

Thursday, 2 October 2025

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

Kaupapataka **Agenda**

Te Rā Hui:
Meeting date: **Thursday, 2 October 2025**

Te Wā:
Time: **9.00am**

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, 2 October 2025

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council

Council Meeting

Kaupapataka

Agenda

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

Order of Business

1.0 Opening Prayer – *Karakia Whakatūwheratanga*

2.0 Apologies & Leave of Absence – *Ngā Whakapāhatanga me te Wehenga ā-Hui*

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

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

3.0 Conflict of Interest – *He Ngākau Kōnatunatu*

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

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

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

4.0 Confirmation of Minutes – *Te Whakamana i Ngā Minitī*

Minutes of the Council Meeting held Thursday 4 September 2025.
(Previously circulated)

Minutes of the Council Meeting held Tuesday 9 September 2025.
(Previously circulated)

5.0 Mayor's Verbal Update

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6.0 Overview of HHDC Stormwater Network Consent

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10.0	Minor Items – <i>Ngā Take Iti</i>	
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11.0	Urgent Items – <i>Ngā Take Whakahihi</i>	
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12.0	Recommendation to Exclude the Public from Items 13, 14, 15, 16 and 17	45
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13.0	Development Matters	
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14.0	Flaxmere Development Opportunities	
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15.0	Dartmoor Bridge - Procurement Direction	
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16.0	Bridge Rebuild Procurement Strategy	
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17.0	Heretaunga Water Storage Project	
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Thursday, 2 October 2025

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

Item 5

Te Rārangi Take

Report to Council

Nā:
From: **Sandra Hazlehurst, Mayor**

Te Take:
Subject: **Mayor's Verbal Update**

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

- 1.1 The purpose of this report is to provide the opportunity for a regular verbal update from the Hastings District Council Mayor regarding current activities and events.

2.0 Recommendations - *Ngā Tūtohunga*

That Council receive the report titled Mayor's Verbal Update dated 2 October 2025.

Attachments:

There are no attachments for this report.

Thursday, 2 October 2025

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

Item 6

Te Rārangi Take

Report to Council

Nā:
From: Steve Cave, 3 Waters Manager

Te Take:
Subject: Overview of HHDC Stormwater Network Consent

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

1.1 The purpose of this report is to:

- 1.1.1 Update Council on the Heretaunga Hastings District Council (HHDC) Stormwater Network Consent, the consent renewal approach and opportunity this presents for HHDC to build on and strengthen mana whenua relationships.
- 1.1.2 Seek Council endorsement to progress with next steps.
- 1.2 HHDC operates its urban stormwater network under discharge consent from Hawke's Bay Regional Council (HBRC). This consent expired in May 2022 and is presently operating under s124 provision of the Resource Management Act 1991 (RMA) and has current existing use rights and compliance status.
- 1.3 An application to replace the original consent was lodged in February 2022 and placed on hold immediately to provide sufficient time and resource for a meaningful level of peer and cultural review. This work has now been completed.
- 1.4 Recommendations from the cultural review have been incorporated into the 2022 consent application that was placed on hold. Conditions for a revised application are presently being drafted and broadly include:
 - 1.4.1 Specific conditions from the 2022 application on spill and incident reporting, stormwater monitoring protocols, sampling, analysis and reporting
 - 1.4.2 A mechanism for mana whenua involvement and joint oversight of the consent and its implementation
 - 1.4.3 Requirements to develop a Co-Management Action Plan and High-Risk Stormwater Catchment Management Plan
 - 1.4.4 Indicators and attributes for cultural health and a Cultural Health Monitoring Plan.
- 1.5 Considerations that are being taken into account to inform the draft conditions include:

- 1.5.1 Statutory and legislative requirement
- 1.5.2 Cultural Review and Commitment to Mana Whenua Partnership
- 1.5.3 Potential Joint Committee arrangements
- 1.5.4 Budget considerations
- 1.5.5 Risk profile
- 1.6 Council Officers recommend the following steps to achieve lodgement of the revised consent application:
 - 1.6.1 Continued engagement with mana whenua and HBRC staff to ensure consent conditions are practicable, realistic, and allow for stormwater discharges from the HHDC urban stormwater network to continue
 - 1.6.2 Undertake whole-of-life assessment of costs to implement consent and achieve compliance with draft consent conditions to understand financial implications for Annual and Long Term Plan processes
 - 1.6.3 Progress work on developing an Integrated Catchment Management Plan
 - 1.6.4 Finalise and lodge the revised application with HBRC, timing dependant on outcome of 1.6.3
 - 1.6.5 Explore mechanisms for the establishment of a Joint Committee and propose options to incoming Council for consideration when they adopt Committee governance structures.

2.0 Recommendations - Ngā Tūtohunga

- A) That Council receive the report titled Overview of HHDC Stormwater Network Consent dated 2 October 2025.
- B) That Council endorse council officers to progress with the next steps.

3.0 Background – Te Horopaki

Context

- 3.1 Heretaunga Hastings District Council (HHDC or Council) operates its urban stormwater network under discharge consent from Hawke's Bay Regional Council (HBRC). The original HHDC stormwater consent was obtained in 2010 for a term of 12 years and expired on 31 May 2022.
- 3.2 The consent is presently operating under s124 provision of the Resource Management Act 1991 (RMA) and has current existing use rights and compliance status.
- 3.3 An application for a replacement consent, based on a 20-year consent term, was drafted throughout 2021 by council officers and consultants and submitted to HBRC on 25 February 2022.
- 3.4 The level of consultation between HHDC, mana whenua¹ and key stakeholders regarding three waters matters has continually evolved since 2010. The consent application lodged in February

¹ In the context of HHDC's stormwater service, mana whenua refers to the broad collective of formal and informal whakapapa and ahikaa groupings of Heretaunga, including whānau, hapū, marae, iwi, Post Settlement Governance Entities, rūnanga and other recognised or self-recognised tribal or sub-tribal authority with rights and interests in water as a natural taonga.

2022 was prepared with the intention of co-design and involvement of mana whenua from early in the process. This included scoping of the application, agreeing on a common kaupapa or agenda to be followed throughout the preparation of the application to lodgement, and on to implementation.

- 3.5 The above approach required substantial investment of time and resources. Hui involving HHDC, Te Taiwhenua o Heretaunga (TToH), Mauri Protection Agency, and Te Toi Ōhanga² were held quarterly between August 2021 and April 2022, with regular, informal contact between parties. The consultant engaged by HHDC to prepare the consent application, met one-on-one regularly with a mana whenua representative between October 2021 and February 2022.
- 3.6 A Cultural Assessment and Aspirations Report (CAAR) prepared by representatives of mana whenua was pivotal in integrating the views of mana whenua into the consent application. The CAAR was finalised in March 2022, but information from an earlier draft version was incorporated into the application to meet the deadline for lodgement.
- 3.7 Timeframes, with the impending expiry on 31 May 2022, required the consent application and CAAR to be prepared at pace and lodged in time to enable the continuation of the stormwater discharges with existing use rights under s124 of the RMA until a decision is made by HBRC.
- 3.8 Immediately prior to lodgement in February 2022 concerns were raised by TToH with HHDC about the process that had been followed in preparing the application. Of note, concerns about cultural safety were communicated by TToH on 24 February 2022, including concerns regarding the timeframe in which the consent application had been prepared and the process followed. In particular it was conveyed that there had not been adequate time for Te Rūnanganui o Heretaunga to review and approve the documentation prior to lodgement.
- 3.9 The application was lodged but in light of the above, it was immediately put on hold by HHDC.
- 3.10 TToH's Māori Community Development Unit, Te Manaaki Taiao, was engaged to peer review the application early in 2022; after the consent application was placed on hold. The peer review found that the consent application was not suitable for submission in its current form and that a comprehensive cultural review of the consent application be undertaken to enable a more considered partnership arrangement.
- 3.11 This cultural review commenced in early 2023 and was completed towards the end of 2024. Recommendations from the cultural review have been incorporated into the 2022 consent application. The version including these incorporations is referred to as the 2024 revised application throughout this report.

Overview of Existing Discharge Consent

- 3.12 The discharge consent was for the following stormwater discharge activity generated from 15 sub-catchments to:

'Divert and discharge stormwater, excluding runoff that is not a consequence of rain, from any open drain system or piped stormwater drainage system to water, including discharges to land in a manner that subsequently results in stormwater entering water with the following catchments':

- | | | |
|-----------------------|---------------|--------------------|
| • Irongate | • Tōmoana | • Herehere |
| • Lower Southland | • Mallory | • Mangarau |
| • Awahou | • Karamū 2 | • Havelock |
| • Ruahāpia | • Karamū 4 | • Havelock Streams |
| • Ruahāpia Industrial | • Clive Urban | • Mahora |

For this report, it generally refers to entities or parties that represent the rights and interests of mana whenua such as: Te Taiwhenua o Heretaunga and its Māori Community Development Unit, Te Manaaki Taiao; Te Rūnanganui o Heretaunga; Ngā Hapū o Heretaunga; Tamatea Pōkai Whenua.

