported by main benefit; whether the child lives in low or high deprivation (NZDep) community; whether the last school the child attended was low or high decile.

The research showed that by the time the 1% of young people with very high needs reached the age of 18 years:

- Over three-quarters (81%) had received a truancy intervention
- All (100%) had an Oranga Tamariki contact record or report of concern
- Nearly half (49%) had been reported to Police at least once as a victim of a crime
- Nearly one-third (30%) had received a mental health referral
- Over three-quarters (82%) had been associated with at least one reported family violence event.

And for the 9% in the next 'high needs' group below, by the age of 18:

- Over half (53%) had received a truancy intervention
- Almost all (93%) had an Oranga Tamariki contact record or report of concern
- A quarter (26%) had been reported to Police, once or more, as a victim of a crime
- One in around 7 (16%) had received a mental health referral
- Nearly two-thirds (60%) had been associated with at least one reported family violence event.

The Research highlighted that at a District Level, Wairoa District had one of the highest concentrations of high needs in the country: 31% of children aged 7-13 were identified as having high need by this definition, and 27% of youth aged 14-17 years.

SIA's research focussed on the link between these high needs groups and youth crime. People from within the 10% with the highest needs committed over 75% of all youth crime. Experiences that were most highly correlated with future offending included:

- Exposure to family violence and contact with Oranga Tamariki
- Experience of poverty
- Parent(s) who have an alcohol or other drug issue and/or a mental health issue; and/or contact with Corrections.

In related research⁸, the Social Investment Agency tracked 10 social outcomes to determine the highest-need 22 year-olds in 2022. This included:

- No school qualification
- Non-enrolment in school before age 16
- Receiving jobseeker benefit
- Receiving special needs/food grant
- Admitted to ED 3+ times in last 5 years

⁸ <https://www.sia.govt.nz/assets/Document-Library/Segmenting-needs-of-young-New-Zealanders.pdf>

- Ever had serious mental health referral
- Ever been in emergency or social housing
- Ever any evidence of homelessness
- Ever been charged with violent offence
- Ever been victim of violence.

Research found 1.2% of the 22-year old population experienced 8-10 of the above outcomes nationwide; 74% of this group was Māori, who were 6.6 times more likely to be in the highest needs group than non-Māori. A further 11% of 22 year-olds had experienced 4-7 of the outcomes.

Expanding the analysis to those aged 20-29 years old in 2022, SIA showed that at a District level, Wairoa again had a high concentration of need. In addition, at a suburb level, other areas of Hawke's Bay were highlighted, including Westshore, Ahuriri, Napier Central, Onekawa East, and Camberley.

SUPPORTING WHĀNAU WELLBEING

Matariki Governance Priorities

PURPOSE

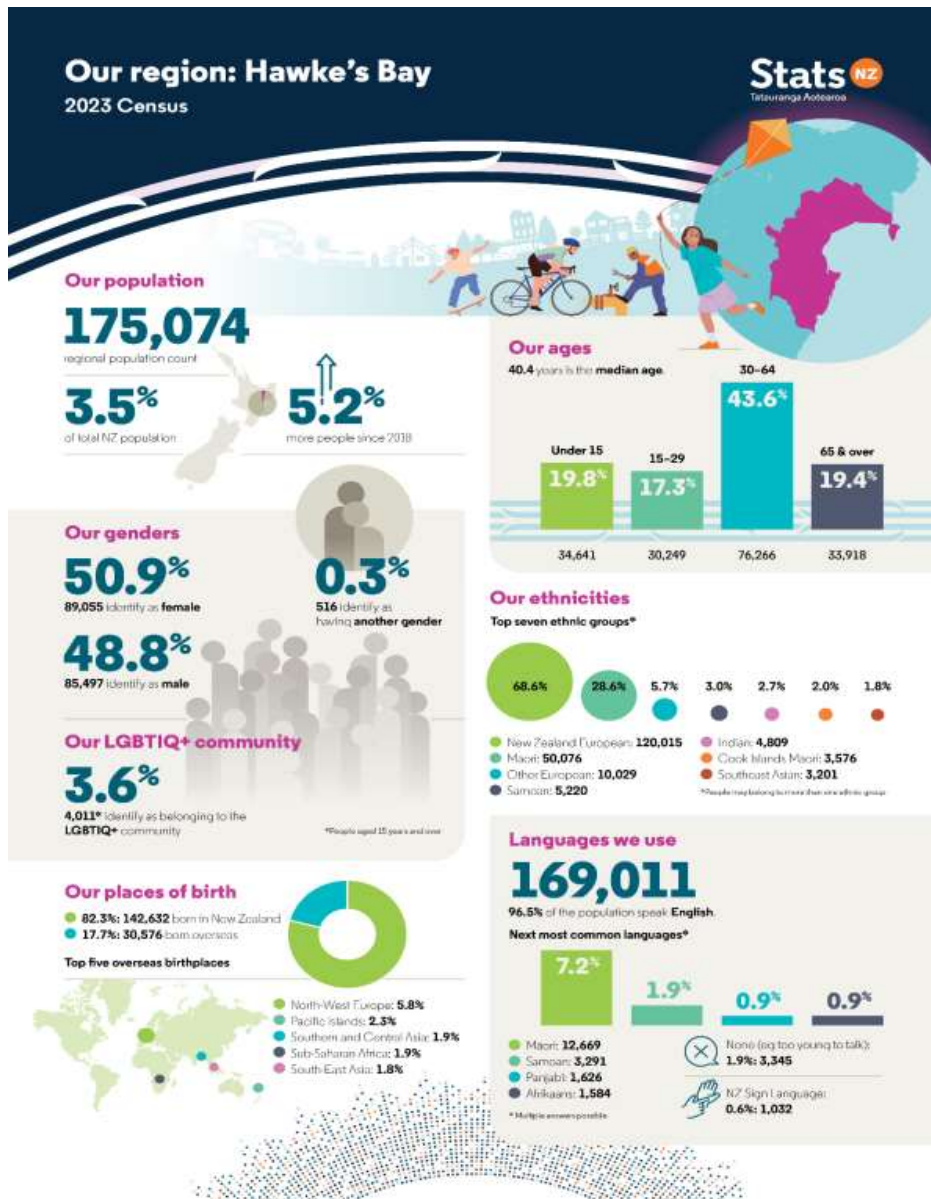
This report brings together key evidence and insights on the Matariki Wellbeing Priorities for Hawke’s Bay. It provides a picture of the current state across each priority area — Hauora and Health Access, Workforce Development and Housing System Resilience using both quantitative data and local context. The purpose is to inform governance-level discussions and to support coordinated regional action to guide decisions that strengthen wellbeing outcomes for whānau and communities now and into the future.

