



# Mahere ā-Tau Annual Plan

2023-2024

Supporting  
our region's  
recovery

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**HAWKES BAY**  
REGIONAL COUNCIL

TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI



# Te whakamārama i te āhua - Huripari Kapariera Setting the scene – Cyclone Gabrielle

*Cyclone Gabrielle swept through the upper and eastern North Island in mid-February 2023 and was one of the worst storms to hit New Zealand in living history. Hawke's Bay was one of the worst affected regions.*

We were battered by gale-force winds and a staggering amount of rain fell over a relatively short period of time – significantly more than what was forecast in some areas. One of our monitoring sites at Esk Valley for example, recorded 501mm over 24 hours – equal to nearly six months of rain, and double what was forecast.

Our rainfall data shows the cyclone was one of the most significant weather events to impact the region since records began. At the onset of the cyclone, we had just experienced our wettest six-month period on record.

Eight lives were tragically lost, and many homes and livelihoods were badly damaged or destroyed. Hawke's Bay was in a state of national emergency for one month.

Our stopbanks were breached in 37 places and 28km of our 248km stopbank network was weakened.

Many communities were cut off with state highways, roads, and bridges unsurpassable. Power and communications went down causing widespread disruption and distress for communities, whānau, businesses, households, and response teams. It was nearly two months before power was restored back to normal.

Our Civil Defence staff led the most complex and large-scale response ever mounted in Hawke's Bay. More than 1000 people worked with our team of 12. The operation relied heavily on staff from the emergency management sector, the Defence Force, central government agencies, emergency services, our local councils, volunteers, and people who simply decided to roll up their sleeves and help. Shifts ran around the clock for the first three weeks, and in total the Group Emergency Coordination Centre operated for 11 weeks.

Supporting our isolated communities was an ongoing focus and presented some incredibly complex logistical challenges. At the peak of the response there were up to 25 helicopter supply missions a day. Hawke's Bay Regional Council also ran an Emergency Operations Centre, as all councils are required to, which also stood up a 24/7 response. A huge effort by a crew of around 160 people, including consultants and contractors, worked tirelessly repairing stopbanks to restore confidence.

Another priority was repairing flooded pump stations and restoring rain and river level monitoring sites. The remote monitoring sites were recording during the cyclone, but the information was delayed for approximately five days before being transmitted back to Regional Council.

Cyclone Gabrielle dumped vast amounts of silt – metres high in some places – and left a trail of waste. Cleaning up continues to be a big job.



Te tautoko i te  
whakaoranga o  
tō tātau rohe  
Supporting our  
region's recovery

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# He karere mai i Te Toihau

## Message from the Chair

**Tēnā koutou katoa**  
**E mihi ana ki te rohe o Te Matau-a-Māui**  
**Manaakitia tonu tātau i a tātau i te wā nei**  
**Kia kaha, kia māia, kia manawanui.**  
**Taiki e!**

**Greetings to our people and place of Hawke's Bay.**

**Continue to lean on and into the numerous caring people in these difficult times.**

**Be strong, be brave, be steadfast and together we will overcome.**

The impact of Cyclone Gabrielle on our people and the devastation on our region will be felt for years to come.

Many people continue to face emotional and financial stress as they navigate what their future will look like. We are working alongside our impacted communities and local councils on land categorisation and what this means for their homes, land, livelihoods, and communities. These are difficult conversations to have, and I would like to thank people for their patience and understanding.

This has been a difficult Annual Plan budget to prepare. We are dealing with challenges of substantial unplanned cyclone costs, with more expected to come, and increased insurance premiums and rising interest rates and inflation.

To help contain the burden on our ratepayers and keep the focus on recovery we made some tough decisions about our previously planned work. We have paused some work and scaled back and deferred other work. We have cut internal costs and used loan funding to reduce the impact on our ratepayers. We have also extended the timeframe for our internal loan repayments. As you will appreciate loan funding operational matters is only a short-term solution and one we are conscious of.

The decisions to change some work programmes were tough because none of the issues we manage on your behalf have gone away, and in fact, Cyclone Gabrielle has given our work even more urgency.

Prior to adopting the Hawke's Bay Regional Water Assessment in June 2023 we updated it to include

both sides of climate change - not enough water, or drought, and too much water, or severe weather events.

Following the cyclone, we have also taken on new work across a wide geographical area. This includes removing and processing silt, which we are now undertaking as a joint initiative with Hastings District Council and funded by central government.

We informed the community of the tough choices we faced and how we are working differently through our Annual Plan 2023-2024 engagement from 16 June to 2 July 2023.

I would like to thank all of the submitters who provided feedback - we received 87 submissions.

We can confirm a 6 percent average rates increase, substantially lower than our Long Term Plan forecast of 14.5 percent. We are also introducing a Regional Cyclone Recovery Charge. On your rates bill you will see both a fixed and variable charge. The fixed charge is capped at \$55 per SUIP (separately used or inhabited part of a rating unit). The variable charge will relate to your land value. Together this will raise \$5.88 million (including GST) to help pay for cyclone costs we don't expect will be covered by other sources.

Tremendous progress has been made repairing our stopbanks and our focus for 2023-2024 remains firmly on reinstating the region's flood infrastructure and setting ourselves up to support the region's recovery as best we can.

As a region, we have a huge job ahead of us. We remain committed to our region's recovery and to continued collaboration with our communities.

**Hinewai Ormsby**  
Te Toihau  
Chair



### Welcome to our new Chief Executive

I would like to take this opportunity to welcome Dr Nic Peet, our new Tumu Whakarae Chief Executive for the Regional Council who started in early July 2023. Dr Peet brings a wealth of environmental experience, with the past 10 years at Horizons Regional Council where he led the organisation's approaches to freshwater reform and climate change.

I would also like to thank our Te Pou Whakarae Pieri Munro and Bill Bayfield who have been our consecutive Interim Chief Executives following the departure of James Palmer in February 2023. I acknowledge and have appreciated their valued contribution and commitment during the regional response and recovery.





# He kupu nā ngā Toihau Kōmiti Māori

## Message from the Māori Committee Co-Chairs

*Mā tōu rourou mā tōku rourou  
ka ora te manuhiri.*

*With your food basket and with my  
food basket the people will be fed.*

As a region, Cyclone Gabrielle produced one of our region's most significant weather events and one of our biggest ever challenges. We'd like to acknowledge our Māori communities across Te Matau-a-Māui who have pulled together and supported each other, and others through these trying times.

Nine marae within our rohe were directly impacted by the flooding of 14 February 2023. We proudly witnessed all our iwi and Post Settlement Governance Entities standing up and helping whānau with the coordination and delivery of welfare needs and supplies.

Waipatu Marae opened their doors to Waiohiki residents, many of whom remain. All marae that had the capacity to help responded within 48-hours of the cyclone and continued with ongoing support in the aftermath.

As we look forward and begin to work through what this means for the future of our people and our land, we are in full support of the locally-led, regionally-coordinated approach. This provides our whānau, hapū, and iwi with the opportunity for conversations specific to them and enables us all to understand and consider the options available.

This year we have welcomed new committee members and we are picking up additional roles as we look to the coming year and support our region's recovery. Two representatives from the Māori Committee have stepped onto the Cyclone Recovery Committee and we are gaining mana whenua inclusion on the Hawke's Bay Civil Defence Emergency Management Group Joint Committee.

As Cyclone Gabrielle has left a mark on our memories, it has also reminded us that climate change is here. With its influence on our changing weather patterns, we have also stepped into a new role on the Climate Action Joint Committee, with the aim of building climate resilience and ensuring we achieve our regional goals.

This year sees the whole community navigating a testing and uncertain time, and our commitments will strengthen the voice for Māori. Working alongside others in Te Matau-a-Māui, we will ensure a fair and considered approach is taken for our people as well as preserve and restore our taonga as we rebuild.

As kaitiaki, we're committed to ensuring a sustainable, healthy future for our generations to come.

**Mike Paku and Katarina Kawana**

**Ngā Toihau - Kōmiti Māori**  
*Māori Committee Co-Chairs*

**Strong  
partnerships  
support recovery**



# Kupu whakataki Introduction

## Role of a regional council

As a regional council we are primarily responsible for the integrated management of the natural and physical resources of Hawke's Bay. This includes land, water, air, soil, biodiversity, and built structures such as stopbanks.

We plan, budget, and report on our work in groups of activities. We have combined the range of work we do into the following groups of activities:



## Governance & Partnerships

We help our elected members and tangata whenua representatives in their governance roles, and promote community sustainability and regional development.

## Policy & Regulation

We carry out policy planning and implementation, issue consents, compliance monitoring and pollution response. We are also responsible for maritime safety.

## Integrated Catchment Management

We provide science and environment information, catchment management, and biodiversity and biosecurity work.

## Asset Management

We carry out flood protection and control works, and flood risk assessment and warning. We also manage the Regional Water Security Programme, and work to date to reduce the effects of coastal hazards.

We also own and manage various regional parks, and maintain cycle ways that are on our stopbanks that form part of Hawke's Bay Trails.

## Emergency Management

We manage the Hawke's Bay Civil Defence Emergency Management Group (HBCDEM) on behalf of the region's councils. We also maintain emergency response capability to support the CDEM Group. Additionally, we operate a 24-hour CDEM and HBRC duty management service to respond to urgent public enquiries and complaints.

## Transport

We undertake regional transport planning and coordinate road safety education across Hawke's Bay. We also contract public bus and Total Mobility taxi services.



## About this Annual Plan

This Annual Plan revises our plan for 2023-2024 outlined in our Long Term Plan 2021-2031.

We undertook community engagement from 16 June to 2 July 2023 to inform the community of the tough choices we proposed and seek feedback on the focus of this Annual Plan following Cyclone Gabrielle.

We received 87 submissions from all over Te Matau-a-Māui Hawke's Bay. There was strong input from our horse-riding community, as part of a longer-term strategy wanting more horse-riding trails, better quality and safer trails, and better access to them. People needing to feel safe was important to submitters. Build back, and better, and helping people that have been impacted by Cyclone Gabrielle were also important to submitters.

## Our planning and reporting cycle

We produce annual plans in the years between long term plans to update information and budgets for the coming year, highlight key variances from the long term plan forecast for that year, and set the rates.

We review and update our long term plan every three years. A long term plan describes the community outcomes the Regional Council aims to achieve, and the activities it will fund and undertake to achieve those outcomes over a 10-year period. Our current Long Term Plan 2021-2031 was adopted on 30 June 2021.

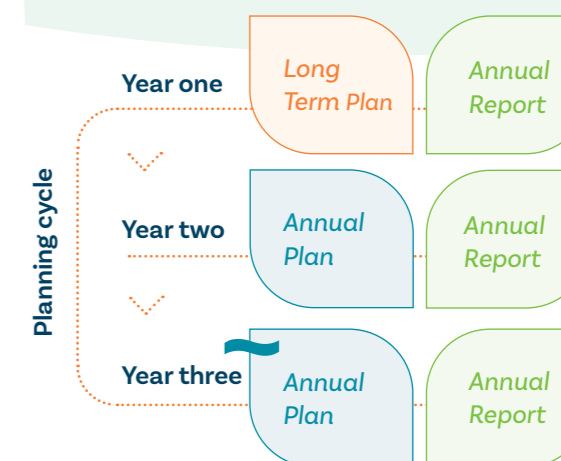
We produce an annual report at the end of each financial year to let you know whether we did what we said we would do in the previous year.



Our Long Term Plan 2021-2031 recognises our region has enormous and pressing environmental issues. Cyclone Gabrielle has reminded us how important our work is in preparing for climate change.

The Long Term Plan is available online or at Regional Council offices in Napier, Taradale, Waipawa, and Wairoa.