Three consents to discharge stormwater to land (in a manner that may enter water) were also obtained for Barnes Place, James Rochfort Place and Lowes Pit.

4.0 Discussion – *Te Matapakitanga*

- 4.1 Since the original consent was granted in 2010, better stormwater information had been collated, assessed and reported upon. This has enabled refinement of the original 15 sub-catchments to the 23 proposed sub-catchments for the new application (**Attachment 1**).
- 4.2 HHDC has prioritised and achieved a high level of compliance with the original consent and under s124, although the health of aquatic ecosystems within the receiving environment for discharges remains poor in some locations, including within the urban stormwater catchment. This was evident from historic sediment, water quality, and macroinvertebrate monitoring results.
- 4.3 In preparing the 2022 application a unique opportunity was recognised to develop a stormwater network consent application and consenting strategy in partnership with mana whenua. Along with potential to strengthen mana whenua relationships, the benefit of this approach is expected to create both efficiencies with future consenting process, such as longer duration consents, as well as improved environmental outcomes in time.
- 4.4 The opportunity to extend the consent duration from 12 years to 20 years was also identified and is incorporated in the application.
- 4.5 Integrating cultural aspirations and values within the new application rather than being attached to the application is a 'key point of difference' compared to other similar consent applications typically lodged with the HBRC.
- 4.6 The application incorporates over 10 years of stormwater monitoring and investigations, gathered and reported upon from the original 2010 application's 'road map' and the adaptation process associated with the implementation of the original consent.
- 4.7 The 2024 revised consent application and comprehensive assessment of environmental effects (AEE) report cover the existing urban stormwater network for which HHDC is responsible. This includes district areas where future residential, commercial or industrial developments are planned within the next 20 years, as shown in the HHDC District Planning Maps and the Future Development Strategy.
- 4.8 The revised 2024 application seeks consent to discharge stormwater within three catchments that present a higher risk to the quality and quantity of stormwater discharges based on their industrial land uses. These high-risk catchments include James Rochfort Place (discharges to surface water via the Flaxmere stormwater main, and stormwater discharges to ground), Barnes Place and Lowes Pit (stormwater discharges to ground).
- 4.9 The application included a comprehensive assessment of the potential effects of the proposed discharges from the stormwater network on the immediate and ultimate receiving environments, including Te Karamū and its tributaries, Te Awa o Mokotūāraro (Clive River) and Hawke Bay, respectively. This assessment is based on knowledge/evidence of past effects and assumptions concerning potential effects that could occur due to anticipated future changes in land use, the population of the District, the climate, and the economy.

Cultural Review and Commitment to Mana Whenua Partnership

- 4.10 Work continues in this space to ensure full engagement. A hui with the Chair of Tamatea Pōkai Whenua is scheduled for early October 2025, and further engagement with mana whenua is anticipated through to lodgement and into implementation.
- 4.11 The commitment from partners and a willingness to embrace innovation aligns with Council's stance on partnership and as demonstrated through the following:
 - Staying true to the cultural aspirations, values and successes as evidenced through the HHDC - Tangata Whenua Wastewater Committee; Te Whare o Whiro East Clive Wastewater Treatment

Plant (hereafter Te Whare o Whiro), including a Cultural Review for the 9-year review of the treatment plant's discharge to Hawke Bay; the Waiairoha Drinking Water Treatment Plant and Discovery Centre (hereafter Waiairoha); and more recently the Te Hā o Waiairoha policy development project.

- Open-minded technical advisors demonstrating a willingness to depart from the status quo and genuinely engage in co-design.
- Acknowledgement of the obligations and benefits of partnering with mana whenua and a willingness to explore and establish partnered governance and partnered management arrangements.

Partnership and Joint Committee

- 4.12 The application was built through an approach of Te Tiriti partnership between HHDC and Te Rūnanganui o Heretaunga. Taking steps in a new direction for stormwater management in Hastings District responds to (i) the regulatory requirements of the RMA (1991) and the LGA (2002) and (ii) the cultural needs and aspirations of Te Rūnanganui o Heretaunga.
- 4.13 The revisions to the application since lodgement in 2022 further draw upon (i) a partnership with TToH as a representative of Te Rūnanganui o Heretaunga, (ii) the principles of Te Hā o Waiairoha - Mātauranga Māori, Mana Atua, Mana Taiao, and Mana Tangata - adopted by Council in May 2024, (iii) the establishment of a Stormwater Joint Committee (hereafter 'Joint Committee') that builds on existing arrangements for Te Whare o Whiro.
- 4.14 A Joint Committee could be an extension of the current HHDC - Tangata Whenua Wastewater Joint Committee.
- 4.15 The revisions to the 2022 application respond to cultural needs and aspirations through recognition of two distinct voices: western science and te ao Māori. A key goal during the 20-year term of the sought resource consent is to support the respective perceptions of stormwater, and seeking to understand how they may co-exist in stormwater management while fulfilling both regulatory requirements and cultural aspirations.
- 4.16 Cultural monitoring, assessment, and reporting contributions included in the revised application are part of the existing consent requirements and evidence increasing involvement of mana whenua in monitoring and compliance activities.
- 4.17 The suggested establishment of a Joint Committee will be a foundation condition to implementing and complying with the consent. With national legislative reforms underway, this Joint Committee will also be critical to ensuring enduring partnerships.

Regional Plan

- 4.18 A planning assessment against national and regional statutory documents concluded that relevant stormwater objectives and policies are 'enabling' the provision of stormwater discharges while ensuring that effects are appropriately mitigated. Under the Regional Resource Management Plan, including TANK (Tūtaekurī, Ahuriri, Ngaruroro & Karamū catchments), this application is classified as a controlled activity.
- 4.19 The decision version of Plan Change 9 (TANK) to the Regional Plan was issued on 9 September 2022³, around six months after the network consent application was lodged and subsequently put on hold. Despite this, under the RMA, plan changes that occur after lodgement of a consent application but before a decision on the consent is made, can change the status of any new resource consent and the matters that a Regional Council officer shall consider in recommendations on the application.

³ TANK Decision:

<https://www.hbrc.govt.nz/hawkes-bay/projects/the-tank-plan/tank-decision/>

- 4.20 The project team, including HHDC, Stantec and mana whenua representatives were aware of progress with Plan Change 9 during the preparation of both the 2022 and revised 2024 consent applications.
- 4.21 An implication of Plan Change 9, is the requirement that a resource consent application for local authority stormwater network discharges must include an Integrated Catchment Management Plan (Rule 23).
- 4.22 Though the Integrated Catchment Management Plan must be practical and integrate inputs from mana whenua as well as technical advisors, the requirements are wide-ranging and untested in the region.
- 4.23 Upon consideration of this and the valuable, long-standing relationships between HHDC and mana whenua, it was deemed prudent to allow the cultural review of the 2022 application to be completed before starting work on an Integrated Catchment Management Plan.
- 4.24 Work is currently in progress to prepare an Integrated Catchment Management Plan in accordance with Plan Change 9.

Draft Conditions

- 4.25 A set of draft conditions are being developed, drawing upon (i) the workability of the original conditions, (ii) the level of compliance reported upon by HHDC and compliance outcomes reported upon by the HBRC; and (iii) the cultural review undertaken.
- 4.26 The draft conditions developed broadly cover the following:
- A mechanism for mana whenua involvement and joint oversight of the consent and its implementation
 - Requirements to develop a Co-Management Action Plan and High-Risk Stormwater Catchment Management Plan
 - Indicators and attributes for cultural health and a Cultural Health Monitoring Plan.
- 4.27 Cultural and Guidance Notes are appended to the conditions to articulate relevant context from the cultural review and guide execution of the conditions. The need for priority catchment management planning is acknowledged and included in the following stormwater management activity areas: quantity (i.e. flooding), quality, management and maintenance, education and information, monitoring and compliance.
- 4.28 In addition, specific conditions on spill and incident reporting, stormwater monitoring protocols, sampling, analysis and reporting are offered.
- 4.29 Within the bounds of what is appropriate under the RMA, the draft consent conditions reflect a strong commitment to partner with mana whenua for the implementation of this consent.

Budget Considerations

- 4.30 As part of due diligence presently underway, council officers are reviewing the draft conditions to understand budget implications of implementing the consent and maintaining compliance. As part of this work, the wording of conditions is being refined to ensure that they remain practical, appropriate and achievable within realistic timeframes and budgets.
- 4.31 While all efforts are being made to accommodate costs within existing budgets, it is likely that additional budget may be required in future; in which case Annual Plan and Long Term Plan processes will be followed.

5.0 Options – Ngā Kōwhiringa

- 5.1 **Option One - Recommended Option** - Council receives the report titled Overview of HHDC Stormwater Network Consent, dated 2 October 2025 and endorses next steps.

Risk Profile

5.2 **Opportunity Risks:** Opportunity risks are future events that can enhance or have a positive impact on objectives.