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1. Population Demographics



Wellbeing radar
2024



The 2024 Infometrics Wellbeing Radar shows varied performance across Hawke’s Bay’s four territorial authorities in nine wellbeing domains. Results highlight clear strengths in civic engagement, environmental quality, and housing affordability, alongside persistent challenges in jobs and earnings, income, and safety.

Comparable indicators sourced from Stats NZ, Ministry of Health, Ministry of Education, MBIE, MSD, and local datasets.

NB: It is important to note that the Wellbeing Radar uses a set of specific indicators to measure performance in each domain. While a score may appear high or low, it reflects performance only against those selected measures and does not capture all possible indicators of wellbeing in that area.

PERFORMANCE MEASURE	INDICATORS
HEALTH	<ul style="list-style-type: none">• Drinking water quality• Life expectancy• Mental health presentation rate• Suicide rate
HOUSING	<ul style="list-style-type: none">• Housing affordability• Rental affordability• Household crowding rate• Home ownership rate
JOBS AND EARNINGS	<ul style="list-style-type: none">• NEET Rate• Skilled worker rate• Unemployment rate• Workers in declining industries
INCOME AND CONSUMPTION	<ul style="list-style-type: none">• Benefit Dependency ratio• Earnings• Household income
KNOWLEDGE AND SKILLS	<ul style="list-style-type: none">• ECE participation rate• Workforce with NCEA Level 3• School Leavers• Secondary tertiary transitions
SAFETY	<ul style="list-style-type: none">• Crime Rate• Road fatalities• Workplace injury rate
SOCIAL CONNECTIONS	<ul style="list-style-type: none">• Work commuting time• Dependency Ratio• Internet Access• Truancy rate
ENVIRONMENT	<ul style="list-style-type: none">• Emissions per capita• Water diversion rate
CIVIC ENGAGEMENT AND GOVERNANCE	<ul style="list-style-type: none">• General election turnout• Local election turnout



2. Priority Area Deep Dives

2.1. Hauora and Health Access

Having good access to hauora and health services is a cornerstone of wellbeing which supports whānau to have mana motuhake and rangatiratanga over their own health by being able to manage conditions early, prevent illnesses and live healthier, more connected lives.

For the purposes of this report, health access includes:

- **Accessibility:** The ability for whānau to physically reach, afford, and navigate health services, including transport, cost, and digital connectivity.
- **Timeliness:** The speed with which people can access assessment, treatment, and follow-up care, including emergency and urgent care.
- **Availability:** The presence and capacity of health services, including primary care, secondary/tertiary services, public health, kaupapa Māori providers, community-based care, and specialist services.
- **Acceptability & Cultural Safety:** The extent to which services are delivered in a culturally safe, respectful, and whānau-centered manner that reflects the diversity of Hawke's Bay communities.
- **Equity:** Addressing disparities in health access and outcomes for Māori, Pacific peoples, rural populations, and other groups experiencing inequity.
- **Geographic scope:** Covers the Hawke's Bay region (Wairoa, Hastings, Napier, Central Hawke's Bay), with recognition of urban-rural differences and the impact of geographic isolation on service delivery and uptake.