[hbcrc.govt.nz](https://hbcrc.govt.nz), search: #LTP2131





# Ō tātau kaikaunihera

## Our councillors

**Wairoa**  
Pop: 4,590  
Seats: 1  
**Di Roadley**  
Councillor

**Jerf van Beek**  
Councillor

**Ngaruroro**  
Pop: 20,700  
Seats: 1

**Ahuriri Napier**  
Pop: 57,500  
Seats: 3  
**Hinewai Ormsby**  
Chair  
**Martin Williams**  
Councillor  
**Neil Kirton**  
Councillor

**Heretaunga Hastings**  
Pop: 52,800  
Seats: 3  
**Xan Harding**  
Councillor  
**Sophie Siers**  
Councillor  
**Jock Mackintosh**  
Councillor

**Tamatea Central Hawke's Bay**  
Pop: 13,300  
Seats: 1  
**Will Foley**  
Deputy Chair

**Māori constituencies**

**Māui ki te Raki**  
Pop: 15,100  
Seats: 1  
**Charles Lambert**  
Councillor

**Māui ki te Tonga**  
Pop: 18,800  
Seats: 1  
**Thompson Hokianga**  
Councillor

For more details, please contact [hbrc.govt.nz](http://hbrc.govt.nz), search: #councillors

## Our vision and values

### Our vision

**We want** a healthy environment and a resilient and prosperous community.



### Our purpose

**We work** with our community to protect and manage the region's precious taonga of rivers, lakes, soils, air, coast and biodiversity for health, wellbeing, and connectivity.



Hawke's Bay Regional Council is made up of 11 representatives elected by the community through the local body elections. The elections are held every three years with the most recent election held on 8 October 2022. Councillors elect the Chair at the first Regional Council meeting following a local body election. The Hawke's Bay region is divided into seven

constituencies. Since October 2022, the Regional Council has two Māori constituencies. Councillors are responsible for setting the strategic direction and developing or approving all major policies to enable the Regional Council to achieve its vision for a healthy environment and a resilient and prosperous community.



# Tā te huripari whakararu i te mahere pūtea Cyclone shock for our budget

*Cyclone Gabrielle has had a significant impact on our budget. We have incurred substantial unplanned costs in our response and recovery to Cyclone Gabrielle - and expect more to come; we face a range of external cost pressures; and there are still a lot of unknowns as the region works to rebuild itself.*

Top of mind for us in developing this budget was the impact on our ratepayers, who are already facing similar pressures. We have tried to strike a balance to contain costs to reduce the burden on our ratepayers and position ourselves so we can make a head start on costs we know are coming to restore our region's infrastructure.

The estimates contained in this Annual Plan are based on the best information available at the time and costs may change during the year.

## Unplanned cyclone costs

As of mid-July 2023, we have \$92 million in unplanned costs for response and subsequent recovery work because of the cyclone.

This includes \$42 million for waste collection (costs for this are covered by the Government's Severe Weather Debris Funding Programme), \$36 million on emergency repairs and rebuilding flood infrastructure, and \$8 million for Civil Defence's work.

We anticipate we will face further substantial unplanned costs during the upcoming year. We are working with the Government and other agencies to cover as much of these costs as possible.

## Rising external costs

Our budget also has been impacted by increased insurance premiums, rising interest rates, and inflation on both labour and supplies following the disruptions of Covid, the war in Ukraine, and other global, national, and regional events over the past few years. These increases have been much higher than anticipated in our Long Term Plan 2021-2031.

## Uncertainty

We are expecting funding shortfalls between what we can claim back for cyclone work through the Government, NEMA (National Emergency Management Agency) and our insurance. We will continue to explore all other possible funding avenues.

We do not yet know what recommendations will come out of planned reviews (see page 19) and how any advised work would be funded.

Uncertainty also exists around the physical works needed and how we can fund required mitigations to support Category 2-designated properties.

There are still a lot of unknowns as the region works to rebuild itself







Image courtesy of The Wairoa Star



## 6% average rates increase

We have substantially reduced our Long Term Plan forecast of 14.5 percent average rates increase down to 6 percent.

We have a no-frills budget that focuses on core business such as reinstating our flood protection infrastructure and supporting the region's recovery.

To do this we had to make some tough choices about the work we do and where we could cut costs:

- We have paused, scaled back and/or deferred some previously programmed work. For example, we deferred the Napier pilot of MyWay Hawke's Bay (on-demand public transport service) until further central government funding can be secured, we deferred construction spend on Ahuriri and Wairoa regional parks, and reduced funding in pest work and research while staff are deployed to rural recovery.
- We reduced some internal operational costs, including some ICT software development, staff training budget, and are not filling some vacancies.
- We took up general rates smoothing loan funding not drawn in years 1 and 2 of our Long Term Plan 2021-2031.
- We will be extending our internal loan repayments from 10 years to 20 years.

Rate increases vary between properties and can be higher or lower than the average. For example:

- Your rates depend on the range of services provided in your area.
- You may have made some changes to your property such as renovations, which will impact on your rating valuation.
- If your property is in the Hastings district, the recent general revaluation may impact your rates, if your property value increased more than the average percentage.
- Some targeted rates will increase more due to previous decisions to smooth the impact of targeted rates to rebuild reserves.

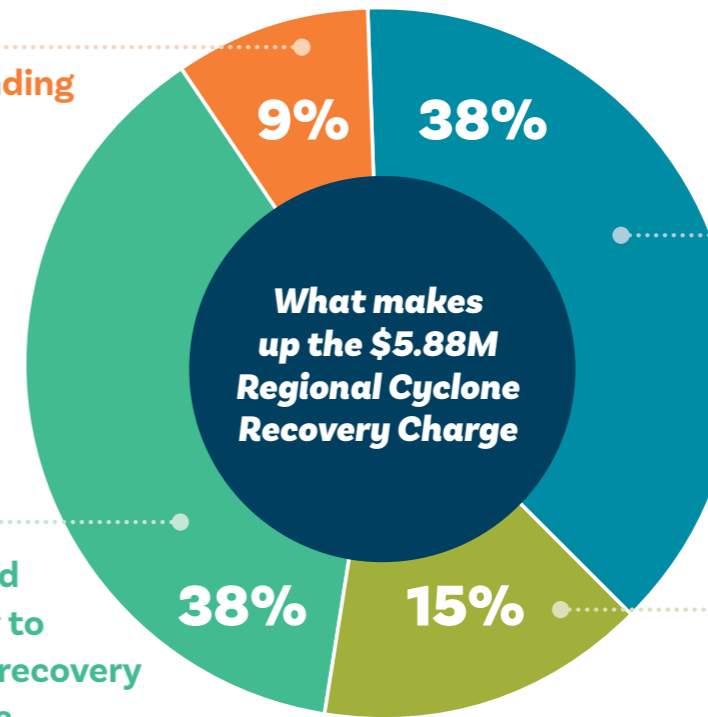
### Rates support for those in financial hardship

We are understanding and responsive of people's circumstances, particularly if your house, business, productive land, livelihood, or employment have been affected by Cyclone Gabrielle.

Rates invoices for 2023-2024 will be issued in August 2023. We invite and encourage those ratepayers who are experiencing financial hardship because of the cyclone to contact our rates team for a confidential discussion about how we can assist you. We have increased our team's capacity to ensure we can respond and are available to talk with you.

**You can contact us on 06 835 9200 or 0800 10 88 38 or info@hbrc.govt.nz**

Debt funding



**What makes up the \$5.88M Regional Cyclone Recovery Charge**

Reviews and external advisory support

Increased capacity to support recovery activities

Rates and fee remissions expected

## Regional Cyclone Recovery Charge

In addition to the rate increase, we are introducing a Regional Cyclone Recovery Charge. This consists of a fixed charge of \$55 per SUIP (separately used or inhibited part of a rating unit) plus a separate variable line item on your rates based on your land value (LV).\*

Together, they will raise \$5.88 million (including GST) and help pay for response and recovery costs that we don't expect to be covered by other sources.

This charge wasn't included in our Long Term Plan 2021-2031 however we informed the community in our Annual Plan 2023-2024 engagement document. We can set a new rate if it's needed to meet an unforeseen and urgent need which can't be reasonably met any other way.

For detailed financial information see Part 4, 2023-2024 Financial information page 20.

\* The reason two line items will be listed rather than one is because the Regional Council must not have the Uniform Annual General Charge and targeted rates set on a uniform basis exceeding 30% of total revenue from all rates sought - as per section 21 of the Local Government Act 2002.



# Ngā panonitanga mahi i muri mai i a Huripari Kapiriera

## Working differently after Cyclone Gabrielle

We are changing the way we work as we focus on supporting our communities and environment to recover from Cyclone Gabrielle and become stronger and more resilient.



### Environmental resilience planning

Fundamental to our recovery work is our Environmental Resilience Plan for Hawke's Bay. Our Environmental Resilience Plan, along with each of the Hawke's Bay council's and other agencies' Locality Plans, feed into the Regional Recovery Plan being developed by the Hawke's Bay Regional Recovery Agency.

The Hawke's Bay Regional Recovery Agency will use the Regional Recovery Plan to advocate for Government funding.

### Supporting the Regional Recovery Agency

The Regional Recovery Agency is not currently a registered legal entity and has no bank account, or ability to execute agreements with any stakeholders such as the Government for funding agreements.

Central government, with the support of other councils, and the Matariki Governance Group\*, requested that HBRC manage and administer the Regional Recovery Agency for now as it can provide the required services and has regional jurisdiction.

Importantly, doing this means recovery work can continue while other arrangements for the Regional Recovery Agency are explored.

We are assisting to manage recovery money the Government allocates to the region and are also undertaking back-office support such as procurement, accounts payable, human resource support, and IT support.

We want to advise you of this role, as it is not included in our Long Term Plan 2021-2031, but is vital work to help with Hawke's Bay's recovery.

### Technical assessments for land categorisation

Two of our key roles as a regional council are flood hazard modelling and providing the technical assessment to support decision making on credible and affordable options for flood protection.

Both are informing land-use categorisation for properties affected by Cyclone Gabrielle and land-use planning more generally.

Land-use categorisation is determining where homes can be rebuilt. While we alone aren't making decisions on land-use categorisation our technical assessments are a critical input.

We are working alongside our impacted communities, central government, and local councils on land categorisation and what this means for homes, land, livelihoods, and communities. We understand people want certainty.

### Rethinking flood protection

Our immediate focus is completing permanent repairs to reinstate our flood infrastructure to what it was before Cyclone Gabrielle. Once the rapid rebuild programme is complete our focus will be implementing solutions to Category 2 areas to manage risk so homes can be rebuilt on current sites and assessing what the protection level is post-cyclone.

Beyond this, the Council's focus will be on solutions to build resilience. These solutions will emerge through technical reviews and the independent review capturing community views. These will include both engineering solutions such as spillways, secondary stopbanks, and catchment or nature-based solutions such as tree-planting and wetlands.

This will build on work already taken to improve resilience such as the Taradale stopbank upgrade and gravel extraction work in Upper Tukituki, made possible with significant central government co-funding. The Taradale stopbank was upgraded to a 0.2 percent likelihood of flooding in any given year (or 1-in-500-year level of flood protection) before the cyclone and helped to protect the Taradale community from catastrophic flooding.

Government funding of \$100 million announced in May 2023 for flood protection for all regions

affected by Cyclone Gabrielle and the outcome of negotiations with the Government on cost-sharing will be critical for helping us get this work done.

### Keeping our communities safe

Additional money has been allocated in this Annual Plan to immediately boost capacity in our Civil Defence team. The team will be seeking further increased funding in our next long term plan.

The focus for the team following Cyclone Gabrielle is to build on and accelerate the work they already do in working with communities to help build resilience to disasters, being prepared for our next events, and embed the operational learnings from the cyclone.