Description	Inherent Level	Controls	Target Level
Effective Mana Whenua Partnership Integrated design, management and shared delivery of stormwater can strengthen the partnership with mana whenua and enable a transformational management approach	Silver Mod + Lik	Early engagement and discussion. Formation of Joint Stormwater Committee Cultural Assessment Cultural Framework and Monitoring Plan	Platinum Sub + Prob
Extended Consent Duration Strong mana whenua support for a longer consent duration increases likelihood of obtaining a longer consent duration.	Gold Sub + Pos	Formation of Joint Stormwater Committee Cultural Framework and Monitoring Plan	Platinum Sub + Prob
Enhanced Environmental Water Quality Monitoring of high-risk stormwater discharges and addressing water quality concerns should improve stormwater discharge and therefore environmental outcomes.	Silver Mod + Pos	High risk stormwater requirements. Cultural Framework and Monitoring Plan	Platinum Maj + Prob
Strengthened Cultural Competency Opportunity to collaboratively build cultural capacity and capability in partnership with mana whenua.	Silver Mod + Poss	Formation of Joint Stormwater Committee Mana whenua involvement preparing and implementing Cultural Framework and Monitoring Plan	Platinum Maj + Prob

5.3 **Threat Risk:** Threat risks are future uncertainties that can adversely impact achievement of the objective, including the ongoing sustainability of Council.

Description	Inherent Level	Controls	Target Level
Stormwater Network Compliance Consent conditions or reporting timeframes may be difficult to meet resulting in network non-compliance fines.	High Maj + Lik	Internal condition review and assessment.	High Maj + Lik
Existing Use Rights Expire Delays due to poorly defined process boundaries may mean existing use right protection expires resulting in the Stormwater network operating illegally.	Extreme Maj + Prob	Integrate Catchment Management Plan	Medium Maj + Poss
Perceived Regulatory Overreach Expenditure on non-essential conditions may be perceived as regulatory overreach impacting trust in Council.	High Maj + Like	Conditions working within RMA requirements.	Medium Mod + Lik
Major Structural Reform Failing to complete consent application under existing legislation (RMA) and regional structures (creation of Local Water Entity) may affect the applicability of work completed to date resulting in lost	High Mod + Prob	Integrate Catchment Management Plan	Medium Mod + Like

investment, damage to partnerships with mana whenua and lowered trust in Council.			
Financial Sustainability Consent conditions may incur unexpected implementation costs, affecting financial sustainability.	Medium Mod + Lik	Internal condition review and assessment.	Medium Mod + Lik
Mana Whenua Relationships Current process may negatively impact existing mana whenua relationships impacting trust in Council.	Medium Mod + Like	Open and transparent discussions.	Medium Mod + Poss

- 5.4 As stated earlier in the report, stormwater objectives and policies are ‘enabling’ the provision of stormwater discharges while ensuring that effects are appropriately mitigated. This implies a **measured** risk appetite as there is a preference for delivering the expected outcome over taking risk. To achieve a **measured** risk appetite options that put the objective at risk will be accepted if limited and heavily out-weighed by the benefits.
- 5.5 Considering the level of opportunity benefit possible from this process an overall target of no more than medium level risk should be accepted. Therefore, sufficient controls need to be in-place to ensure a target risk level of medium can be achieved for all risks.
- 5.6 **Option Two:** Delay progress and continue to operate under existing use rights provided for under RMA s124.
- Advantages**
- 5.7 None identified.
- Disadvantages**
- 5.8 Loss of investment and/or additional costs.
- 5.9 Risk of progress being lost through transition to Local Water Done Well.
- 5.10 Erodes trust with mana whenua, damages partnerships.
- 5.11 Loss of trust in Council.
- 5.12 Damage to relationship with HBRC.

6.0 Next steps – Te Anga Whakamua

- 6.1 Council Officers will continue to engage with mana whenua and HBRC staff to ensure consent conditions are practicable, realistic, and allow for stormwater discharges from the HHDC urban stormwater network to continue.
- 6.2 Undertake whole-of-life assessment of costs to implement consent and achieve compliance with draft consent conditions to understand financial implications for Annual and Long Term Plan processes.
- 6.3 Work on developing an Integrated Catchment Management Plan will continue. Discussions will be held with HBRC to confirm the approach and outputs required prior to lodgement.
- 6.4 Finalise and lodge the revised application with HBRC, timing dependant on outcome of 6.3.
- 6.5 Explore mechanisms for the establishment of a Joint Committee and propose options to incoming Council for consideration when they adopt Committee governance structures.

Attachments:

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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

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

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

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

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

The report details the current and historical involvement of mana whenua for the preparation of the 2022 revised 2024 consent application. It is also noted that this partnership with mana whenua will need to continue for the implementation of the consent once granted.

Sustainability - *Te Toitūtanga*

All options need to consider the need for the existing and continual use rights for the discharge of stormwater in a way that shows the partnership with mana whenua and minimises the effect on the environment.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

The cost estimates to implement conditions that are currently unbudgeted or 'untested' as applicable to mana whenua suggested conditions are unlikely to be high. The establishment of the Joint Committee, under the tenure of the HDC-TW WW JC is a small administration cost aimed at the likely increase in frequency of meetings and thus is a 'service level of delivery' impact.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

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

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

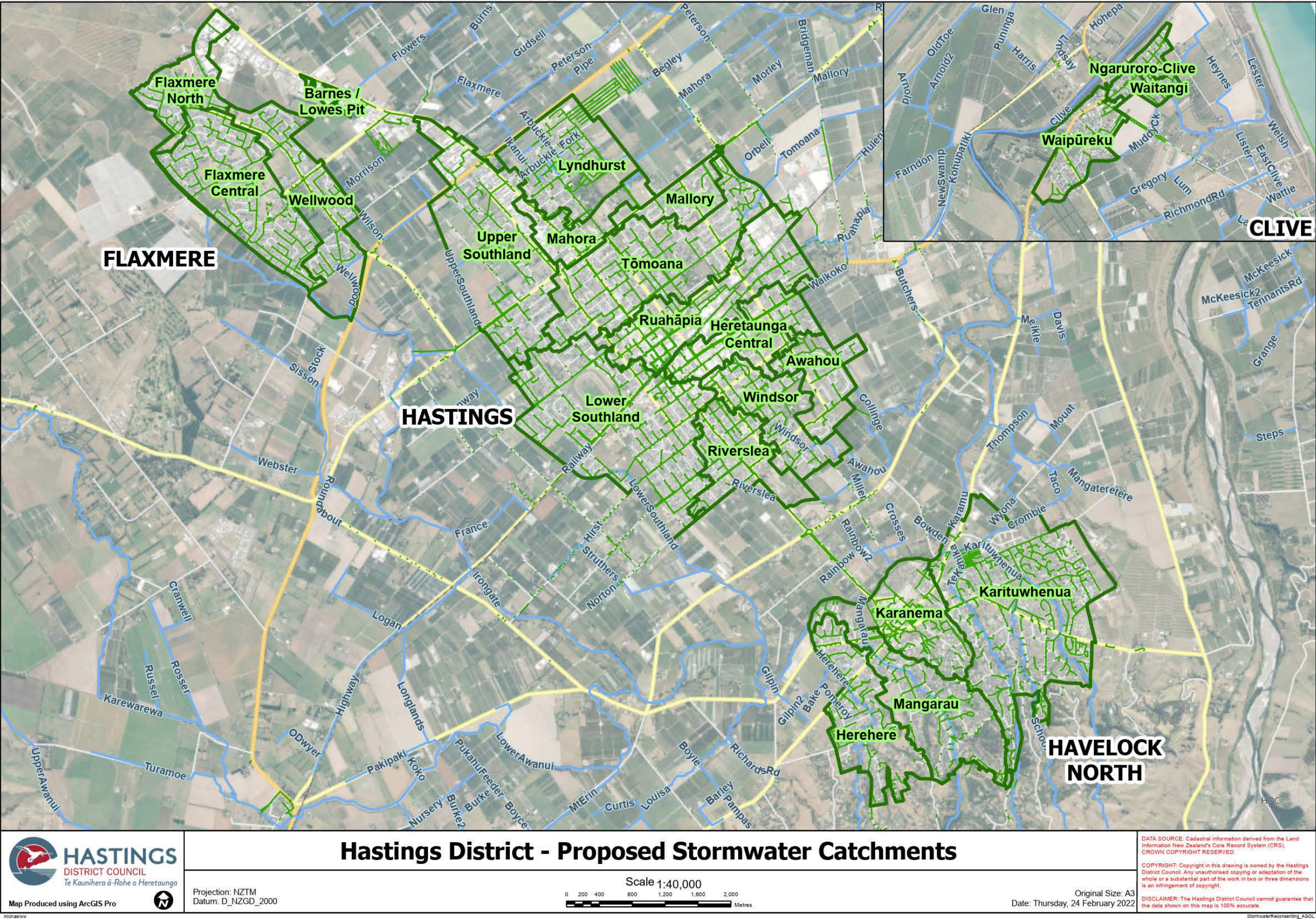
This report and recommendation are the culmination of extensive mana whenua engagement process with the outcomes of that engagement process reflected in the report.