Current State / Local Snapshot

Ambulatory Sensitive Hospitalisation (ASH) rates¹ are a record of hospital admissions that should be avoidable with timely primary care. The current average ASH rates show that Hawke's Bay faces significant strain on local access to primary care:

- **Children (0–4 years):** 7,872 admissions per 100,000 (year ending June 2024)

¹ [ash-pho-report-period-ended-jun2024.xlsx](#)

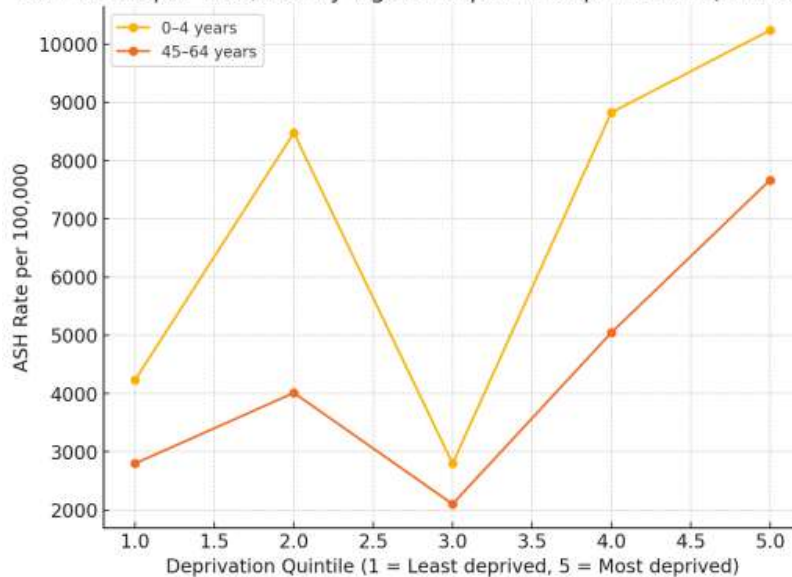


- **Working-age adults (45–64 years):** 4,481 admissions per 100,000 (year ending June 2024)

The following graph shows children in the most deprived areas of Hawke’s Bay are more than 3.5 times as likely to be hospitalised for preventable conditions as those in the least deprived areas.

A clear deprivation gradient exists for adults too, showing the ongoing impact of inequity on health outcomes across the life course.

ASH Rates per 100,000 by Age Group and Deprivation Quintile (2024)



The ASH trend shows that preventable hospital admissions remain consistently high across Hawke’s Bay, with minimal improvement over recent years. This persistence reflects systemic barriers such as constrained primary care capacity, affordability challenges, and workforce shortages, compounded by long travel distances in rural areas. The burden is greatest for whānau in high-deprivation communities, where inequities in access and outcomes are most pronounced.

These underlying factors are reflected across all aspects of health access in Hawke’s Bay, as shown in the dimension snapshot, underscoring the need for targeted investment, workforce expansion, and system redesign to address capacity constraints, improve timeliness, and close equity gaps.



Dimension	Local Snapshot - Hawke's Bay
Accessibility	Practices at or above capacity limit enrolments. Cost and transport remain key barriers, especially for low-income and rural whānau.
Timeliness	GP waits of 1–3 weeks. Elective surgery backlogs and ED underperformance against the six-hour target persist.
Availability	Workforce shortages reduce service hours. After-hours care concentrated in Hastings/Napier; rural outreach is limited.
Acceptability & Cultural Safety	Mixed cultural safety experiences. Some kaupapa Māori services offer alternative pathways, but mainstream integration is limited.
Equity	Māori and Pasifika face unmet health needs which is often measured by, lower enrolment and screening numbers, lower life expectancy and lower numbers of presentations to GPs—exacerbated by socio-economic challenges.
Geographic Scope	Urban areas are service-rich but under pressure. Rural areas (CHB, Wairoa) face fewer providers, greater travel, and limited choice. Outreach is inconsistent.

Key Drivers Behind Current State

1. Workforce shortages across primary care and community health

- Persistent GP, nurse practitioner, and allied health vacancies limit appointment availability, particularly in rural and high-deprivation areas.
- This results in longer wait times, reduced continuity of care, and greater reliance on emergency departments.

2. Cost barriers to accessing care

- Even with subsidies, consultation fees, prescription costs, and transport expenses can be prohibitive for many whānau.
- Particularly for those in high-deprivation communities, contributing to delays in seeking care until conditions become acute.

3. Limited timeliness of care

- Long delays for primary care appointments mean conditions that could be managed early are instead escalating to hospital admissions.



- ASH rates for 0–4-year-olds highlight that timely intervention in early childhood health is a critical gap.

4. Transport and geographic accessibility challenges

- Rural and isolated communities face significant travel times to reach GPs, urgent care, and specialist services.
- Limited public transport options further exacerbate inequities in access.

5. Cultural safety and service acceptability

- Some whānau experience a lack of culturally safe, whānau-centred care, which can lead to disengagement from health services.
- This is particularly important for Māori communities, where historical and ongoing inequities have contributed to mistrust.