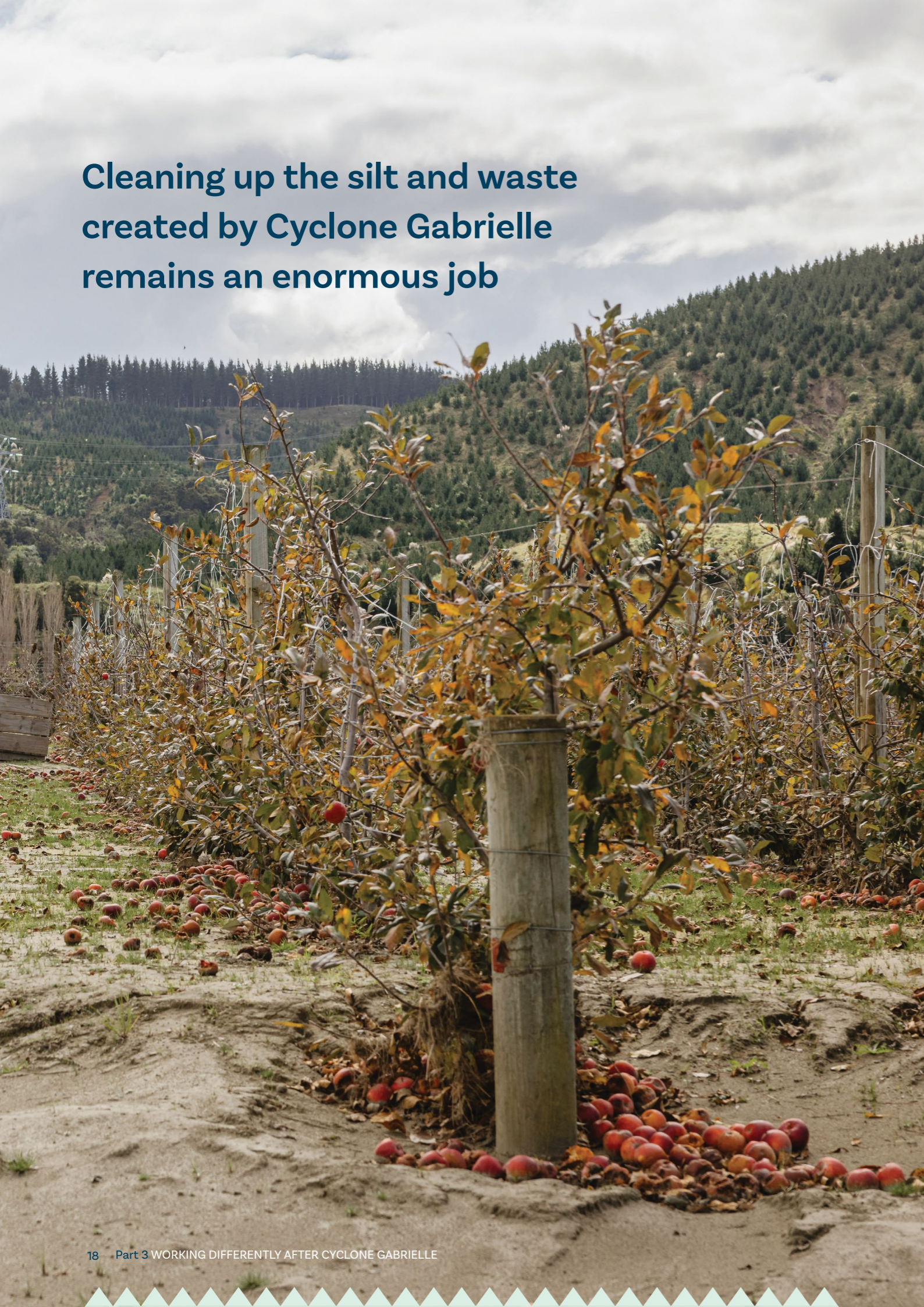
With our local councils and emergency services, staff will work with marae and rural communities in places that could be isolated in the event of a natural disaster.

The importance of having communities prepared and able to support themselves was highlighted by Cyclone Gabrielle where many communities set up their own hubs when they were cut off and not accessible by road. The hubs were able to be used as distribution points when helicopters dropped in essential supplies.

\*Matariki is the Regional Economic Development Strategy for Hawke's Bay.



# Cleaning up the silt and waste created by Cyclone Gabrielle remains an enormous job



## Cleaning up

Cleaning up the silt and waste created by Cyclone Gabrielle remains an enormous job. The Silt and Waste Recovery Taskforce, a joint initiative between us and Hastings District Council, is making headway – it shifted around 350,000 cubic metres from properties in its first three months. The Taskforce estimated in June 2023 that it had around 1 million cubic metres still to collect based on current logged jobs.

We are planning to re-use silt where we can. It has a variety of uses such as filling land voids in large properties, recontouring and shaping land depressions, backfill for borrow sites (typically used for stopbank repairs), and can be used in making topsoil and compost for future land replenishment. Our Works Group was initially tackling the huge job of cleaning up woody debris. The Taskforce is now doing this, with a focus on Wairoa.

The Taskforce's work is funded through central government with the Regional Council responsible for managing the funding.

As a region we are collectively facing tough decisions about how to deal with cyclone and flood waste. In May 2023, we put an exception in place for flood damaged properties within airsheds to responsibly burn waste over winter. A temporary law change now enables rural landowners to burn cyclone and flood waste on commercial-scale horticultural and agricultural properties not located in the Hastings or Napier airsheds. A fire management plan must be submitted to the Regional Council and people need to follow the advice of Fire and Emergency NZ.

## Supporting our rural and primary sector recovery

Our Integrated Catchment Management teams have redeployed many staff to support our rural community.

Our Rural Recovery Team is working closely with farmers and growers to understand their ongoing needs so we can connect them to appropriate services, assist with individual farm recovery planning (that can be transitioned into Freshwater Farm Plans when they are implemented in Hawke's Bay), and partner with them on appropriate Regional Council programmes such as our Hill Country Erosion Control scheme and Land for Life.

## Getting more trees in the ground

Cyclone Gabrielle caused significant and, in some cases, unprecedented landslide, earthflow, gully, and streambank erosion in many parts of the region.

We will be working with urgency in partnership with tangata whenua, mana whenua, and landowners to explore options for whole catchments to get trees and appropriate plants into the ground and keep soil out of water.

We will be assessing nature-based solutions to flood management looking at the impacts of afforestation and wetland development on peak flows and retention of water in the landscape during periods of dry weather.

We will also looking into developing nurseries across the region to meet the increasing demand for poplar and willow poles in Hawke's Bay and looking into the possibility of significantly scaling up our Land for Life programme. The programme supports farmers to plant the right trees in the right places to slow erosion, improve biodiversity, and build resilient farms. It also supports improvements in pastoral farm systems and regenerative farming practices.

## Science expertise to understand cyclone impacts on environment

Our scientists are working to direct central government's Extreme Weather Science Response Funding to examine how Cyclone Gabrielle has impacted our natural environment and how we can build resilience.

We are looking at four focus areas:

- Resilient land
- Climate resilience
- Water security and health
- Integrated ecological assessments

This work will be done in partnership with Crown Research Institutes, ministries, and national organisations.

## Reviews

Reviews are important after natural disasters of this scale so we can see where improvements can be made to keep our communities safe and to support long-term investment decisions.

Two key independent reviews are planned and will be funded through the Regional Cyclone Recovery Charge, see page 15. They are:

- 1) HBRC Flood Scheme Assets and River Management Programmes Review
- 2) Hawke's Bay Civil Defence Emergency Management Group Operational Review of the response to Cyclone Gabrielle 2023

We are also undertaking internal reviews which will inform the two independent reviews above, for example, a review of our telemetry system which transmits and records monitoring information such as rainfall.





# 2023-2024 financial information

External factors such as Covid, inflation, and interest rate increases continue to have significant impacts on council planning and the cost and availability of labour, contractors, and supplies. The recovery from the cyclone has added an extra layer of complexity to our planning, especially as we are still in the early stages of a long process.

As described earlier in this plan we have made some tough choices about the work we do to bring our average rates increase down to 6 percent.

In addition to the rate increase, we have introduced a fixed Regional Cyclone Recovery Charge of \$55 per SUIP (separately used or inhabited part of a rating unit), plus a separate variable line item on your rates based on your land value (LV).

Together, they will raise \$5.88 million (including GST) and help pay for response and recovery costs that we don't expect to be covered by other sources.

To check the rates for your individual property, go to [hbrc.govt.nz](https://www.hbrc.govt.nz), search: #myproperty

## 2023-2024 funding sources

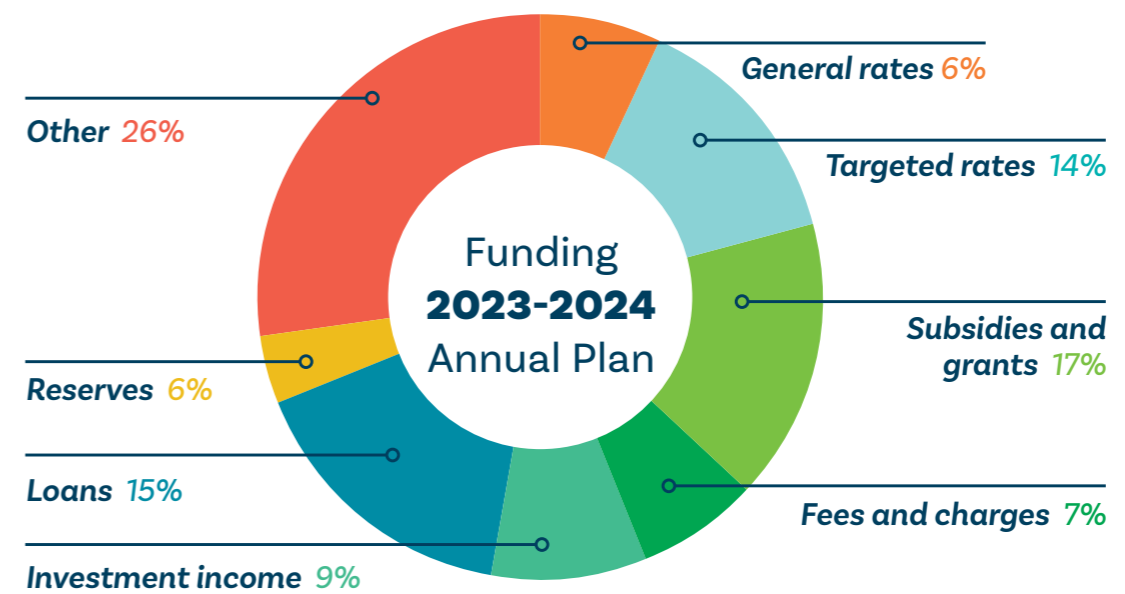
The graph below shows the various sources of funding the Regional Council will use in the upcoming year to deliver our activities. The 'other' category includes expected insurance proceeds while the 'subsidies and grants' is greater than last year because it includes estimates for NEMA (National Emergency Management Agency) claims still to be made.

## Fees and charges

Hawke's Bay Regional Council has a range of fees and charges for services to fund part of its regulatory functions.

These charges are calculated each year based on the cost of service delivery. They include hourly rates, consent fees, water monitoring charges, compliance monitoring, navigation, and freshwater science charges.