Risks

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
<p>The key benefits of the revised application are to:</p> <ul style="list-style-type: none"> - Strengthen the partnership with mana whenua and thus enable a new transformational approach to manage stormwater. - Be a partnered leader with mana whenua in the co-design, co-governance, co-management and shared delivery of stormwater management. - More targeted stormwater monitoring and management approaches, with priority given to high-risk catchments. - Increased certainty associated with a longer consent duration. - Higher quality water bodies. 	<p>The significant risks or threats of the new application are:</p> <ul style="list-style-type: none"> - Financial, through costs of implementing unknown conditions that may be assigned to the consent. - Non-compliance should conditions imposed not be met and /or reported upon in a timely manner. - Reputational through negative perception of the expenditure attributed to conditions of consent. - Risks to relationships, particularly the existing partnership with mana whenua. - Without defined boundaries the process could be prolonged and also be impacted by changes such as the establishment of the new water services entity in Hawke's Bay, and further amendments to resource management reforms.

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

There are no implications for the Rural Community Board.



Thursday, 2 October 2025

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

Te Rārangi Take

Report to Council

Nā:
From: **Bruce Conaghan, Transportation Policy and Planning Manager**

Te Take:
Subject: **Canning Road Pedestrian Crossing**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to obtain a decision from Council on providing a pedestrian crossing on Canning Road in the vicinity of the Hawke's Bay Hospital Emergency Department.
- 1.2 The request has come from the Hawkes Bay District Health Board (HBDHB) as a result of high numbers of pedestrians crossing Canning Road in this vicinity. This can be expected to increase as more specialist medical facilities are developed on the opposite side of Canning Road from the Hospital.
- 1.3 The report recommends the following changes:

Road	Existing Traffic and Parking Controls to be Removed / Changed / Added	Proposed Controls
Canning Road	P120	Zebra Crossing

2.0 Recommendations - *Ngā Tūtohunga*

- A) That Council receive the report titled Canning Road Pedestrian Crossing dated 2 October 2025.
- B) That Council approve the following:
 - i. Canning Road
 - a. That pursuant to Clause 8.4 of the Land Transport Rule: Traffic Control Devices 2004, a pedestrian crossing be provided on Canning Road 104 metres west of the western kerbline of Hapia Street.

- b. That any previous approvals pertaining to traffic and parking controls to the extent that they are in conflict with the traffic and parking controls described above are revoked.

3.0 Background – *Te Horopaki*

- 3.1 From time to time, it is necessary to introduce traffic and parking controls and / or amend those that are already in place.
- 3.2 In order that changes are legally established and enforceable, a formal resolution of Council is required especially where those changes to traffic and parking controls are not delegated elsewhere.
- 3.3 The following discussion provides the context for the proposed pedestrian crossing on Canning Road.

4.0 Discussion – *Te Matapakitanga*

- 4.1 The Hawkes Bay District Health Board (HBDHB) has raised concerns with the need to provide safe pedestrian access across Canning Road. This has come about for two reasons with the first being the need for patients to move across Canning Road to specialist medical providers on the opposite side of Canning Road and the second being the staff and patients crossing to the Angkor Wat Bakery located opposite the Hawkes Bay Hospital by both staff and patients.
- 4.2 From information provided from the HBDHB, they have noted that there are between 800 and 900 pedestrian movements across Canning Road on any weekday in the vicinity of the location where the pedestrian crossing is proposed.
- 4.3 A 2025 traffic count shows that the weekday average daily traffic volume on Canning Road is approximately 3,300 vehicles per day which is consistent with it being a Secondary Collector.
- 4.4 In looking at the crash history, there is nothing that indicates a safety issue given that there has only been one reported crash (minor) in this location in the 2020 to 2025 period at the location with this involving a pedestrian crossing the road.
- 4.5 With the increased level of development of specialist medical facilities on the opposite side of Canning Road from the Hospital, the level of crossing activity on Canning Road can be expected to increase with time.
- 4.6 In considering all of the above, a pedestrian crossing as shown in Figure 1 below can be seen to be justified to provide for safety and accessibility and is recommended accordingly. It is acknowledged that the level of pedestrian activity can be expected to have some impact of traffic movements although there are alternative routes that are available.
- 4.7 The cost estimate for the pedestrian crossing is just under \$22,000. Discussions with Te Whatu Ora regarding this pedestrian crossing are such that it is likely that there would be an equal cost share arrangement between Te Whatu Ora and HDC to get the pedestrian crossing installed.

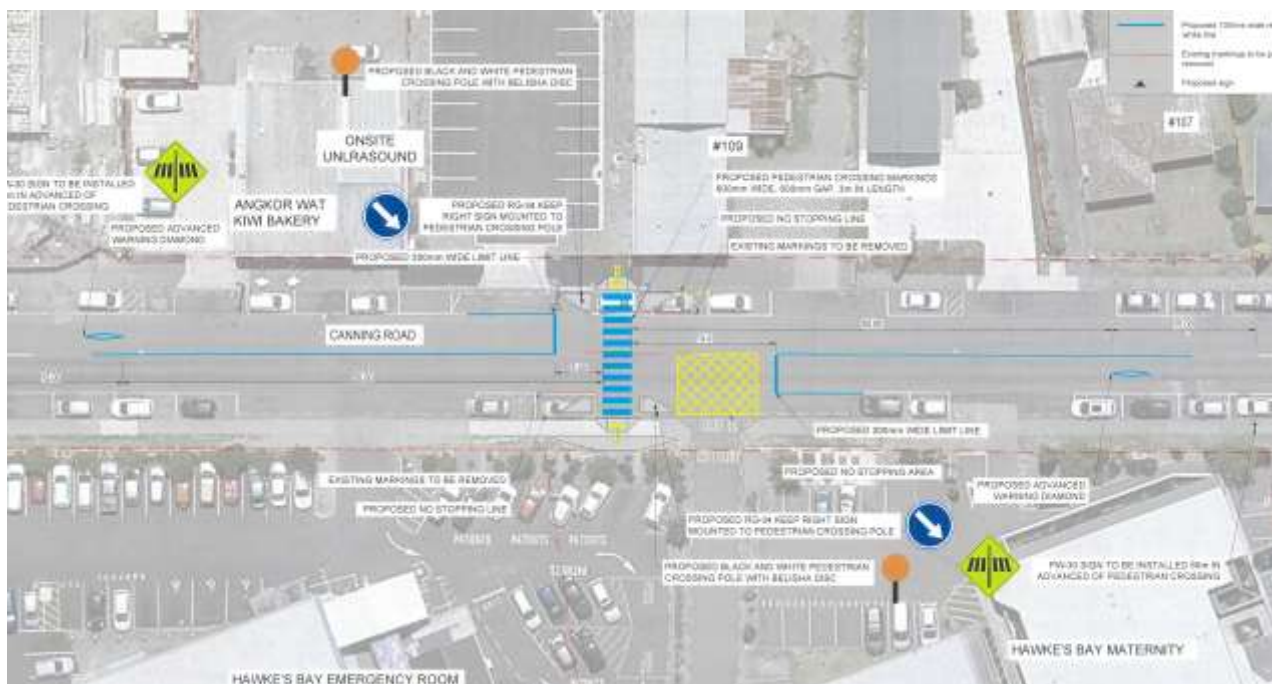


Figure 1 : Location and plan of the Zebra Crossing on Canning Road

5.0 Options – Ngā Kōwhiringa

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

5.1 To provide a pedestrian crossing on Canning Road as described in this report.

Advantages

- The pedestrian crossing would provide for the safety and accessibility for the increasing pedestrian numbers crossing Canning Road.

Disadvantages

- A loss of three P120 on-street parking spaces.

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

5.2 No change to the parking controls as described in this report.

- The lack of a pedestrian crossing would not provide for the safety and accessibility for the increasing pedestrian numbers crossing Canning Road.

6.0 Next steps – Te Anga Whakamua

6.1 The Canning Road pedestrian crossing could be installed within eight weeks following Council approval.

Attachments:

1 [↓](#) Canning Road Pedestrian Crossing

CG-17-1-01835

Summary of Considerations - He Whakarāpopoto Whakaarohanga

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

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

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

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

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

N/A

Sustainability - *Te Toitūtanga*

N/A

Financial considerations - *Ngā Whakaarohanga Ahumoni*

Discussions with Te Whatu Ora regarding this pedestrian crossing are such that it is likely that there would be an equal cost share arrangement between Te Whatu Ora and HDC to get the pedestrian crossing installed.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

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

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

Consultation has been undertaken with the directly affected parties who have no objections.