6. System navigation complexity

- Health services are often fragmented, with unclear referral pathways and eligibility criteria.
- Whānau may miss out on services simply because they are not aware of entitlements or how to access them.

Suggested Measures

Measures	Description	Why it matters	Data Source
# of ED Presentations by locality	Number of ED attendances by territorial authority (TLA), age, and ethnicity	Indicates acute demand and potential gaps in access to primary care or urgent care	Te Whatu Ora – likely need a local request for breakdowns by TLA, ethnicity and age
# of full immunisations	Percentage of children fully immunised at key milestones (e.g., 8 months, 24 months, 5 years)	Reflects access to and uptake of preventative services, a key indicator of equitable health access	Te Whatu Ora and National Immunisation Register
# ASH rates	Rate of hospital admissions for conditions that should be preventable or manageable in primary care	Core measure of primary care access and effectiveness; highlights inequities by age, ethnicity, and locality	Ministry of Health and Te Whatu Ora websites
# Screening rates	Rates of key health screenings (Breast, cervical, bowel)	Indicator of preventative care and access	Te Whatu Ora

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Suggested Next Steps

The Matariki Governance Group can leverage its influence to:

- Champion advocacy for expansion of primary care workforce capacity, prioritising rural and high-needs areas.
- Influence regional planning to target resources equitably for Māori, Pasifika, and rural populations.
- Monitor interventions to reduce ASH rates and improve equity.
- Facilitate shared strategic planning and better system navigation support.

These actions can help reduce preventable hospitalisation, improve early intervention, and support whānau wellbeing across Hawke's Bay.

The Matariki Governance Group can work with the Public Service Lead to identify possible workstreams under the Whānau Wellbeing area and linked to the regional priorities.



2.2. Workforce Development in Hawkes Bay

Workforce Development in Hawke's Bay: A Strategic Imperative

Workforce development is a strategic priority for Hawke's Bay, to address skill shortages, support economic growth, and improve community wellbeing. A skilled and adaptable workforce enables local industries to thrive and helps retain talent within the region.

Education, vocational training, and employment pathways are key drivers of wellbeing. Research by Te Kāhui Rangahau Mana Taurite indicates that individuals with vocational qualifications earn more, rely less on benefits, and experience better social and personal outcomes, including increased self-employment and career progression.

A significant factor shaping the region's workforce is the rapidly growing Māori population, which is expanding faster than the general population. This trend highlights the need for inclusive and culturally responsive workforce strategies which also reflect the potential of Māori-led enterprises to drive regional development and prosperity.

Current State Snapshot Labour Market Trends (2020–2025)

1. **Employment Rate 66.8%**
Hawke's Bay consistently lags behind the national average by 1–2 percentage points. A 2021 dip likely reflects regional economic disruptions, such as weather events or sector-specific downturns.
2. **Unemployment Rate 5.2%**
Higher in Hawke's Bay throughout the period, with a slight narrowing in 2022–2023 before widening again.
3. **Labour Force Participation 68.8%**
Stable in Hawke's Bay but consistently lower than the national average by 2–3 percentage points.

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4. **Underutilisation 13%**

Higher in Hawke's Bay, suggesting more part-time or underemployed workers compared to the national picture.

5. **Job Seeker Numbers 5.6% (6426 working age)**

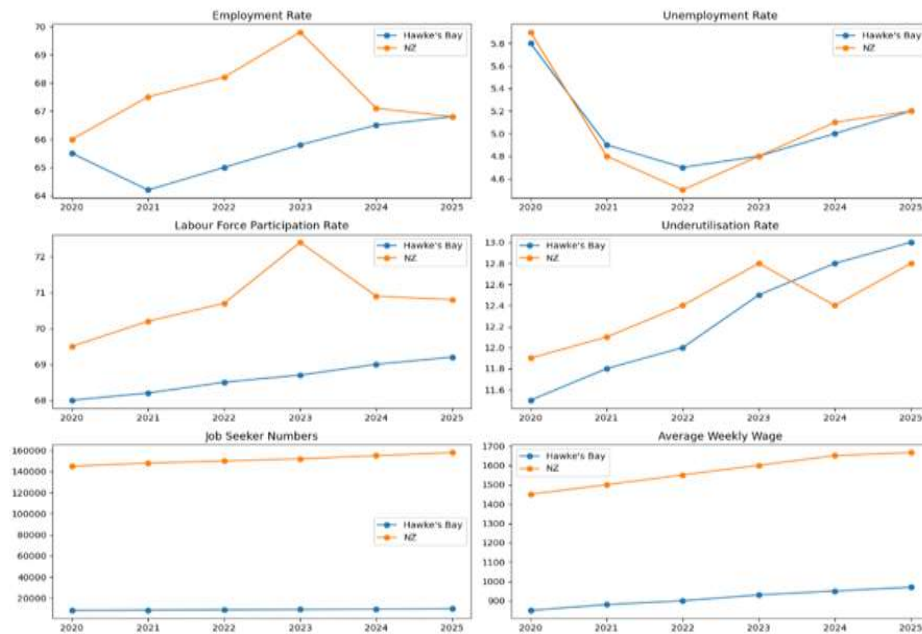
Rising steadily in Hawke's Bay, reflecting regional economic pressures. National numbers also increase, but more gradually.