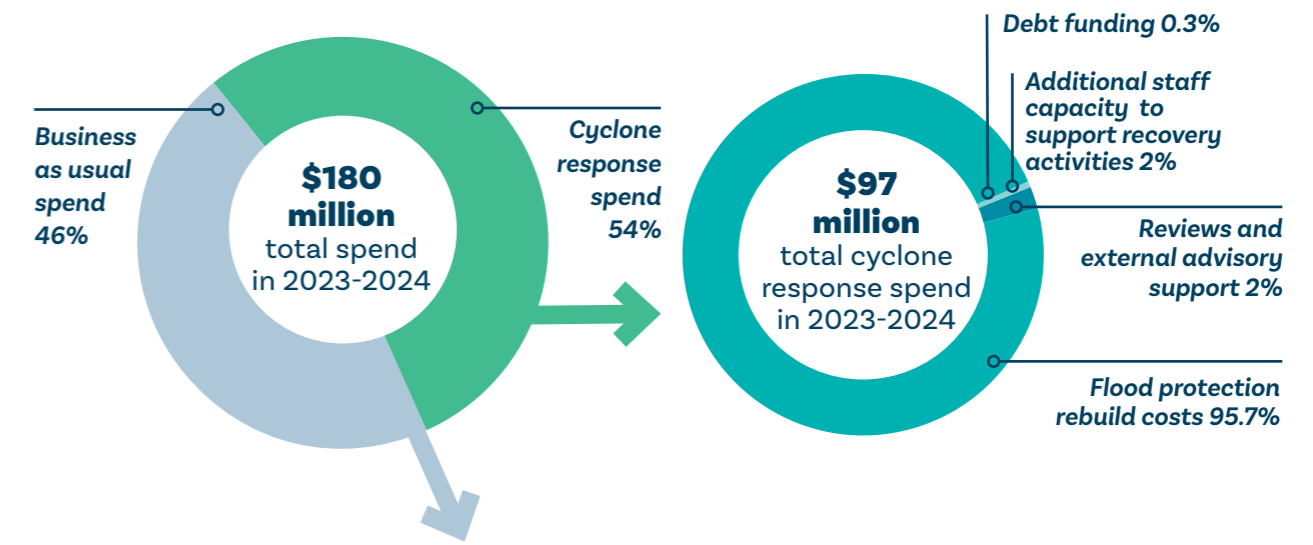
The charges are notified and published on our website [hbrc.govt.nz](https://www.hbrc.govt.nz), search: #AnnualPlans



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## 2023-2024 operating expenditure

The graphs on the next page reflect the planned operating spend for the 2023-2024 financial year, including the breakdown between our business as usual (BAU) activities and the additional work resulting from Cyclone Gabrielle.

The BAU Spend graph is broken down into the six groups of activities, that are described in detail in our Long Term Plan (LTP) 2021-2031, plus our Corporate Services.

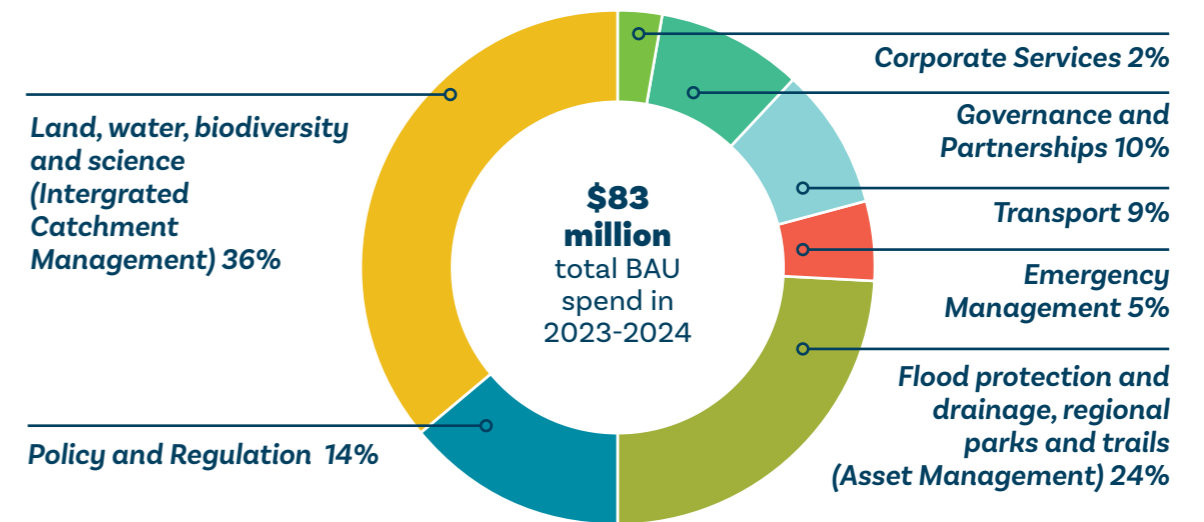
The Corporate Services activity includes operational expenditure which is funded via loans, reserves or rates and is not reallocated throughout the groups of activities.

The Annual Plan budget includes \$19.7 million additional borrowing for operating expenditure, not set out in year 3 of the LTP. This additional borrowing means the Regional Council does not have a balanced budget for the 2023-2024 financial year, with operating expenditure exceeding operating revenue by \$21.5 million.

The additional borrowing comes from three main sources:

1. \$13.5 million additional loan funding (borrowing) to fund the shortfall in the cost of repairs to flood protection assets damaged during Cyclone Gabrielle, not covered by insurance or government grants. This expenditure is currently classified as an operating cost, pending a final decision on the financial treatment of this work.
2. \$3.6 million additional general rate offset loan funding, which was planned but not drawn in years 1 and 2 of our LTP.
3. \$2.2 million of planned loan funding for ICT development and environmental data models. In the LTP and Annual Plan 2022-2023, these costs were treated as capital, but are now classified as operating due to a change in accounting standards.

The Regional Council has the financial capacity to fund the operating revenue shortfall using borrowing, and to do so is appropriate given the long-term benefits of the expenditure funded.



## 2023-2024 capital expenditure

Capital expenditure, excluding the Cyclone Gabrielle recovery costs described above, is similar to that in year 3 of the Long Term Plan 2021-2031 with a few exceptions. Spend on property, plant, equipment, and intangible assets has decreased through a review of ICT service software development and an extension of how long we hold vehicles for.

Other areas are being reassessed and reprioritised as we develop our post-cyclone recovery plans.



## Prospective Statement of Comprehensive Revenue and Expense

	Note	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>REVENUE</b>					
Revenue from activities	1	11,060	9,787	9,951	11,752
Revenue from rates	2	30,068	33,865	38,768	40,960
Revenue from grants		13,340	14,881	5,111	33,109
Other revenue	3	12,852	21,148	20,132	70,962
Fair value gains on investments	7(a)	12,205	1,156	1,179	1,179
Reduction in ACC Leasehold Liability		-	815	831	831
<b>Total Operating Revenue</b>		<b>79,525</b>	<b>81,651</b>	<b>75,972</b>	<b>158,793</b>

<b>EXPENDITURE</b>					
Expenditure on activities	1	73,672	70,742	69,103	170,117
Finance costs	1	2,169	2,125	2,589	4,207
Depreciation & amortisation expense	5	4,138	4,509	5,355	5,160
Fair value losses		15,159	-	-	-
Other expenditure		23	-	-	-
Impairment		-	-	-	20
<b>Total Operating Expenditure</b>		<b>95,161</b>	<b>77,375</b>	<b>77,046</b>	<b>179,509</b>

<b>OPERATING SURPLUS</b>					
<b>Operating Surplus / (Deficit) Before Income Tax</b>		<b>(15,636)</b>	<b>4,275</b>	<b>(1,075)</b>	<b>(20,711)</b>
Income tax expense		-	-	-	-
<b>Operating Surplus / (Deficit) After Income Tax</b>		<b>(15,636)</b>	<b>4,275</b>	<b>(1,075)</b>	<b>(20,711)</b>

<b>OTHER COMPREHENSIVE REVENUE AND EXPENSE</b>					
Gain / (loss) infrastructure assets	7(a)	28	3,133	-	3,133
Gain / (loss) in revalued intangible assets	7(a)	(72,243)	26,352	25,982	25,982
Gain / (loss) in revalued property, plant and equipment assets		6,237	-	-	-
<b>Total Other Comprehensive Revenue and Expense</b>		<b>(65,978)</b>	<b>29,485</b>	<b>25,982</b>	<b>29,115</b>
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>		<b>(81,614)</b>	<b>33,760</b>	<b>24,908</b>	<b>8,404</b>

### Statement For General Funding Position

<b>CAPITAL EXPENDITURE</b>					
Property, plant, equipment & intangible assets			5,167	6,112	3,627
Infrastructure assets - flood & drainage			17,284	4,107	4,843
Infrastructure assets - open spaces & regional assets			4,074	2,157	4,367
Forestry assets			357	188	281
Sustainable homes net lending			4,970	5,289	1,367
Public debt repayments	4(a)		6,596	4,867	5,336
<b>TOTAL CAPITAL EXPENDITURE</b>			<b>38,448</b>	<b>22,720</b>	<b>19,821</b>

<b>RESERVE AND PUBLIC DEBT FUNDING</b>					
Reserves funding	6		4,111	(232)	1,281
Doubtful debts			20	20	20
Depreciation	5		4,509	5,355	5,160
Public debt funding	4(a)		27,503	20,661	36,081
Fair value gains on investments	7(a)		(1,156)	(1,179)	(1,179)
Fair value gains on other comprehensive revenue and expenses			(29,485)	(25,982)	(29,115)
Reduction in ACC leasehold liability			(815)	(831)	(831)
<b>Total Reserve &amp; Loan Funding</b>			<b>4,688</b>	<b>(2,188)</b>	<b>11,417</b>
<b>UNDERLYING SURPLUS / (DEFICIT)</b>			<b>0</b>	<b>0</b>	<b>0</b>

## Prospective Statement of Changes In Net Assets / Equity

	Note	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>Net Assets / Equity at the Start of the Year</b>		<b>819,603</b>	<b>854,648</b>	<b>940,885</b>	<b>885,275</b>
Total Comprehensive Revenue and Expense		(81,614)	33,760	24,908	8,404
<b>Net Assets / Equity at the End of the Year</b>		<b>737,989</b>	<b>888,408</b>	<b>965,793</b>	<b>893,679</b>

## Prospective Statement of Financial Position

	Note	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>ASSETS</b>					
<b>Non Current Assets</b>					
Property, plant & equipment		37,412	37,188	39,369	36,705
Intangible assets		14,087	16,829	16,785	16,725
Infrastructure assets		197,279	235,940	235,199	244,204
Investment property		71,940	68,041	65,879	69,220
Forestry assets		13,628	14,344	9,833	12,382
Finance assets		123,359	142,934	147,495	147,934
Investment in council-controlled organisations		386,690	496,469	573,200	522,451
Advances to council-controlled organisations		121	-	-	-
Napier / Gisborne rail lease		-	1,486	1,486	1,486
<b>Total Non Current Assets</b>		<b>826,516</b>	<b>1,013,231</b>	<b>1,089,247</b>	<b>1,051,107</b>
<b>Current Assets</b>					
Inventories		409	419	484	430
Trade & other receivables		11,876	13,278	13,594	13,104
Finance assets		3,833	2,786	2,956	2,807
Advances to council-controlled organisations		-	-	-	-
Cash & cash equivalents		10,657	7,047	3,491	3,424
<b>Total Current Assets</b>		<b>26,775</b>	<b>23,531</b>	<b>20,525</b>	<b>19,764</b>
<b>TOTAL ASSETS</b>		<b>853,291</b>	<b>1,036,762</b>	<b>1,109,772</b>	<b>1,070,871</b>

<b>NET ASSETS / EQUITY</b>					
Accumulated comprehensive revenue and expense	8	321,329	292,487	313,852	273,055
Fair value reserves	8	326,209	460,311	529,155	486,293
Other reserves	8	90,451	135,611	122,786	134,330
<b>Total Net Assets / Equity</b>		<b>737,989</b>	<b>888,408</b>	<b>965,793</b>	<b>893,679</b>

<b>LIABILITIES</b>					
<b>Non Current Liabilities</b>					
Derivative financial instruments		-	18	-	-
Borrowings		59,738	97,874	118,782	131,103
ACC Leasehold Liability		32,204	29,060	9,453	26,779
Provisions for other liabilities & charges		431	510	520	510
<b>Total Non Current Liabilities</b>		<b>92,373</b>	<b>127,462</b>	<b>128,755</b>	<b>158,392</b>