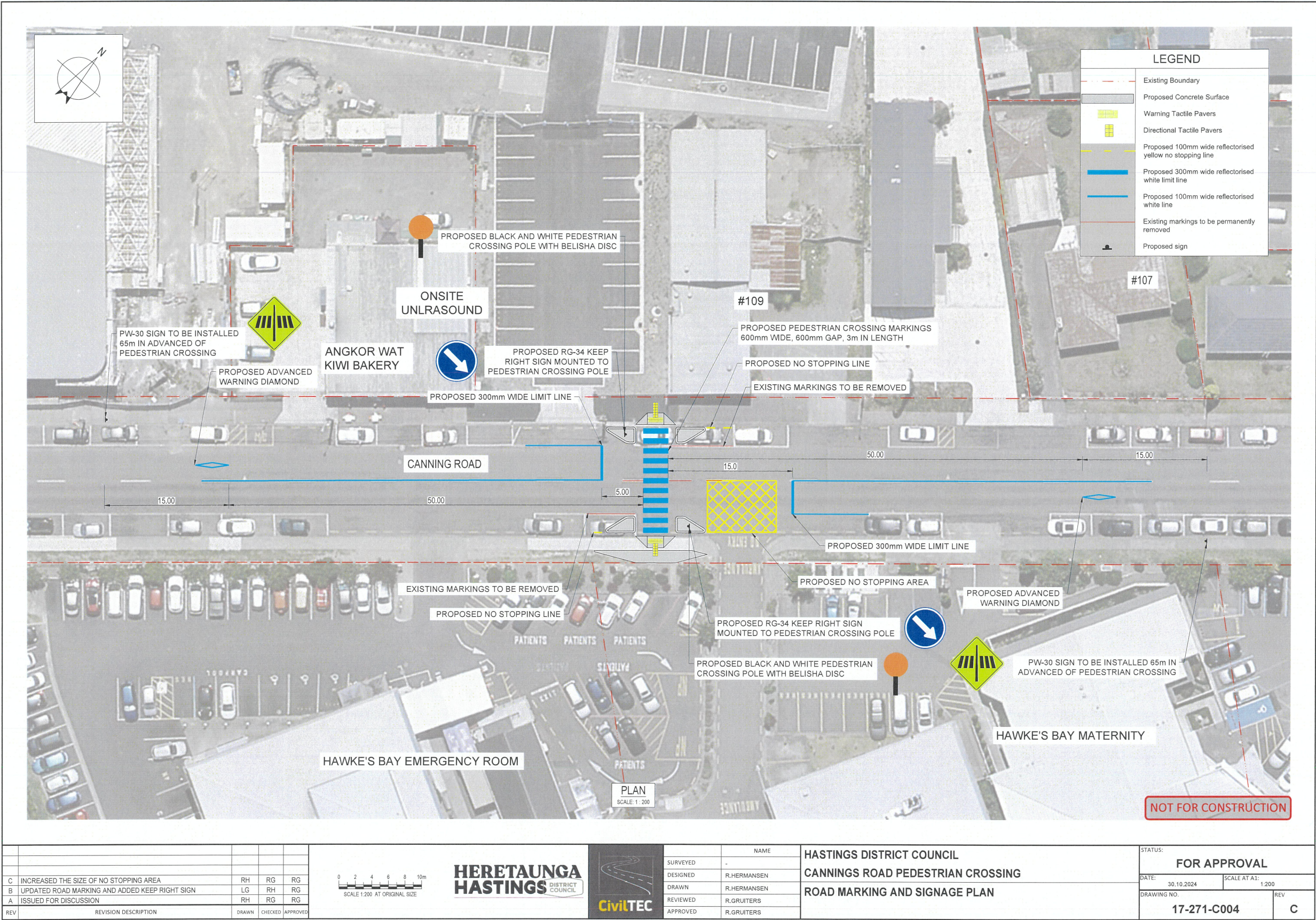
Risks

Opportunity: To improve safe and accessibility for the community.

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
Improved safety and accessibility for the community	There are no risks.

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

There are no issues that specifically concern the RCB.



Thursday, 2 October 2025

Item 8

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

Te Rārangi Take

Report to Council

Nā: Dean Ferguson, Manager - Strategic Projects
From: Rebekah Dinwoodie, Group Manager: Community Wellbeing & Services

Te Take:
Subject: Elder Housing Operational Management Policy - Te Pā Harakeke

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to seek approval from Council for the Elder Housing Operational Management Policy (the Policy) to reflect Council's adopted Revenue and Financing Policy. This policy requires 100% cost recovery of the operational expenditure and debt servicing costs for Council's elder housing.
- 1.2 This report also seeks approval from Council on the amendments to the Policy to include the following:
 - Te Pā Harakeke Senior Housing Development, and,
 - Council's request to review the Policy every 3 years rather than annually.
- 1.3 The amended Elder Housing Operational Management Policy is attached to this report. **Elder Housing Operational Management Policy - Attachment 1.**
- 1.4 An additional document detailing the specific changes to the Policy is also attached to this report. **Elder Housing Policy Changes - Attachment 2.**
- 1.5 On the 10th of October 2023, a publicly excluded report titled Affordable Housing Fund – Funding Outcome, was presented to Council.
- 1.6 Council report dated 10th of October 2023 is attached to this report. **Attachment 3.**
- 1.7 In that meeting, Council resolved the following: *Recommendation (E) - Council notes the financing and operational costs of this new Affordable Housing Development is expected to be fully funded from the rentals received from this activity.*
- 1.8 Section 4.6 of that report talks to the rental yield being much higher than the current policy for existing stock to ensure financial viability over the term of the fund. Rent would need to be set at 80% of median market rents for accommodation in Hastings.

2.0 Recommendations - Ngā Tūtohunga

- A) That Council receive the report titled Elder Housing Operational Management Policy - Te Pā Harakeke dated 2 October 2025.
- B) That Council approves the Elder Housing Operational Management Policy which includes the amendments and additions detailed in attachment 2.
- C) That Council note that this rental setting aligns with Te Tūāpapa Kura Kāinga Ministry of Housing and Urban Development's definition of "affordable housing" and is required to ensure that Te Pā Harakeke does not operate at a financial deficit to Council.
- D) That Council approve the review cycle of the Elder Housing Operational Management Policy be amended from annually to every three years, to provide certainty and reduce administrative burden, while retaining flexibility for earlier review if required.
- E) That Council notes the amended Elder Housing Operational Management Policy ensures compliance with Council's adopted Revenue and Financing Policy requirement for 100% cost recovery of operational and debt servicing costs for elder housing.

3.0 Background – Te Horopaki

- 3.1 Te Pā Harakeke is a Hastings District Council led elder housing development in Flaxmere, executed in partnership with Te Tūāpapa Kura Kāinga – the Ministry of Housing and Urban Development (HUD), and co-funded through the Government's Affordable Housing Fund.
- 3.2 Te Pā Harakeke represents a step-change in Hastings District Council's elder housing portfolio, introducing 39 new, modern, and varied units in Flaxmere to complement the existing 220 one-bedroom units built between 1960 and 1986.
- 3.3 Unlike the older portfolio, which is restricted to tenants that are 65+ years old, Te Pā Harakeke adopts a broader definition of 'older people' nearing or at superannuation age, with a simplified and more transparent financial eligibility criteria.
- 3.4 Rents will be set at 80% of median market rent, which meets the threshold for 'affordable housing' under the Ministry of Housing and Urban Development's criteria.
- 3.5 Construction is well underway with the project scheduled to be completed in June 2026.
- 3.6 Applications for the units will open in October 2025. Tenants will likely start moving in sometime after mid-2026, once final inspections, occupancy consents and tenancy arrangements are in place.
- 3.7 Eligibility criteria and the principles that will be used to allocate the housing are contained in the Policy – Attachment 1.

4.0 Discussion – Te Matapakitanga

Revenue and Financing Policy

- 4.1 Requires that 100% cost recovery of operational expenditure and all debt servicing costs is made from the rental income of tenants.

Elder Housing Operational Management Policy – key amendments

- 4.2 The following amendments have been made to the Policy including the addition of Te Pā Harakeke Senior Housing Development – as detailed in Attachment 2:
- 4.3 Change of name to the Policy – from 'Senior' to 'Elder' to reflect the two portfolios contained within the Policy.

4.4 Existing portfolio:

- Annual Rent Reviews: Reflecting Council's requirement under the LTP – Revenue and Financing Policy.