6. **Average Weekly Wage \$970**

Hawke's Bay wages are over \$100 lower than the national average, with the gap persisting despite growth in both regions.

6.

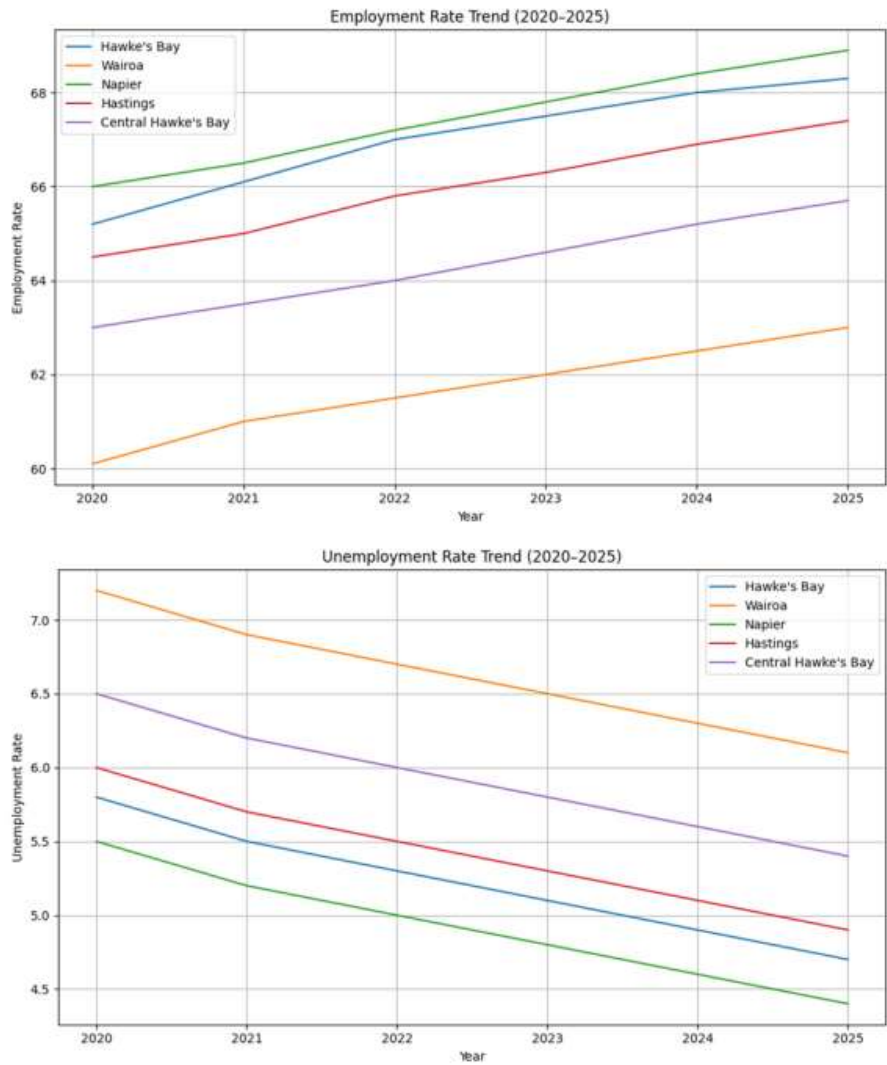
Hawke's Bay vs New Zealand Labour Market Trends (2020-2025)