<b>Current Liabilities</b>					
Derivative financial instruments		-	46	-	-
Trade & other payables		15,946	12,174	12,511	12,218
Borrowings		3,650	5,984	1,087	3,500
ACC Leasehold Liability		1,526	50	44	1,500
Provisions for other liabilities & charges		1,807	2,638	1,582	1,582
<b>Total Current Liabilities</b>		<b>22,929</b>	<b>20,892</b>	<b>15,223</b>	<b>18,800</b>

<b>Total Liabilities</b>		<b>115,302</b>	<b>148,353</b>	<b>143,979</b>	<b>177,192</b>
<b>TOTAL NET ASSETS / EQUITY AND LIABILITIES</b>		<b>853,291</b>	<b>1,036,762</b>	<b>1,109,772</b>	<b>1,070,871</b>



## Prospective Cash Flow Statement

Note	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
<b>Cash to be provided from:</b>				
Rates	30,789	32,532	38,629	40,813
Receipts from customers	14,744	22,422	11,980	12,730
Dividends received	9,035	10,497	10,905	10,905
Interest received	234	6,139	6,261	6,261
Grants	13,340	6,151	5,111	33,109
Other income	1,042	-	-	53,795
GST	-	(539)	27	-
<b>Total</b>	<b>69,184</b>	<b>77,200</b>	<b>72,913</b>	<b>157,613</b>
<b>Cash applied to:</b>				
Payments to suppliers	38,728	40,497	41,940	131,041
Payments to employees	28,838	29,990	27,104	40,739
Finance expense	1,463	2,125	2,589	4,207
<b>Total</b>	<b>69,029</b>	<b>72,612</b>	<b>71,632</b>	<b>175,986</b>
<b>Net Cash Flows from Operating Activities</b>	<b>155</b>	<b>4,590</b>	<b>1,281</b>	<b>(18,372)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
<b>Cash to be provided from:</b>				
Disposal of property, plant & equipment	56	891	722	-
Disposal of investment properties	1,965	-	-	-
Disposal of financial assets	1,448	2,970	3,360	1,640
Receipts from sale of investments	-	-	-	-
Disposal of forestry assets	-	-	1,313	1,313
Disposal of Napier/Gisborne Rail Lease	-	-	-	-
<b>Total</b>	<b>3,469</b>	<b>3,861</b>	<b>5,395</b>	<b>2,953</b>
<b>Cash applied to:</b>				
Purchase of property, plant & equipment	4,030	4,152	3,436	3,561
Purchase of intangible assets	669	1,016	2,676	66
Construction of infrastructure assets	6,871	21,715	6,452	9,491
Community lending	3,107	6,901	7,579	5,000
Purchase of financial assets	475	3,419	3,497	-
Forestry asset development	65	-	-	-
Leasehold Liability	-	821	871	831
<b>Total</b>	<b>15,217</b>	<b>38,024</b>	<b>24,512</b>	<b>18,949</b>
<b>Net Cash Flows from Investing Activities</b>	<b>(11,748)</b>	<b>(34,163)</b>	<b>(19,117)</b>	<b>(15,996)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
<b>Cash to be provided from:</b>				
Loans drawn	19,000	27,503	20,661	36,081
<b>Cash applied to:</b>				
Loans repaid	4,851	6,596	4,867	5,336
<b>Net Cash Flows from Financing Activities</b>	<b>14,149</b>	<b>20,907</b>	<b>15,794</b>	<b>30,745</b>
<b>Net Increase / (Decrease) in Cash &amp; cash equivalents</b>	<b>2,556</b>	<b>(8,666)</b>	<b>(2,042)</b>	<b>(3,623)</b>
Opening cash & cash equivalents	8,101	15,713	5,533	7,047
<b>Closing Cash &amp; cash equivalents</b>	<b>10,657</b>	<b>7,047</b>	<b>3,491</b>	<b>3,424</b>

## Note 1 - Activity Revenue & Expenditure

	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>REVENUE</b>				
<b>Groups of Activities</b>				
Governance & Partnerships	778	766	1,001	1,001
Policy & Regulation	2,555	3,175	3,354	3,623
Integrated Catchment Management	3,588	3,291	3,311	3,468
Asset Management	3,324	1,527	1,430	3,521
Emergency Management	88	-	-	-
Transport	392	-	-	-
Corporate Overhead	335	1,027	856	140
<b>TOTAL REVENUE FROM ACTIVITIES</b>	<b>11,060</b>	<b>9,787</b>	<b>9,951</b>	<b>11,752</b>
<b>EXPENDITURE</b>				
<b>Groups of Activities</b>				
Governance & Partnerships	6,965	7,008	7,512	8,058
Policy & Regulation	8,223	11,076	11,533	11,946
Integrated Catchment Management	32,816	30,565	29,431	29,869
Asset Management	19,102	15,910	15,646	113,922
Emergency Management	3,205	3,301	3,327	6,797
Transport	7,312	7,011	7,819	7,333
Corporate Overhead	2,438	2,505	1,779	1,579
<b>Total Groups of Activities</b>	<b>80,061</b>	<b>77,375</b>	<b>77,046</b>	<b>179,504</b>
<b>Less</b>				
- interest on borrowings	2,169	2,125	2,589	4,207
- payments associated with the transfer of Napier leasehold cashflows to ACC	-	-	-	-
- internal expenditure	82	-	-	-
<b>Total finance costs</b>	<b>2,251</b>	<b>2,125</b>	<b>2,589</b>	<b>4,207</b>
Less depreciation and amortisation expense	4,138	4,509	5,355	5,160
Less impairment expense	-	-	-	20
<b>TOTAL EXPENDITURE ON ACTIVITIES</b>	<b>73,672</b>	<b>70,742</b>	<b>69,103</b>	<b>170,117</b>

Expenditure - Asset Management, the increase from year 3 LTP is due to \$93.9 million additional expenditure for flood protection infrastructure rebuild and scheme reviews as a result of Cyclone Gabrielle. Protection infrastructure rebuild as a result of Cyclone Gabrielle

Expenditure - Emergency Management, the increase from year 3 LTP includes \$2.7 million additional staff capacity, expenditure and debt funding to support Hawke's Bay Regional Council cyclone recovery management.



## Notes 2 & 3 - Rates & Other Revenue

	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>NOTE 2: RATES</b>				
<b>General Funding Rates</b>				
Uniform Annual General Charge (UAGC)	3,818	4,579	5,233	4,600
General Rate on Land Value	7,525	9,089	10,388	8,735
<b>Total General Funding Rates</b>	<b>11,343</b>	<b>13,668</b>	<b>15,622</b>	<b>13,335</b>
<b>Targeted Rates</b>				
Regional Cyclone Recovery Rate	-	-	-	5,115
Upper TukiTuki Catchment Control Scheme	760	878	1,017	1,017
Separate Flood Control & Drainage Schemes	332	339	462	462
Wairoa Rivers & Streams Scheme	180	184	236	236
Central & Southern Areas Rivers & Streams Scheme	71	73	75	75
Heretaunga Plains Flood Control & Drainage Schemes	5,854	6,942	8,079	8,177
Biosecurity Schemes	2,109	2,239	2,703	2,696
Subsidised Public Transport	2,802	2,907	3,285	3,091
Clean Heat Administration Rate	593	609	624	624
Sustainable Land management	922	962	1,095	1,226
Economic Development Rate	2,312	2,379	2,497	2,334
Coastal Erosion Rate	174	176	180	180
Emergency Management Rate	2,213	2,509	2,893	2,892
<b>Total Targeted Rates</b>	<b>18,322</b>	<b>20,197</b>	<b>23,146</b>	<b>28,126</b>
Rates Remissions	(11)	-	-	(500)
Penalties	414	-	-	-
<b>TOTAL RATES</b>	<b>30,068</b>	<b>33,865</b>	<b>38,768</b>	<b>40,960</b>

The Regional Cyclone Recovery Rate is a new targeted rate in the Annual Plan 2023-2024 as a result of Cyclone Gabrielle.

### NOTE 3: OTHER REVENUE

Dividends	9,974	10,497	10,905	10,905
Interest	655	6,139	6,261	6,261
Leasehold rents	1,950	1,503	1,575	1,575
Forestry Income	649	1,276	279	1,061
Other Income	272	1,735	1,112	51,159
Net gain / (loss) on disposal of assets	(296)	-	-	-
Subvention Payments	121	-	-	-
Gain / (Loss) on investments - net	(473)	-	-	-
<b>TOTAL OTHER INCOME</b>	<b>12,852</b>	<b>21,148</b>	<b>20,132</b>	<b>70,962</b>

Other Income includes an assumed \$51 million of proceeds from insurance claims as a result of Cyclone Gabrielle.

## Note 4(a) - External Debt & Interest Expense

	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>LOAN REQUIREMENTS</b>				
Opening Balance	47,538	82,951	104,075	103,858
New Borrowing	19,000	27,503	20,661	36,081
Principal Repayments	3,150	6,596	4,867	5,336
<b>Total Loan Balance</b>	<b>63,388</b>	<b>103,858</b>	<b>119,868</b>	<b>134,603</b>
Interest Expense	2,169	2,125	2,589	4,207

New Borrowings reflect an increased budgeted debt as a result of flood protection rebuild expenditure following Cyclone Gabrielle.

## Note 4(b) - Internal Debt & Interest Expense

	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>LOAN REQUIREMENTS</b>				
<b>NEW BORROWINGS</b>				
Governance & Partnerships	6,211	6,901	7,579	5,000
Policy & Regulation	-	-	-	-
Integrated Catchment Management	3,921	5,137	4,678	4,954
Asset Management	225	3,225	1,759	16,613
Emergency Management	-	-	-	-
Transport	-	-	-	-
Corporate Overhead	5,927	10,065	6,693	9,677
<b>Total New Borrowings</b>	<b>16,284</b>	<b>25,328</b>	<b>20,709</b>	<b>36,244</b>
<b>PRINCIPAL REPAYMENTS</b>				
Governance & Partnerships	3,354	3,538	3,652	2,685
Policy & Regulation	20	-	-	20
Integrated Catchment Management	1,258	691	1,098	1,334
Asset Management	566	334	402	450
Emergency Management	-	-	-	-
Transport	13	25	24	14
Corporate Overhead	804	2,103	964	-
<b>Total Principal Repayments</b>	<b>6,015</b>	<b>6,691</b>	<b>6,140</b>	<b>4,503</b>
<b>TOTAL LOAN MOVEMENT</b>	<b>10,269</b>	<b>18,637</b>	<b>14,569</b>	<b>31,741</b>
<b>LOAN BALANCES</b>				
Governance & Partnerships	22,357	21,335	21,898	23,650
Policy & Regulation	50	-	-	30
Integrated Catchment Management	12,947	20,747	19,880	24,367
Asset Management	1,441	8,107	6,573	24,270
Emergency Management	-	-	-	-
Transport	92	163	164	149
Corporate Overhead	9,838	28,927	26,694	38,604
<b>Loan Balances</b>	<b>46,725</b>	<b>79,279</b>	<b>75,210</b>	<b>111,070</b>
<b>LOAN INTEREST EXPENSE</b>				
Governance & Partnerships	523	334	545	1,102
Policy & Regulation	1	-	-	1
Integrated Catchment Management	277	181	468	744
Asset Management	47	80	152	269
Emergency Management	-	-	1	304
Transport	1	4	5	3
Corporate Overhead	200	580	187	1,802
<b>TOTAL LOAN INTEREST EXPENSE</b>	<b>1,049</b>	<b>1,179</b>	<b>1,357</b>	<b>4,226</b>

Asset Management - new borrowings includes \$13.5 million internal loan to be raised for Cyclone Gabrielle recovery activities (flood protection rebuild).