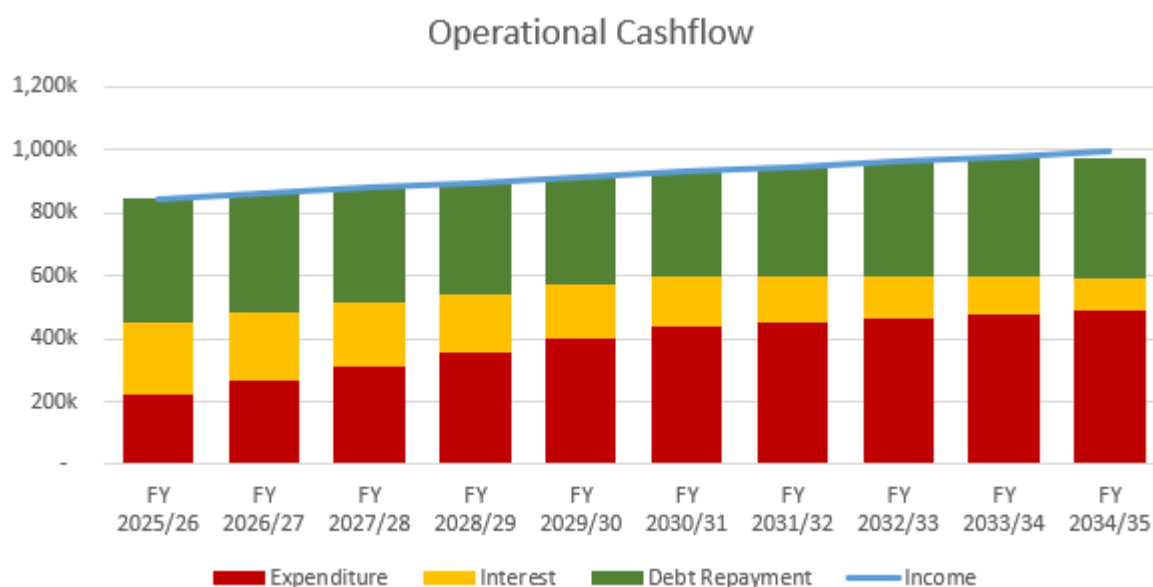
4.5 Te Pā Harakeke

- Eligibility Age: Broader definition of 'older people' – those nearing or at superannuation age, acknowledging demographic shifts and later retirement patterns.
- Financial Eligibility: Simpler asset cap – \$80,000 for singles, \$100,000 for couples. This provides clearer, more consistent affordability safeguards.
- Rental Setting: Explicitly set at 80% of Hastings median market rent, aligning with Government's "affordable housing" definition.

Financial Considerations

- 4.6 To ensure Te Pā Harakeke remains financially sustainable, rents will be set at 80% of the median market rent for Hastings. This level strikes a balance between affordability for tenants and the need for the development to operate on a cost-recovery basis in line with Council's adopted Revenue and Financing Policy.
- 4.7 This approach also gives effect to the intent of Council's October 2023 resolution, which confirmed that the financing and operational costs of this new development are expected to be fully funded from the rental stream generated by tenants. By applying this model, Council will protect the long-term financial viability of its elder housing portfolio while still delivering housing at a level defined by HUD as "affordable."
- 4.8 The below graph demonstrates the accumulative value of the rent over a 10 year period against operational expenditure and debt repayment of the \$5.8m loan to fund the development. **Figure 1 – Operational Cashflow**

Figure 1 – Operational Cashflow



- 4.9 Rents for Te Pā Harakeke will be set at 80% of the median market rent for Hastings, ensuring the development remains both affordable for tenants and financially sustainable for Council. Hastings District Council obtained an independent rental appraisal based on the design and mix of units, which aligns with data available through the Ministry of Business, Innovation and Employment's Tenancy Services website for Hastings. It should be noted that there is limited comparative data for one-bedroom units in Hastings due to a shortage of stock, however the appraisal provides a robust basis for setting rental levels. The indicative rents are set out in the table 1:

4.10 **Table 1 – Indicative Rent**

Base Data	Units (#)	Weekly Market Rent (\$)	Affordable Rent (% of Market)	Proposed Weekly Rent (\$)
1 Bedroom Units	19	\$480	80%	\$384.00
2 Bedroom Units	12	\$530	80%	\$424.00
2 Bedroom Townhouses	8	\$550	80%	\$440.00

- 4.11 The proposed rent will ensure Council remains compliant against the Revenue and Financing Policy and achieves the revenue required to finance the debt and meet all costs.

Changing Demographics

- 4.12 The New Zealand and Hawke’s Bay population is ageing rapidly, with the number of people aged 65+ years projected to increase by 60%, those over 75 to double, and those over 90 to more than treble within 30 years, with this trend intensifying beyond that period. At the same time, a growing proportion of people are entering retirement without major capital or assets, with national trends showing that over 20% of those aged 65+ years now rent and this figure is expected to rise significantly in the coming decades.
- 4.13 As more older people seek to downsize from larger homes into smaller, easier-care housing that is warm, secure, and suited to one or two occupants, the affordability of renting into retirement poses a growing risk, making access to appropriate and affordable housing options critical for this demographic.

Policy Alignment and Criteria

- 4.14 The existing Policy is not directly transferable to Te Pā Harakeke. The current eligibility rules, which focus on those aged 65 years and over, are suited for our older residents who are seeking accommodation at a more affordable rate to what Te Pā Harakeke offers but face the same housing pressures. By applying a broader definition of ‘older persons’, this would allow Council to respond more flexibly to changing demographic realities, including later retirement ages, the prevalence of part-time work and ensuring rent remains affordable.
- 4.15 Te Pā Harakeke having its own sections within the Policy, establishes an eligibility criteria specifically for this development. These would include older people or couples entering retirement, with low assets, who are able to live independently. Income from superannuation, employment, KiwiSaver withdrawals, or verified other sources would be recognised.
- 4.16 The tenancy management model for Te Pā Harakeke will continue to ensure there is active management of the portfolio and understanding the needs of the residents. Also, that residents are linked with services, community activities, and support networks. This will foster a sense of community cohesion and ensure the housing caters to all the residents. Resident selection approach will ensure that selection is fair, transparent, and based on need, while also shaping a balanced and socially connected community in the new units.

Income Related Rent Subsidy

- 4.17 A key limitation for Councils providing elder social housing is their exclusion from the Income Related Rent Subsidy (IRRS), which is administered by HUD and delivered through Kāinga Ora and registered Community Housing Providers (CHPs). The IRRS allows eligible tenants to pay rent set at 25% of their income, with the government covering the gap to market rent. Since Councils are unable to register as CHPs, they cannot access this subsidy, leaving their tenants to pay rents set either at a flat rate or as a percentage of market rent. While still more affordable than private

rentals, this approach places a greater financial burden on low-income tenants compared with those housed by CHPs.

- 4.18 The inability to access IRRS also limits Councils' ability to sustain and grow their housing portfolios. With housing operations relying entirely on rental income, Councils face challenges in funding ongoing maintenance, reinvestment, or expanding supply. This structural disadvantage means councils must constantly balance the need to keep rents affordable for our elderly residents with the necessity of ensuring their housing portfolios remain viable in the absence of government subsidy.

5.0 Options – Ngā Kōwhiringa

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

- 5.1 Adopt the amended Elder Housing Operational Management Policy.

Advantages

- Ensures Council is compliant with the Revenue and Financing Policy.
- Allows access to secure housing for older persons who may not yet qualify for superannuation but face housing affordability challenges.
- Provides an affordable housing pathway and options for older workers and early retirees, addressing a known gap in the housing continuum.
- Broadens the eligible tenant pool, helping to ensure the 39 units are fully occupied from completion.
- Enables earlier housing stability, reducing stress and supporting independence for residents before retirement.
- Positions Council as proactive in addressing demographic changes and increasing housing pressures for our elderly residents.

Disadvantages

- Creates a two-tier system within the elder housing portfolio, which may be perceived as inconsistent.
- Additional work required for staff to assess eligibility under two different criteria.

Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuetanga o nāiane

- 5.2 Do not adopt the changes to the Elder Housing Operational Management Policy – Te Pā Harakeke falls under existing Policy terms.

Advantages

- There are no significant advantages to this option.

Disadvantages

- Will be in breach of Council's Revenue and Financing Policy.
- Does not address housing affordability issues faced by older persons under 65, who may still struggle with market housing.
- Narrower eligibility pool could make it harder to fill all 39 Te Pā Harakeke units in a timely manner.
- Limits the opportunity for Council to support early retirees or older persons in housing stress before superannuation.
- Misses the chance to modernise Council's approach to elder housing in line with community need.

6.0 Next steps – *Te Anga Whakamua*

- 6.1 Subject to Council's decision, the marketing and communications plan will be finalised and advertising for Te Pā Harakeke can begin in October.
- 6.2 It is expected that applications will remain open until February 2026, and it is likely that the number of applications will exceed the number of available units.
- 6.3 Applicants will first be assessed on eligibility criteria and then scored on community balance principles. A selection panel will then make the final allocation decisions.

Attachments:

1⇒	Attachment 1 - Elder Housing Operational Management Policy Oct 2025	PRJ23-107-023-0006	Attachment document
2⇒	Attachment 2 - Elder Housing Policy Changes	PRJ23-107-023-0004	Attachment document
3⇒	PX Council Report - Affordable Housing Fund – Funding Outcome - 10 October 2023	CG-17-1-01845	Attachment document

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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

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

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

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

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

Te Aranga Design Principles have been applied to the design of Te Pā Harakeke to ensure the development reflects local identity and cultural narratives in the built environment.