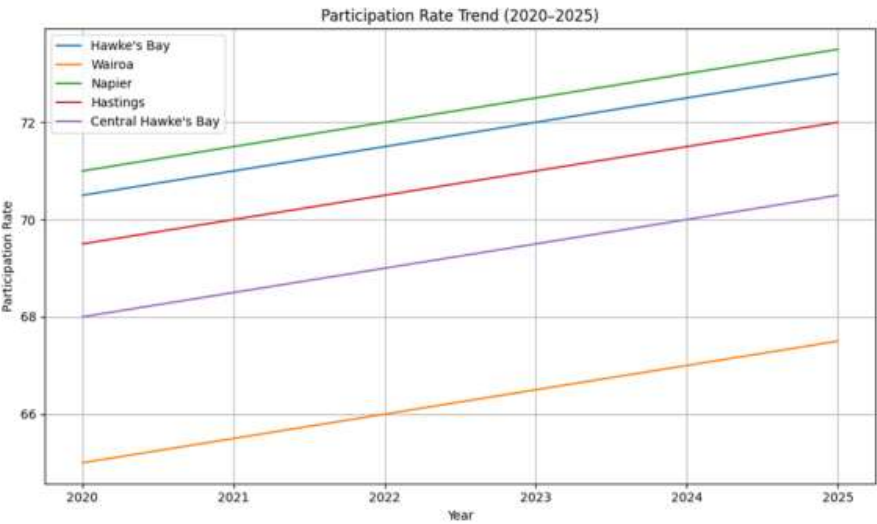
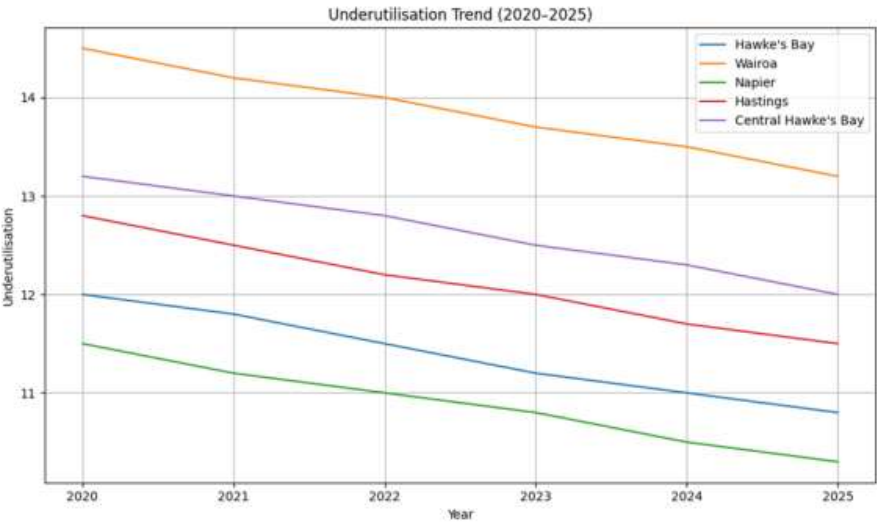
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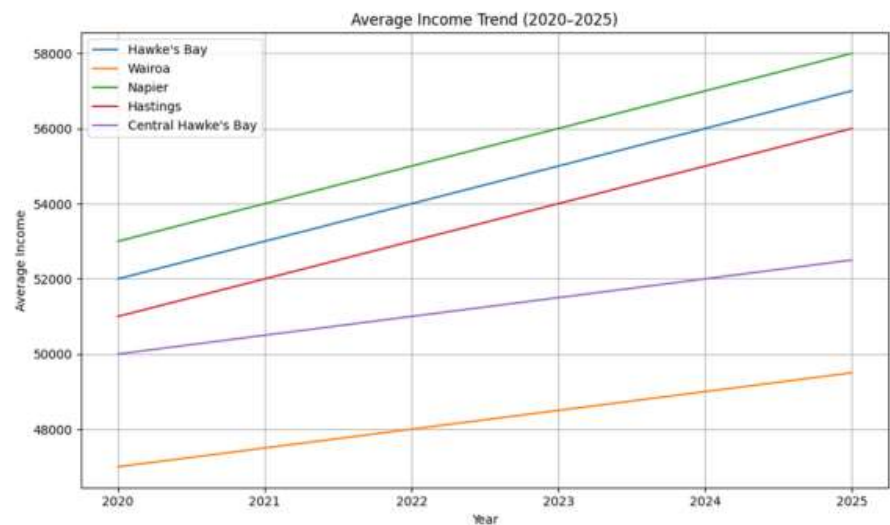


TLA vs Hawke’s Bay Employment Trend Lines (2020 - 2025)



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Job Seeker Numbers - Q1 2025

Territorial Local Authority	Job Seeker Numbers (Q1 2025)
Wairoa	615
Hastings	2,967
Napier	2,391
Central Hawke's Bay	453

Total Hawke’s Bay Job Seekers: 6426

Education and Training

Qualification Levels (2023 Census)

Qualification	Hawke’s Bay	NZ Average
No qualification	18.2%	~13%
Level 1–3 Certificates	~36.3%	~34%
Bachelor’s or higher	20.3%	~24–26%



School Attendance (Term 1, 2025)

East Coast: 60.1% of students attended >90% of the time.
National Average: 65.9%

The East Coast ranks among the lowest regions for school attendance and tertiary attainment.

Economic and Industry Growth

- Regional GDP per capita and productivity remain below national averages.
- Industry-specific employment shows growth in agriculture and healthcare and the social services.

Challenges and Opportunities

Challenges

- Access and equity barriers (geographic, socioeconomic).
- Retention of skilled workers.
- Funding constraints.
- Support and career pathways during transitions (school leavers, retraining, career changers).

Opportunities

- Targeted training initiatives aligned with regional needs.
- Regional workforce assessment using data-driven tools.
- Career pathway development with micro-credentials.
- Cross-sector collaboration for planning and delivery.
- Monitoring and evaluation systems for continuous improvement.