## Note 5 - Depreciation & Amortisation

	Annual Report 2021/22 (\$'000)	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>Capital Expenditure on Property, Plant &amp; Equipment</b>				
Land and Buildings	1,012	641	773	26
Vehicles, Plant & Equipment	2,234	2,876	2,448	2,946
Hydrology Equipment	903	634	214	589
Intangible Assets - Other	1,323	1,016	2,676	66
<b>Total Capital Expenditure on Property, Plant &amp; Equipment</b>	<b>5,472</b>	<b>5,167</b>	<b>6,112</b>	<b>3,627</b>
<b>Proceeds of Property, Plant &amp; Equipment Disposals</b>				
Land and Buildings	-	-	-	-
Vehicles, Plant & Equipment	(296)	891	717	-
Hydrology Equipment	-	-	-	-
Intangible Assets - Other	-	-	-	-
<b>Total Proceeds of Property, Plant &amp; Equipment Disposals</b>	<b>(296)</b>	<b>891</b>	<b>717</b>	<b>-</b>
<b>Depreciation on Property, Plant &amp; Equipment</b>				
Land and Buildings	496	220	225	850
Vehicles, Plant & Equipment	1,512	1,244	1,575	2,466
Hydrology Equipment	715	1,356	1,441	728
Intangible Assets - Other	634	263	587	169
<b>Property, Plant &amp; Equipment Asset Depreciation</b>	<b>3,357</b>	<b>3,083</b>	<b>3,828</b>	<b>4,214</b>
<b>Depreciation on Infrastructure Assets</b>				
Infrastructure Assets	781	1,426	1,526	946
<b>Infrastructure Asset Depreciation</b>	<b>781</b>	<b>1,426</b>	<b>1,526</b>	<b>946</b>
<b>TOTAL DEPRECIATION &amp; AMORTISATION</b>	<b>4,138</b>	<b>4,509</b>	<b>5,355</b>	<b>5,160</b>

## Note 6 & 7 - Reserve Movements & Fair Value Gains

	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>Note 6: Funding from Reserves</b>			
Project Scheme Reserves	3,347	406	(1,015)
Investment Income Equalisation Reserve	-	-	-
Specific Regional Projects Reserve	-	-	-
Tangoio Soil Conservation Forestry Reserve	631	510	489
Asset Replacement Reserve	598	211	(1,771)
Infrastructure Asset Depreciation Reserve	157	(877)	587
Future Investment Fund	(1,309)	(1,336)	(1,336)
Long-Term Investment Fund	2,787	1,076	2,490
Council Disaster Damage Reserves	(21)	(33)	1,000
Scheme Disaster Damage Reserves	(146)	(170)	894
Other Reserves	(1,933)	(19)	(57)
<b>Total Net Funding from Reserves</b>	<b>4,111</b>	<b>(232)</b>	<b>1,281</b>

### Note 7a: Fair Value Gains from Investments

	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>Investment Property at beginning of year</b>	<b>66,885</b>	<b>64,701</b>	<b>68,041</b>
Additions	-	-	-
Disposals	-	-	-
Movement during the year	-	-	-
Fair value gains (included in statement of comprehensive revenue and expense)	1,156	1,179	1,179
<b>Investment Property at end of year</b>	<b>68,041</b>	<b>65,879</b>	<b>69,220</b>

### Note 7b: Fair Value Gains from Forestry Assets

	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>Forestry Assets at beginning of year</b>	<b>13,987</b>	<b>12,271</b>	<b>14,727</b>
Additions	357	188	281
Disposals	(383)	(1,313)	(1,313)
Movement during the year	(26)	(1,125)	(1,032)
Fair value gains (included in statement of comprehensive revenue and expense)	383	(1,313)	(1,313)
<b>Forestry Assets at end of year</b>	<b>14,344</b>	<b>9,833</b>	<b>12,382</b>
Other fair value gains (included in the statement of comprehensive revenue and expense)	29,102	27,295	30,428
<b>Total Fair value gains &amp; losses (included in statement of comprehensive revenue and expense)</b>	<b>30,641</b>	<b>27,161</b>	<b>30,294</b>

Other fair value gains (included in the statement of comprehensive revenue and expense) - movement from year 3 LTP is the Gain/Loss on infrastructure due to the revaluation being deferred from 30 June 2023 to 30 June 2024 as a result of Cyclone Gabrielle.



## Note 8 - Council Reserve Funds

	Accumulated Funds	Infrastructure Asset Renewal	Wairoa Rivers & Streams	Special Scheme	Investment Income Equalisation	Asset Replacement	Regional Disaster Damage	Scheme Disaster Damage	Clive River Dredging	Tangoio Soil Conservation	Maungaharuru Tangitū	Future Investment Fund	Long Term Investment Fund	Sale of Land Non-Investment	Rabbit	Ngati Pāhauwera Reserve	Other Reserves	Total Other Reserves	Fair Value Reserves
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)			(17)
	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)	(\$'000)
<b>ANNUAL PLAN 2023/24</b>																			
<b>At 1 July 2023</b>	<b>292,487</b>	<b>3,234</b>	<b>356</b>	<b>(3,118)</b>	<b>-</b>	<b>2,513</b>	<b>2,327</b>	<b>4,177</b>	<b>1,315</b>	<b>1,425</b>	<b>506</b>	<b>66,963</b>	<b>53,907</b>	<b>1,083</b>	<b>52</b>	<b>79</b>	<b>789</b>	<b>135,611</b>	<b>457,178</b>
Deposits in year	-	946	50	3,630	-	4,214	-	106	246	-	1	1,336	1,091	-	8	-	-	11,629	29,115
Withdrawals in year	(19,432)	(925)	(2)	(2,615)	-	(2,443)	(1,000)	(1,000)	(855)	(489)	-	-	(3,581)	-	-	-	-	(12,910)	-
Net Movement	(19,432)	22	48	1,015	-	1,771	(1,000)	(894)	(609)	(489)	1	1,336	(2,490)	-	8	-	-	(1,281)	29,115
<b>At 30 June 2024</b>	<b>273,055</b>	<b>3,256</b>	<b>404</b>	<b>(2,103)</b>	<b>-</b>	<b>4,284</b>	<b>1,327</b>	<b>3,283</b>	<b>706</b>	<b>936</b>	<b>507</b>	<b>68,299</b>	<b>51,417</b>	<b>1,083</b>	<b>60</b>	<b>79</b>	<b>789</b>	<b>134,330</b>	<b>486,293</b>

## Related Activities to Reserve Funds

	Accumulated Funds	Infrastructure Asset Renewal	Wairoa Rivers & Streams	Special Scheme	Investment Income Equalisation	Asset Replacement	Regional Disaster Damage	Scheme Disaster Damage	Clive River Dredging	Tangoio Soil Conservation	Maungaharuru Tangitū	Future Investment Fund	Long Term Investment Fund	Sale of Land Non-Investment	Rabbit	Ngati Pāhauwera Reserve	Other Reserves	Fair Value Reserves
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)		(17)
Governance & Partnerships	✓			✓		✓								✓				
Policy & Regulation	✓					✓								✓		✓	✓	
Integrated Catchment Management	✓			✓		✓										✓		
Asset Management	✓	✓	✓	✓		✓		✓	✓	✓	✓		✓	✓				✓
Emergency Management	✓			✓		✓												
Transport	✓			✓		✓												
Corporate Overheads	✓				✓	✓	✓					✓	✓					✓

## Purpose of Reserve Funds

RESERVE TYPE	DEFINITION
<b>1</b> Accumulated Funds	Funds required for the operating and capital requirements of Council.
<b>2</b> Infrastructure Asset Renewal	A reserve established to fund the renewal of scheme infrastructure assets as required by the Local Government Act 2002.
<b>3</b> Wairoa Rivers & Streams Reserve	A reserve established to fund flood mitigation and recovery work within the Wairoa District.
<b>4</b> Special Scheme Reserves	Reserves established for each scheme to account for rating balances that arise each year as a consequence of the actual income and expenditure incurred in any one year. Includes flood and drainage, biosecurity, transport, emergency management and healthy homes.
<b>5</b> Investment Income Equalisation Reserve	A reserve established to smooth out the investment income from the managed funds and HBRIC dividends so that fluctuations in Council's general funding rates are minimised.
<b>6</b> Asset Replacement Reserve	A reserve established to fund the replacement of operating property, plant and equipment, which are not scheme based.
<b>7</b> Regional Disaster Damage Reserve	A reserve established to meet the commercial insurance excess of \$600,000 on each event, the uninsured 60% of edge protection damage and the costs of managing the response and recovery for a disaster event.
<b>8</b> Scheme Disaster Damage Reserve	Reserves established to meet each scheme's share of Local Authority Protection Programme (LAPP) insurance excess and other costs to restore scheme assets that are not recoverable from other sources.
<b>9</b> Clive River Dredging Reserve	A reserve established to meet the expenditure of dredging requirements on the Clive River.
<b>10</b> Tangoio Soil Conservation Reserve	A reserve established to separate the revenues and expenses associated with the Tangoio Soil Conservation Reserve as this reserve is managed and overseen by Council on behalf of the Crown.
<b>11</b> Maungaharuru-Tangitū Reserve	A reserve established for the Maungaharuru-Tangitū catchment fund. This is funded from a yearly contribution from the Tangoio soil conservation reserve subject to the agreement between Council and Maungaharuru-Tangitū Trust.
<b>12</b> Future Investment Fund	A reserve established to hold the proceeds of the Napier Port IPO
<b>13</b> Long Term Investment Fund	A reserve established to hold the proceeds of endowment leasehold land sales to be reinvested in accordance with Council's policy on "Evaluation of Investment Opportunities" approved on 30 April 2008.
<b>14</b> Sale of Land Non-investment Fund	A reserve established to hold transfers from the Long-term Investment Fund to be invested in accordance with Council's policy on "Open Space Investment" approved on 25 June 2008 and Council's Investment Policy set out in the 2009-19 LTP.
<b>15</b> Rabbit Reserve	A reserve established to fund costs expected to be incurred with growing rabbit populations. The reserve is limited to a maximum balance of \$100,000.
<b>16</b> Ngati Pāhauwera Reserve	A reserve established to ring-fence funding for Ngati Pāhauwera Rivers Initiatives. For the clean up of the Mohaka, Waikari and Waihua Rivers and their catchments.
<b>17</b> Fair Value Reserves	A reserve required by generally accepted accounting practice to account for movements in the value of assets subject to regular fair value assessments.