Officers have consulted with the Flaxmere Planning Committee throughout the planning process and received endorsement from the Heretaunga Takoto Noa Māori Standing Committee around the naming of the development.

Sustainability - *Te Toitūtanga*

Te Pā Harakeke will meet the principles around financial sustainability (as detailed in the Financial Considerations section).

Financial considerations - *Ngā Whakaarohanga Ahumoni*

Detailed in the body of the report.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

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

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

As per Māori Impact Statement.

Risks

Opportunity: Providing affordable, sustainable, and accessible accommodation for our community.

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
<ul style="list-style-type: none"> • Financial Sustainability – Ensures Te Pā Harakeke operates on a fully cost-recovered basis, avoiding ongoing deficits to Council. • Affordable Housing Provision – Provides secure, warm, and affordable rental homes at 80% of median market rent, meeting HUD's affordable housing definition. • Broader Eligibility – Expands access to housing for older people nearing retirement, not only those 65+, helping fill a gap in the housing continuum. • Portfolio Modernisation – Positions Council as proactive in adapting its elder housing policy and practice to demographic and affordability pressures. • Community Wellbeing – Supports independence, social connection, and stability for older residents, reducing long-term reliance on other social services. 	<ul style="list-style-type: none"> • Tenant Affordability Pressure – Setting rents at 80% of median market rent may still be unaffordable for some low-income older residents, especially without access to IRRS. • Perception of Inequity – A two-tier rental structure between Te Pā Harakeke and existing elder housing stock could create perceptions of inconsistency or unfairness. • Cost Escalation – Rising operational or maintenance costs over time could put pressure on the rental model and Council's ability to sustain full cost recovery. • Reputational Risk – Community or stakeholder criticism could arise if Council is seen as prioritising financial sustainability over affordability for vulnerable residents.

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

Not applicable

Thursday, 2 October 2025

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

Te Rārangi Take

Report to Council

Nā: Dean Ferguson, Manager - Strategic Projects
From: Bruce Allan, Deputy Chief Executive
Naomi Fergusson, Group Manager: Marketing & Communications

Te Take: Tōmoana Showgrounds Charitable Trust Governance
Subject: Arrangements

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to provide Council with an update on the governance arrangements for the Tōmoana Showgrounds Charitable Trust (the Trust), to outline the key considerations in advancing the Trust's role in managing the Tōmoana Showgrounds, and to recommend a phased lease transition strategy that balances Council's ownership obligations with long-term sustainability.
- 1.2 The Trust has been established to provide stronger governance and long-term sustainability for the Tōmoana Showgrounds, following Council's acquisition of the site from the Hawke's Bay A & P Society in April 2023.
- 1.3 A master planning process is underway to establish a clear vision and purpose for the Showgrounds. This will guide governance, investment priorities, and the balance between community use and commercial activity. In the interim, Council support remains essential through operational venue and event management, while the Trust builds capacity, assumes responsibility for leases, and begins to develop independent revenue streams.
- 1.4 A phased transition strategy is proposed, beginning with moving to a lease arrangement with defined gateways for Council approval of improvements, and ultimately leading to full governance and operational control by the Trust. This approach balances community good with financial sustainability and provides time to strengthen the Trust's governance capability. Officers will bring a new lease arrangement to Council in the new year once the master plan has been completed that sets a clear direction.
- 1.5 **Attachment 1 – Proposed Transition Strategy – Trust Governance and Management Timeline**
- 1.6 The reason for this decision now is that the Trust Deed provides for two independent Trustees. Before commencing that process, the Trust has asked Council to set clear direction on the intended management model so the required skills mix and role expectations for independent trustees are explicit.
- 1.7 Taking this direction now also aligns with the Master Plan programme (draft options due December 2025; final plan by February 2026), avoiding a governance vacuum across the election period and

enabling officers to return early in the new triennium with lease heads-of-terms and a detailed funding profile.

2.0 Recommendations - Ngā Tūtohunga

- A) That Council receive the report titled Tōmoana Showgrounds Charitable Trust Governance Arrangements dated 2 October 2025.
- B) That Council instructs officers to prepare a deed of lease aligned with a phased Transition Strategy.
- C) That Council requests Officers to develop and present proposed lease options for consideration at a future Council meeting.

3.0 Background – Te Horopaki

- 3.1 The establishment of the Tōmoana Showgrounds Charitable Trust arose from the sale and purchase agreement between Hastings District Council and the Hawke's Bay A & P Society Ltd. The agreement required Council to advance a Reserve Management Plan and vest the Showgrounds as a Reserve under the Reserves Act 1977.
- 3.2 It also required Council to establish an independent charitable entity to provide governance and oversight of part or all of the site. It did not define how that new charitable entity would operate or what responsibilities would be divested from Council.
- 3.3 This approach recognised that the Showgrounds is both a regional asset and a place of significant cultural and social value, requiring a governance model that reflects partnership, community representation, and long-term sustainability.
- 3.4 Strategically, the creation of the Trust enables Council to transition from direct operational management towards a framework where community governance can take a stronger role. This provides opportunities to secure philanthropic and external funding, ensure broader representation in decision-making, and balance the needs of event organisers, recreational users, and mana whenua.
- 3.5 The Trust has been positioned to become the vehicle through which the long-term vision for the Showgrounds is delivered, supported by Council through a combination of operational contributions and governance oversight.
- 3.6 The Trust is being governed by three founding trustees: Sandra Hazlehurst representing Hastings District Council, Ngahiwi Tomoana representing Waipatu Marae, and Simon Collin representing the A & P Society. This structure was deliberately designed to reflect the partnership between Council, mana whenua, and the historic user/owner of the Showgrounds. Each trustee brings distinct knowledge, experience, and networks that are vital to building confidence in the Trust as it develops its governance capability and establishes its role in managing one of the district's most significant community facilities.
- 3.7 Looking ahead, the Trust's governance base will be strengthened through the appointment of independent trustees and specialist support, ensuring it has the skills and resilience required to guide the Showgrounds into its next phase.

4.0 Discussion – *Te Matapakitanga*

Governance and Role of the Trust

- 4.1 The Trust has been established to provide strategic oversight, build financial sustainability, and manage the Showgrounds as a community and regional asset. The intention is that the Trust will eventually assume full governance and operational responsibility, but this will occur through a series of gateways rather than an immediate transfer. A lease is being considered as a mechanism to give the Trust long-term certainty of tenure, while maintaining Council's overarching ownership obligations.
- 4.2 The end state will see the Trust in control of the Showgrounds, with Council retaining defined decision-making gateways. For example, any significant improvements to the grounds will require Council approval, ensuring alignment with the Master Plan, Reserve Management Plan and community expectations. Where improvements are funded and vested into the Trust, clear accountability arrangements will be necessary to manage risk and asset responsibility.
- 4.3 Recommended Council-approval gateways, regardless of lease/management arrangement option include:
- novation of existing leases;
 - any future lease term and permitted uses;
 - approvals for significant improvements (referencing alignment with Master Plan in request);
 - annual grant decisions and renewals funding (via annual plan/LTP processes or report to Council);
 - reserve vesting decisions (if any).
- 4.4 The extent to which responsibility is vested to the Trust is a decision for Council. Options have been modelled from the Hawke's Bay Regional Sports Park Trust (HBRST) arrangement where Council leases the land to the Trust, while the Trust owns and manages all the improvements. The key difference between the Trusts is that the HBRST started with a blank canvas and almost all developments have been delivered by HBRST. In the case of the Trust, there are significant asset improvements already on site, in varying conditions that would need to be vested to the Trust from Council if replication of this arrangement was the preferred option.

Operational Management and Community Good

- 4.5 The nature of the Showgrounds, being the infrastructure present and costs required to maintain, and limited revenue opportunities means that, at least in the medium term, there would continue to be an operational contribution required from Council. This reflects the dual role of the Showgrounds as both a community good and a regional events hub. Funding support may include an operational grant to cover day-to-day management, and a renewal grant to address the ongoing needs of aging infrastructure. Over time, as the Trust builds its revenue base, reliance on Council support could reduce, particularly as the Trust utilises its charitable status and builds a track record of delivering.

Revenue and Leasing

- 4.6 As part of the governance transition, existing leases and revenue opportunities at the Showgrounds would be novated to the Trust. This provides a mechanism for the Trust to build financial sustainability and diversify its income streams. However, the impact of vesting the land as a reserve under the Reserves Act will need to be carefully considered, as it may constrain certain commercial opportunities unless expressly enabled through the Reserve Management Plan. Consideration will also need to be given to costs currently covered by Council, to align with the transfer of offsetting revenues to the Trust.

Trusteeship and Capacity

- 4.7 The governance capability of the Trust will be critical to its success. Work is underway to sequence trustee appointments to ensure an appropriate skills mix, including financial, governance, and community expertise. Mike Devonshire has been identified as having a valuable role in supporting the Trust through its establishment phase, helping to build capacity, capability and provide continuity as governance arrangements mature.