Suggested Measures

Measure	Purpose
Increased Employment Rates	Indicator of workforce success
Reduced Job Seeker Numbers	Reflects on the local economy and success of government interventions.

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Reduced Unemployment	Measures labour market health
Increased Average Weekly Wage	Proxy for job quality and productivity
Increased Qualification Achievement	Tracks formal education outcomes
Improved School Attendance	Early indicator of future engagement
Industry-Specific Growth	Aligns workforce with economic goals

Suggested Next Steps

- Consider integrating workforce insights and approved measures into Matariki governance and monitoring
- Promote inclusive, culturally responsive planning.
- Advocate and encourage investment in targeted training and career support aligned to regional needs
- Foster successful collaboration and partnerships



2.3. Housing System Resilience

Definition / Scope

Housing system resilience refers to the capacity of housing services and infrastructure in Hawke's Bay to provide safe, stable, and affordable homes for whānau, particularly those experiencing severe or prolonged housing deprivation.

For this report, the areas of focus will be:

- Affordability
- Capacity
- Safe and Adequate Housing

A resilient housing system contributes directly to whānau hauora, educational outcomes, social inclusion, and long-term wellbeing. Housing instability or lack of access has a ripple effect, impacting health, education, employment, and community participation.

Current State / Local Snapshot

Affordability

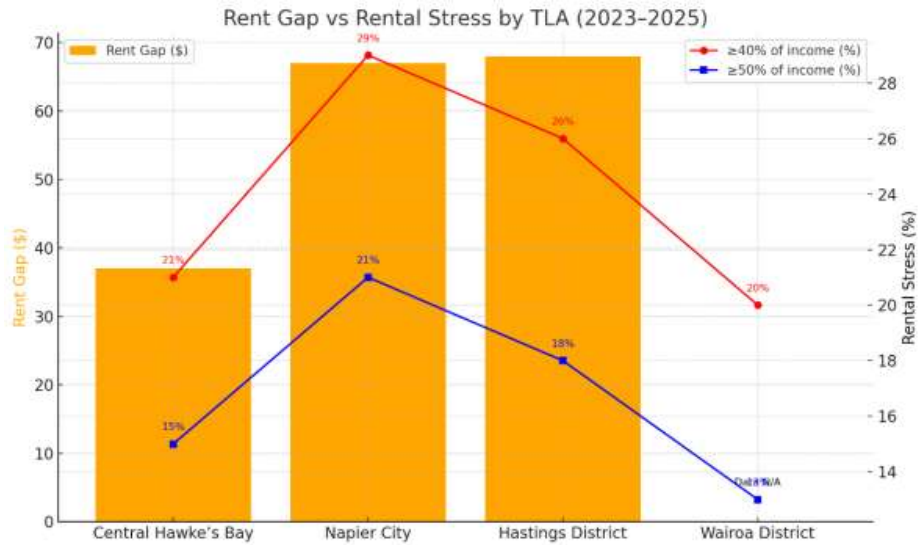
This graph shows the rent gap – the difference in dollars between the lower quartile weekly rent and the actual average weekly rent in each TLA. The red and blue lines show the proportion of households spending more than 40% (red) or 50% (blue) of their income on rent.

Napier and Hastings stand out with both large rent gaps and high proportions of households experiencing rental stress, indicating a steep rental market and limited affordable options. Central Hawke's Bay has lower rental stress but still a notable rent gap, meaning the step up from affordable to average rent is still significant. Wairoa's rental stress rates are lower, but the absence of official rent gap data makes it harder to gauge market disparity — though local evidence suggests affordability pressures are increasing. Overall, where high rent gaps coincide with high rental stress, it signals deeper affordability challenges that can push households toward overcrowding, transitional housing, or homelessness.

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Wairoa appears to be missing from the rent gap data on the HUD Local Housing Statistics Dashboard due to data suppression for privacy reasons. According to HUD's documentation, when data for a selected territorial authority (TA) is not available or is suppressed, it is typically because:

- The sample size is too small, which could risk identifying individuals or households.
- Insufficient or incomplete data was available for that metric at the time of reporting.

Key Drivers for Affordability Dimension

- **High rental stress** across the region: In some TLAs, up to 29% of households spend more than 40% of income on rent, with severe stress (≥50% of income) affecting up to 21% of households.
- **Significant rent gaps:** In Napier and Hastings, the gap between lower quartile and average rents exceeds \$60 per week, making it harder for lower-income households to move into better-quality or more secure rentals.
- **Low availability of affordable rentals:** Limited private rental stock priced at ≤30% of median household income keeps many households reliant on social housing or transitional housing pathways.



Capacity

Housing Demand vs Transitional Housing Supply (June 2025) - Hawke's Bay



Across all TLAs, there are far more people waiting for public housing than there are transitional housing places available. This gap is largest in Hastings and Napier, where hundreds of households are on the list but only a fraction can be helped through transitional housing. Even in smaller districts like Central Hawke's Bay and Wairoa, there aren't enough places to meet local need. This shows that while transitional housing is important, it's only able to help a small part of the demand at any one time.