## Funding Impact Statement (Whole of Council, Annual Plan Disclosure Statement)

	Annual Plan 2022/23 (\$'000)	Year 3 LTP 2023/24 (\$'000)	Annual Plan 2023/24 (\$'000)
<b>SOURCES OF OPERATING FUNDING</b>			
General rates & uniform annual general charges, rates penalties	13,668	15,622	12,835
Targeted Rates	20,197	23,146	28,126
Subsidies & grants for operating purposes	6,151	5,111	32,304
Fees & charges	11,870	10,620	12,989
Interest & dividends from investments	16,635	17,167	17,167
Local authorities fuel tax, fines, infringement fees & other receipts	1,539	1,580	52,558
<b>Total operating funding</b>	<b>70,059</b>	<b>73,245</b>	<b>155,977</b>
<b>APPLICATIONS OF OPERATING FUNDING</b>			
Payments to staff & suppliers	72,807	66,202	172,418
Finance costs	2,125	2,589	4,207
Other operating funding applications	(2,085)	2,880	(2,301)
<b>Total applications of operating funding</b>	<b>72,847</b>	<b>71,671</b>	<b>174,324</b>
<b>Operating surplus / (deficit) of operating funding</b>	<b>(2,788)</b>	<b>1,574</b>	<b>(18,347)</b>
<b>SOURCES OF CAPITAL FUNDING</b>			
Subsidies & grants for capital expenditure	8,731	-	806
Development & financial contributions	-	-	-
Increase / (decrease) in debt	20,907	15,794	30,745
Gross proceeds from sale of assets	891	717	-
Lump sum contributions	-	-	-
Other dedicated capital funding	-	-	-
<b>Total sources of capital funding</b>	<b>30,529</b>	<b>16,511</b>	<b>31,551</b>
<b>APPLICATIONS OF CAPITAL FUNDING</b>			
Capital expenditure:			
- to meet additional demand	-	-	-
- to improve the level of service	10,609	5,620	9,260
- to replace existing assets	16,273	6,944	3,858
	<b>26,882</b>	<b>12,564</b>	<b>13,118</b>
Increase / (decrease) in reserves	(4,111)	232	1,281
Increase / (decrease) of investments	4,970	5,289	(1,194)
	<b>27,741</b>	<b>18,085</b>	<b>13,204</b>
<b>Capital</b>	<b>2,788</b>	<b>(1,574)</b>	<b>18,347</b>
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Reconciliation from Funding Impact Statement to Statement of Comprehensive Revenue and Expenditure

Surplus / (deficit) of operating funding (above)	(2,788)	1,574	(18,347)
Depreciation and amortisation expense	(4,509)	(5,355)	(5,160)
Reduction in ACC Leasehold Liability	815	831	831
Provision for Doubtful Debts	(20)	(20)	(20)
Fair Value Gains	1,156	1,179	1,179
Add Capital Grants and Subsidies	8,731	-	806
Gain on Sale of Assets	891	717	-
<b>Operating Surplus / (Deficit) After Income Tax per Statement of Comprehensive Revenue and Expenditure</b>	<b>4,275</b>	<b>(1,075)</b>	<b>(20,711)</b>

### The following amounts have been reflected in the Annual Plan 2023-2024 amount as a result of Cyclone Gabrielle:

Sources of operating funding - subsidies & grants for operating purposes - \$26 million sundry income  
Sources of operating funding - local authorities fuel tax, fines, infringement fees & other receipts - \$51 million proceeds from insurance  
Applications of operating funding - payments to staff and suppliers - \$92,530 million contractors  
Sources of capital funding - increase / (decrease) in debt - increased budgeted debt as a result of Cyclone Gabrielle.

## Annual Plan Disclosure Statement

### Annual Plan disclosure statement for the year ending 30 June 2024

The purpose of this statement is to disclose the Council's planned financial performance in relation to various benchmarks to enable the assessment of whether the council is prudently managing its revenue, expenses, assets, liabilities, and general financial dealings. The Regional Council is required to include this statement in its annual plan in accordance with the Local Government (Financial Reporting and Prudence) Regulations 2014 (the regulations). Refer to the regulations for more information, including definitions of some of the terms used in this statement.

Benchmark	Planned 2023-2024	Achieved
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### Rates Affordability Benchmark

Total rates revenue will not exceed 60% of total revenue	<b>25.79%</b>	<b>YES</b>
Annual rate revenue will not exceed 8% of operating expenditure	<b>3.95%</b>	<b>YES</b>

For this benchmark,  
a) HBRC's planned rates income for the year must not exceed 60% of total income, and  
b) HBRC's planned rates increase for the year must not exceed 8% of operating expenditure

### Debt Affordability Benchmark

Debt / Total revenue will not exceed 175%	<b>84.77%</b>	<b>YES</b>
Interest / Annual rates income will not exceed 20%	<b>10.27%</b>	<b>YES</b>

For this benchmark, the council's planned borrowing is compared with debt to total revenue ratio not exceeding 175% and total interest expense on external public debt not exceeding 20% of total annual rates income.

### Balanced Budget Benchmark

equal or greater than 100%	<b>87.81%</b>	<b>NO</b>
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For this benchmark, the council's planned revenue (excluding development contributions, vested assets, financial contributions, gains on derivative financial instruments, and revaluations of property, plant or equipment) is presented as a proportion of its planned operating expenses (excluding losses on derivative financial instruments and revaluations of property, plant or equipment).

The Council meets the balanced budget benchmark if its operating revenue equals or is greater than its operating expenses.

### Essential Services Benchmark

equal or greater than 100%	<b>254.21%</b>	<b>YES</b>
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For this benchmark, the council's planned capital expenditure on network services is presented as a proportion of expected depreciation on network services. The Council meets the essential services benchmark if its planned capital expenditure on network services equals or is greater than expected depreciation on network services (NB Council only has one network service and that covers the flood and drainage schemes).

Capital expenditure on flood protection and control works are funded by a combination of depreciation, reserve funding and borrowing for new assets. Not all infrastructure assets are depreciated as items such as stop banks do not drop in value.

### Debt Servicing Benchmark

equal or less than 10%	<b>2.65%</b>	<b>YES</b>
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For this benchmark, the Council's planned borrowing costs are presented as a proportion of planned revenue (excluding development contributions, financial contributions, vested assets, gains on derivative financial instruments and revaluation of property, plant and equipment).

Because Statistics New Zealand projects that council's population will grow as fast as the national population growth rate, it meets the debt servicing benchmark if councils' planned borrowing costs equal or are less than 10% of its planned revenue.





# Pūrongo pānga ā-pūtea

## Funding impact statement

### Introduction

#### Your rates explained

*This Funding Impact Statement sets out the impact of Hawke's Bay Regional Council's (HBRC) Revenue and Financing Policy on ratepayers.*

The Revenue and Financing Policy clearly identifies beneficiaries of HBRC activities paying for the cost of those activities by targeted rates or direct charges, whichever is the most efficient administratively.

Public benefit is funded through a combination of investment income and general rates. Private benefit is funded through targeted rates and/or direct charges.

At various points of the Funding Impact Statement, a level of rates or charges is specified.

**All the rates and levels of rates included in this Funding Impact Statement are GST inclusive.**

#### Due dates for payment of rates

The rates for the 2023-2024 financial year are due and payable on 20 September 2023. Pursuant to Section 57 of the Local Government (Rating) Act 2002, a penalty charge of 10% will be imposed on any outstanding current rates as at 20 September 2023. A further 10% will be charged on total rates, including penalties outstanding on 1 July 2024.

#### Definition of 'Separately used or inhabited part of a rating unit' (SUIP)

When a fixed amount is set for each property, whether it be a Uniform Annual General Charge (UAGC) for general funding rates or a Uniform Targeted Rate (UTR) for targeted rates, then a fixed amount is charged for each separately used or inhabited part of a rating unit. This includes any portion inhabited or used by the owner or a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence, or other agreement.

This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner. For the purpose of this definition, vacant land and vacant premises offered or intended for use or habitation by a person other than the owner and usually used as such are defined as 'used'.

For the avoidance of doubt, a rating unit that has a single use or occupation is treated as having one separately used or inhabited part. Therefore, units in a rest home, retail shops in a shopping complex, and additional farmhouses are charged with separate UAGCs and UTRs. Where two or more rating units are contiguously joined, owned by the same ratepayer, and used for the same purpose or a farm property with separately titled paddocks, then additional UAGCs or UTRs will not be payable.

The only exception is for the UTR covering the Economic Development and Regional Cyclone Recovery rates which are set on each rateable property. HBRC's intention is that this mix of rating bases better reflects the benefits delivered to the general community while addressing some of the rate level volatility experienced by those ratepayers in the community whose land values have increased by more than the average.

HBRC directly collects rates for all rating units contained within its boundaries and where specific rates are set across District/City boundaries on a value basis, then the rates are set on Estimate of Projected Valuation (equalisation) which recognises annual movement of values across the region for each territorial authority.

Section 21 of the Local Government (Rating) Act 2002 (LGRA) requires that Uniform Annual General Charges and targeted rates set on a uniform basis are not to exceed 30% of the total revenue from all rates sought by Hawke's Bay Regional Council for the budgeted year. The rates making up this category amount to 29.5% of the Regional Council's total rates in 2023-2024 and are therefore within the limits prescribed by the Act.

#### Rates statement for 2023-2024

Important: The indicative figures that follow are included to give ratepayers an estimate of what their level of rates is likely to be in the 2023-2024 financial year. These figures are not the actual level of rates that will be assessed in the coming year, and the actual figure will not be known until the Council's Rating Information Database is finalised for 2023-2024. All figures quoted are inclusive of GST (except where explicitly stated otherwise).

#### Inspection and objection to HBRC's Rating Information Database

The Rating Information Database (RID) is available for inspection at HBRC offices at 159 Dalton Street, Napier and on the Regional Council's website [hbrc.govt.nz](http://hbrc.govt.nz), search: #rates. Ratepayers have the right to inspect the RID records and can object to their rating liability on the grounds set out in the Local Government (Rating) Act 2002.



## Comparison of Rates on Specific Commercial Properties

Description of rates	Rating Basis	Napier Hotel		Napier Retail		Hastings Office	
		2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
<b>Details for comparison</b>							
Capital Value	CV	3,550,000	3,550,000	2,440,000	2,440,000	6,570,000	8,270,000
Land Value	LV	1,630,000	1,630,000	920,000	920,000	1,530,000	1,990,000
Area (Hectares)	Area	0.4011	0.4011	0.0401	0.0401	0.3220	0.3220
Rates	Basis	\$	\$	\$	\$	\$	\$
General Rate	LV	524.86	463.74	296.24	261.74	549.88	416.11
UAGC Fixed Amount	Fixed	70.43	65.89	140.86	131.78	70.43	65.89
<b>General Funded Rates</b>		<b>595.29</b>	<b>529.63</b>	<b>437.10</b>	<b>393.52</b>	<b>620.31</b>	<b>482.00</b>
HPFCS F1Direct	CV	306.01	377.01	-	-	643.20	692.20
HPFCS F2 Indirect	CV	76.33	92.66	52.46	63.68	160.31	169.54
D1 Karamū & Tributaries	LV	-	-	-	-	383.27	306.66
Public Transport	LV	370.83	358.27	209.30	202.22	388.62	321.39
Central Stream/Drains	CV	4.97	4.97	3.42	3.42	10.51	9.10
Sustainable Homes	LV	70.91	65.36	40.02	36.89	74.36	58.71
Economic Development	CV	1,027.73	1014.24	706.38	697.11	2,160.22	1,860.75
Meeanee Napier Puketapu	LV	284.76	332.19	-	-	-	-
Coastal Hazards	Fixed	3.23	3.27	6.46	6.54	3.23	3.27
Emergency Management	Fixed	38.63	43.96	77.26	87.92	38.63	43.96
Regional Cyclone Recovery	SUIP	-	55.00	-	110.00	-	55.00
Regional Cyclone Recovery	LV	-	62.59	-	35.33	-	76.42
<b>Targeted Rates</b>		<b>2,183.38</b>	<b>2,409.52</b>	<b>1,095.29</b>	<b>1,243.11</b>	<b>3,862.34</b>	<b>3,597.00</b>
<b>TOTAL RATES</b>		<b>2,778.67</b>	<b>2,939.15</b>	<b>1,532.39</b>	<b>1,636.63</b>	<b>4,482.65</b>	<b>4,079.00</b>
Dollar Increase			160.48		104.24		-403.65
Percentage Increase			5.78%		6.80%		-9.00%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on the property values and, in the case of properties in the Hastings District, the amount of the increase in property values following the 2022 revaluation, relative to other properties.