Timing and Next Steps

- 4.8 Given the complexity of the issues, it is proposed that Council be presented with a lease arrangement in the new year. This will provide sufficient time to complete the master planning process, develop the Trust's governance framework, and assess the financial and operational implications of different models.

Transition Strategy

- 4.9 A phased transition is recommended. In the short term, Council would continue to provide operational and renewal grants while retaining oversight of compliance and safety-related investments. The Trust would focus on governance development, stakeholder engagement, and preparing to assume responsibility for leases and revenue generation.
- 4.10 In the medium term, a lease structure could be introduced, coupled with a management agreement that clearly defines Council's approval gateways for improvements, the Trust's revenue rights, and expectations around community use.
- 4.11 In the long term, subject to feasibility and review, the Trust would assume full operational and financial control under the lease, with Council's role limited to oversight through lease conditions, compliance monitoring, and alignment with the Reserve Management Plan.
- 4.12 Transition Timeline:
- Now (Oct 2025): Direction on preferred management model to inform trustee recruitment.
 - Dec 2025: Draft Master Plan options to Council/Trust (to test spatial and operating implications).
 - Feb 2026: Final Master Plan and implementation plan.
 - Q1 2026: Heads-of-terms for lease/management agreement and draft budgets and performance framework back to Council.

Risks and Challenges

- 4.13 Financial sustainability of the Trust in early years: The staged transition mitigates but does not eliminate risk. Financial sustainability remains a challenge, as the Trust will initially depend on Council grants before revenue streams are fully developed. Mitigations include staged novation of revenue; annual grant with review gates; landlord maintenance retained until KPI thresholds are met.
- 4.14 Legal challenge/consultation risk (if Significance triggers): early engagement, clear rationale, alignment to community consultation outcomes (including initial decision to purchase). Use of independent consultants in development of master plan supporting neutrality in operational and development recommendations put forward.
- 4.15 Health & Safety overlapping duties: clarity of PCBU roles, noted in explicit clauses in lease agreement, with relevant controls/plans.
- 4.16 Reserve vesting constrains commercial activity: Vesting the land as a reserve may also constrain commercial income, requiring careful balancing of community benefit and financial viability. The Master Plan process will inform the recommended classification, and align with the resulting RMP; seek Ministerial delegations/approvals if needed.
- 4.17 Council seen as limiting Trust autonomy - approval gateways are essential to protect Council's ownership obligations and ensure alignment with strategic outcomes.

- 4.18 Reputational risk (perceived ‘hand-over’ of a public asset): Council retains land ownership, sets outcomes in KPIs, and reports publicly.
- 4.19 Delivery/transition risk: recommend continuity of staff with contracts novated to Trust. Phased gateways tied to Master Plan milestones and trustee appointments. Continued expert support from Council functions (People & Capability, Asset Management, Marketing & Communications etc).

Financial Implications

- 4.20 In the short term, Council will need to continue providing operational and renewal grants to ensure the Showgrounds remain functional and safe. Capital investment will be necessary to address compliance requirements, while long-term implications will depend on the Trust’s ability to generate and retain revenue once leases are novated across. However, moving to a lease arrangement will enable the Trust to maximise their charitable status to access additional funding not available to council.

5.0 Options – *Ngā Kōwhiringa*

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

- 5.1 The Trust takes on a ground lease of the Tōmoana Showgrounds, while Council retains ownership and responsibility for the assets. Leases and revenue would be novated to the Trust through a transition strategy, and in the longer term, Council could consider transferring all improvements including all buildings if governance and financial sustainability are proven.

Advantages

- Provides the Trust with autonomy and a clearer governance mandate.
- Enables the Trust to build capacity, credibility, and independent revenue streams.
- Creates opportunities for external and philanthropic funding. Many funding organisations require funding to go directly to services and assets of the entity they are funding.
- Council retains ownership of land and assets, with approval gateways for significant improvements.
- Transition pathway provides flexibility, allowing Council to scale back involvement over time to support long-term sustainable operation by the Trust.

Disadvantages

- Financial sustainability of the Trust may be uncertain in the short term, requiring ongoing Council grants.
- Council approval gateways may create tension between Trust autonomy and Council oversight.
- Additional governance and management capability will need to be developed within the Trust before full responsibility can be assumed, requiring continued support from Council officers.
- If vesting assets occurs, Council will lose direct control, which creates some risks such as direct oversight of asset maintenance and reduced flexibility in responding to future community needs.

Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhuetanga o nāiane

- 5.2 Council continues to directly manage the Tōmoana Showgrounds while the Trust provides support through fundraising and advocacy with a review in 12 months.

Advantages

- Council retains full control over operations, compliance, and asset management.
- Lower financial and governance risk for the Trust in its early stages.

- Ensures continuity of management while the master planning process is completed.


Disadvantages

- Limits the Trust's ability to develop governance and operational capability.
- Reduces opportunities to attract external funding, as many funders prefer investing directly into charitable entities.
- Challenge/complexity with reconciling grants and expenditure (i.e. Trust must incur the costs that the grant relates to for reconciliation and audit purposes).

6.0 Next steps – *Te Anga Whakamua*

- 6.1 Following Council's decision of a preferred management model, officers will prepare a lease agreement in partnership with the Tōmoana Showgrounds Charitable Trust and bring back to Council for approval.
- 6.2 Council will approve development of lease/MoU heads-of-terms reflecting that model, including Council approval gateways and KPI framework.
- 6.3 As part of the transition strategy supporting the governance of the Tōmoana Showgrounds, Officers will undertake financial analysis and a proposed budget to support Council's decision in entering into a lease agreement.

Attachments:

1 	Proposed Transition Strategy - Trust Governance and Management Timeline	CG-17-1-01860	Attachment document
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Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

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

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

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

This proposal promotes the financial, social and environmental wellbeings of communities in the present and for the future.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

Waipatu Marae is a founding partner in the Trust governance. Direction today will support co-design of future use and development through the Master Plan process, which includes a Cultural Aspirations workstream and early hui/kanohi-ki-te-kanohi engagement with mana whenua. Officers will ensure the preferred management model embeds partnership practice and protects cultural outcomes in lease/MoU settings.

Sustainability - *Te Toitūtanga*

The Master Plan scope emphasises sustainable outcomes across cultural, environmental and economic dimensions. The operating model selected should reinforce those outcomes through KPIs and lease obligations (e.g., water-sensitive design, climate resilience, CPTED/accessibility standards, and financially sustainable staging).

Financial considerations - *Ngā Whakaarohanga Ahumoni*

As discussed in report.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

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

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

Previous public consultation has been undertaken through an annual plan process which detailed the key aspects of the purchase of the Tōmoana Showgrounds including protecting the site.

Risks

Opportunity: To transition the Governance and Operational Management of the Tōmoana Showgrounds to the Tōmoana Showgrounds Charitable Trust via a staged transition strategy.

Risks are detailed in the body of the report.

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

No formal reports or briefings have gone up to the Rural Community Board, but the chair of the committee has been apprised of activity throughout the ownership of the grounds.

HASTINGS DISTRICT COUNCIL

COUNCIL MEETING

THURSDAY, 2 OCTOBER 2025

Item 12

RECOMMENDATION TO EXCLUDE THE PUBLIC

SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

THAT the public now be excluded from the following part of the meeting, namely:

- 13 Development Matters
- 14 Flaxmere Development Opportunities
- 15 Dartmoor Bridge - Procurement Direction
- 16 Bridge Rebuild Procurement Strategy
- 17 Heretaunga Water Storage Project

The general subject of the matter to be considered while the public is excluded, the reason for passing this Resolution in relation to the matter and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this Resolution is as follows:

<i>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</i>	<i>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</i>	<i>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</i>
13 Development Matters	Section 7 (2) (h) The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. Ongoing third party negotiations with prospective tenants.	Section 48(1)(a)(i) Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.

14 Flaxmere Development Opportunities

Section 7 (2) (b) (ii)

The withholding of the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.

Section 7 (2) (h)

The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. Any development agreement that may be entered into with external parties arising..

Section 48(1)(a)(i)

Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.

15 Dartmoor Bridge - Procurement Direction

Section 7 (2) (i)

The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

Section 7 (2) (j)

The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. Allows negotiation with contractor without prejudice..

Section 48(1)(a)(i)

Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.

16 Bridge Rebuild Procurement Strategy

Section 7 (2) (h)

The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.

Section 7 (2) (i)

The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).

Section 7 (2) (j)

The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. Ability to negotiate commercial outcomes with suppliers without insight into budget estimates or suppliers that may have been involved..

Section 48(1)(a)(i)

Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.

17 Heretaunga Water Storage Project

Section 7 (2) (g)

The withholding of the information is necessary to maintain legal professional privilege.

Section 7 (2) (h)

The withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. The report contains legally privileged information and commercially sensitive information, respecting the confidentiality of the funders and other proposed shareholders.

Section 48(1)(a)(i)

Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.