Key Drivers for Capacity Dimension

- **Housing Register demand outstrips supply:** As of June 2025, there were 462 households on the register in Hastings and 435 in Napier, compared to 190 and 165 transitional places respectively.
- **Shortfalls across all TLAs:** Even in smaller districts like Wairoa and Central Hawke's Bay, transitional housing capacity covers less than half of households waiting for public housing.
- **Public housing growth not keeping pace:** Despite net gains in Kāinga Ora and community housing stock since 2023, demand remains consistently higher than supply.

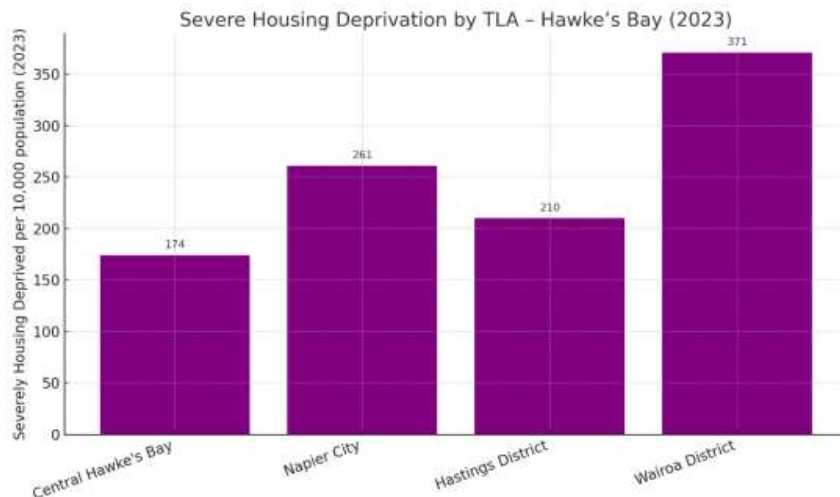


- **Event-related pressures:** Cyclone Gabrielle displaced over 130 households into TAS-managed temporary accommodation in Hawke's Bay, showing how emergencies add to existing demand.

Safe and Adequate Housing

A person or household is considered *severely housing deprived* when they lack access to safe, secure, and habitable housing, and are living in one or more of the following conditions:

- **Without shelter:** Sleeping rough or residing in improvised dwellings, vehicles, or other places not intended for human habitation.
- **In temporary accommodation:** Staying in emergency housing, night shelters, boarding houses, or other short-term arrangements without long-term security.
- **Sharing accommodation:** Living in someone else's private dwelling, often in overcrowded or unsuitable conditions due to lack of alternatives.
- **In uninhabitable housing:** Residing in dwellings that lack basic amenities such as running water, electricity, heating, or sanitation, making them unsafe or unsuitable for living.





This data tells us that we have high rates of severe housing deprivation across the region, especially in Wairoa and Napier, highlight the scale of housing insecurity and the need for both urgent and sustained interventions. These figures show that housing system resilience in Hawke's Bay is not just about affordability — it's also about ensuring people have safe, adequate, and uncrowded homes.

Key Drivers for Safe and Adequate Dimension

- **High severe housing deprivation rates:** Wairoa (371 per 10,000) and Napier (261 per 10,000) are well above the regional average, indicating more people living in overcrowded, uninhabitable, or insecure housing.
- **Hidden homelessness:** Includes "working homelessness," couch surfing, and people living in sheds or garages — often not visible in official homelessness counts.
- **Overcrowding impacts:** Overcrowding is linked to poorer health outcomes, reduced educational attainment, and higher tenancy turnover rates.
- **Mental health intersection:** Housing insecurity and poor housing quality often compound existing mental health and addiction challenges. People experiencing mental distress are more likely to face tenancy loss, and unstable housing makes it harder to access or maintain mental health treatment. Without integrated support, these issues can create a cycle of instability.

Suggested Measures

Measure	Description	Why it matters	Data source
Severe housing deprivation rate	Number of people severely housing deprived by TLA	Core indicator of extreme housing need	Stats NZ
Housing register households and rate	Households on the public housing register by TLA	Tracks unmet demand for public housing and indicates pressure points	MSD, HUD
Emergency and transitional	Number of households in emergency/transitional housing placements	Reflects acute housing stress and system capacity	Kāinga Ora, MSD



housing placements			
Rent stress measures	Proportion of households spending ≥40 % and ≥50 % of income on rent	Highlights affordability pressures and risk of homelessness	Stats NZ Census

Suggested Next Steps:

The Matariki Governance Group can leverage its influence to:

- Monitor and evaluate the impact of interventions with suggested measures.
- Support strategic alignment between regional planning, housing providers, and social support networks to reduce barriers and improve access.
- Champion and oversee implementation of the Regional Homelessness Plan.

By planning well, investing in the right places, and offering wraparound support, agencies and partners strengthen the capacity and adaptability of the systems that underpin whānau wellbeing.