(continued)

Description of rates	Rating Basis	Hastings Industrial		Hastings Shop		Waipukurau Office		Wairoa Shops	
		2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
<b>Details for comparison</b>									
Capital Value	CV	3,500,000	5,090,000	700,000	880,000	210,000	295,000	185,000	310,000
Land Value	LV	1,000,000	1,450,000	600,000	780,000	60,000	90,000	80,000	280,000
Area (Hectares)	Area	0.4708	0.4708	0.0941	0.0941	0.0717	0.0717	0.2022	0.2022
Rates	Basis	\$	\$	\$	\$	\$	\$	\$	\$
General Rate	LV	359.40	303.20	215.64	163.10	24.96	20.91	65.94	60.26
UAGC Fixed Amount	Fixed	70.43	65.89	70.43	65.89	70.43	65.89	70.43	65.89
<b>General Funded Rates</b>		<b>429.83</b>	<b>369.09</b>	<b>286.07</b>	<b>228.99</b>	<b>95.39</b>	<b>86.80</b>	<b>136.37</b>	<b>126.15</b>
HPFCS F1Direct	CV	342.65	426.03	68.53	73.66	-	-	-	-
HPFCS F2 Indirect	CV	85.40	104.35	17.08	18.04	-	-	-	-
D1 Karamū & Tributaries	LV	-	-	150.30	120.22	-	-	-	-
D2 Karamū & Tributaries	LV	1,002.10	893.93	-	-	-	-	-	-
Public Transport	LV	254.00	234.18	152.40	125.97	-	-	-	-
Central Stream/Drains	CV	5.60	5.60	1.12	0.97	0.38	0.35	-	-
Sustainable Homes	LV	48.60	42.78	29.16	23.01	-	-	-	-
Economic Development	CV	1,150.80	1,145.25	230.16	198.00	78.85	73.87	68.88	71.36
Upper Tukituki Scheme U4	LV	-	-	-	-	3.09	3.54	-	-
Coastal Hazards	Fixed	3.23	3.27	3.23	3.27	-	-	-	-
Wairoa River Scheme	CV	-	-	-	-	-	-	16.52	20.74
Emergency Management	Fixed	38.63	43.96	38.63	43.96	38.63	43.96	38.63	43.96
Regional Cyclone Recovery	SUIP	-	55.00	-	55.00	-	55.00	-	55.00
Regional Cyclone Recovery	LV	-	55.68	-	29.95	-	3.46	-	10.75
<b>Targeted Rates</b>		<b>2,931.01</b>	<b>3,010.03</b>	<b>690.61</b>	<b>692.03</b>	<b>120.95</b>	<b>180.18</b>	<b>124.03</b>	<b>201.81</b>
<b>TOTAL RATES</b>		<b>3,360.84</b>	<b>3,379.12</b>	<b>976.68</b>	<b>921.02</b>	<b>216.34</b>	<b>266.98</b>	<b>260.40</b>	<b>327.66</b>
Dollar Increase			18.28		-55.66		50.64		67.56
Percentage Increase			0.54%		-5.70%		23.41%		25.94%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on the property values and, in the case of properties in the Hastings District, the amount of the increase in property values following the 2022 revaluation, relative to other properties.



## Comparison of Rates on Specific Urban Properties

Description of rates	Rating Basis	Napier Hill		Napier South		Flaxmere		Havelock North	
		2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
<b>Details for comparison</b>									
Capital Value	CV	1,510,000	1,510,000	520,000	760,000	240,000	385,000	1,000,000	1,530,000
Land Value	LV	470,000	470,000	325,000	325,000	66,000	128,000	450,000	720,000
Area (Hectares)	Area	0.0760	0.0760	0.0650	0.0650	0.000	0.000	0.0777	0.0777
Rates	Basis	\$	\$	\$	\$	\$	\$	\$	\$
General Rate	LV	151.34	133.72	104.65	92.46	23.72	26.76	161.73	150.55
UAGC Fixed Amount	Fixed	70.43	65.89	70.43	65.89	70.43	65.89	70.43	65.89
<b>General Funded Rates</b>		<b>221.77</b>	<b>199.61</b>	<b>175.08</b>	<b>158.35</b>	<b>94.15</b>	<b>92.65</b>	<b>232.16</b>	<b>216.44</b>
HPFCS F1 Direct	CV	-	-	44.82	80.71	23.50	32.22	-	-
HPFCS F2 Indirect	CV	32.47	39.41	11.18	19.84	5.86	7.89	24.40	31.37
Napier Meeanee Puketapu	LV	-	-	56.78	66.24	-	-	-	-
Public Transport	LV	106.93	103.31	73.94	71.44	16.76	20.67	114.30	116.28
Central Stream/Drains	CV	2.11	2.11	0.73	1.06	0.38	0.42	1.60	1.68
Karamū & Tributaries	LV	-	-	-	-	16.53	19.72	-	-
Karamū Drainage	Fixed	-	-	-	-	-	-	13.45	12.89
Karamū Enhancement	Fixed	-	-	-	-	-	-	12.55	12.02
Coastal Hazards	Fixed	3.23	3.27	3.23	3.27	3.23	3.27	3.23	3.27
Sustainable Homes	LV	20.45	18.85	14.14	13.03	3.21	3.78	21.87	21.24
Economic Development	Fixed	11.95	11.58	11.95	11.58	11.95	11.58	11.95	11.58
Emergency Management	Fixed	38.63	43.96	38.63	43.96	38.63	43.96	38.63	43.96
Regional Cyclone Recovery	SUIP	-	55.00	-	55.00	-	55.00	-	55.00
Regional Cyclone Recovery	LV	-	18.05	-	12.48	-	4.92	-	27.65
<b>Targeted Rates</b>		<b>215.76</b>	<b>295.54</b>	<b>255.39</b>	<b>378.61</b>	<b>120.05</b>	<b>203.43</b>	<b>241.97</b>	<b>336.94</b>
<b>TOTAL RATES</b>		<b>437.53</b>	<b>495.15</b>	<b>430.47</b>	<b>536.96</b>	<b>214.20</b>	<b>296.08</b>	<b>474.13</b>	<b>553.38</b>
Dollar Increase			57.62		106.49		81.88		79.25
Percentage Increase			13.17%		24.47%		38.23%		16.71%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on the property values and, in the case of properties in the Hastings District, the amount of the increase in property values following the 2022 revaluation, relative to other properties.

(continued)

Description of rates	Rating Basis	Taradale		Hastings		Wairoa		Central HB	
		2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
<b>Details for comparison</b>									
Capital Value	CV	740,000	740,000	630,000	900,000	175,000	350,000	485,000	810,000
Land Value	LV	430,000	430,000	300,000	550,000	60,000	175,000	170,000	380,000
Area (Hectares)	Area	0.1105	0.1105	0.1012	0.1012	0.1832	0.1832	0.1407	0.1407
Rates	Basis	\$	\$	\$	\$	\$	\$	\$	\$
General Rate	LV	138.46	122.34	107.82	115.01	41.21	37.66	105.37	88.27
UAGC Fixed Amount	Fixed	70.43	65.89	70.43	65.89	70.43	65.89	70.43	65.89
<b>General Funded Rates</b>		<b>208.89</b>	<b>188.23</b>	<b>178.25</b>	<b>180.90</b>	<b>111.64</b>	<b>103.55</b>	<b>175.80</b>	<b>154.16</b>
HPFCS F1 Direct	CV	63.79	78.59	61.68	75.33	-	-	-	-
HPFCS F2 Indirect	CV	15.91	19.31	15.37	18.45	-	-	-	-
Napier Meeanee Puketapu	LV	75.12	87.63	-	-	-	-	-	-
Public Transport	LV	97.83	94.51	76.20	88.83	-	-	-	-
Central Stream/Drains	CV	1.04	1.04	1.01	0.99	-	-	1.05	0.97
Wairoa Rivers/Streams	CV	-	-	-	-	18.66	23.42	-	-
UTTFCs	LV	-	-	-	-	-	-	13.03	14.93
D2 Karamū & Tributaries	LV	-	-	75.15	84.76	-	-	-	-
Coastal Hazards	Fixed	3.23	3.27	3.23	3.27	-	-	-	-
Sustainable Homes	LV	18.71	17.24	14.58	16.23	-	-	-	-
Economic Development	Fixed	11.95	11.58	11.95	11.58	11.95	11.58	11.95	11.58
Emergency Management	Fixed	38.63	43.96	38.63	43.96	38.63	43.96	38.63	43.96
Regional Cyclone Recovery	SUIP	-	55.00	-	55.00	-	55.00	-	55.00
Regional Cyclone Recovery	LV	-	16.51	-	21.12	-	6.72	-	14.59
<b>Targeted Rates</b>		<b>326.19</b>	<b>428.64</b>	<b>297.79</b>	<b>419.52</b>	<b>69.23</b>	<b>140.68</b>	<b>64.67</b>	<b>141.03</b>
<b>TOTAL RATES</b>		<b>535.08</b>	<b>616.87</b>	<b>476.04</b>	<b>600.42</b>	<b>180.87</b>	<b>244.23</b>	<b>240.47</b>	<b>259.19</b>
Dollar Increase			81.79		124.38		63.36		54.72
Percentage Increase			15.29%		26.13%		35.03%		22.76%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on the property values and, in the case of properties in the Hastings District, the amount of the increase in property values following the 2022 revaluation, relative to other properties.



## Comparison of Rural Rates in three Districts

Description of rates	Rating Basis	Hastings		Hastings		Central HB	
		2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
<b>Details for comparison</b>							
Capital Value	CV	4,440,000	7,060,000	4,970,000	8,790,000	2,720,000	4,010,000
Land Value	LV	3,540,000	6,200,000	4,030,000	7,860,000	2,120,000	3,280,000
Area (Hectares)	Area	436.55	436.55	610.86	610.86	282.98	282.98
Rates	Basis	\$	\$	\$	\$	\$	\$
General Rate	LV	1,272.28	1,296.42	1,448.38	1,643.53	909.54	761.94
UAGC Fixed Amount	Fixed	70.43	65.89	70.43	197.67	70.43	65.89
<b>General Funded Rates</b>		<b>1,342.71</b>	<b>1,362.31</b>	<b>1,518.81</b>	<b>1,841.20</b>	<b>979.97</b>	<b>827.83</b>
HPFCS F2 Indirect	CV	108.34	144.73	121.27	180.20	-	-
Central Stream/Drains	CV	7.10	7.77	7.95	9.67	5.21	4.81
Plant Pest	Area	265.23	271.11	371.13	219.84	171.92	175.74
Animal Pest Rate	Area	979.33	1,227.06	1,370.37	995.03	634.81	795.40
Land Management	Area	481.07	580.25	673.15	470.53	311.83	376.12
Pōrangahau Flood	LV	-	-	-	-	193.19	196.14
Coastal Hazards	Fixed	3.23	3.27	3.23	9.81	-	-
Economic Development	Fixed	11.95	11.58	11.95	34.74	11.95	11.58
Emergency Management	Fixed	38.63	43.96	38.63	131.88	38.63	43.96
Regional Cyclone Recovery	SUIP	-	55.00	-	165.00	-	55.00
Regional Cyclone Recovery	LV	-	238.08	-	301.82	-	125.95
<b>Targeted Rates</b>		<b>1,894.88</b>	<b>2,582.81</b>	<b>2,597.68</b>	<b>2,518.52</b>	<b>1,367.56</b>	<b>1,784.70</b>
<b>TOTAL RATES</b>		<b>3,237.58</b>	<b>3,945.12</b>	<b>4,116.49</b>	<b>4,359.72</b>	<b>2,347.53</b>	<b>2,612.53</b>
Dollar Increase			707.54		243.23		265.00
Percentage Increase			21.85%		5.91%		11.29%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on the property values. In the case of properties in the Hastings District, the amount of the increase in property values following the 2022 revaluation, relative to other properties.

(continued)

Description of rates	Rating Basis	Central HB		Wairoa		Wairoa	
		2022-23	2023-24	2022-23	2023-24	2022-23	2023-24
<b>Details for comparison</b>							
Capital Value	CV	10,540,000	10,540,000	10,630,000	10,630,000	1,286,000	1,286,000
Land Value	LV	9,000,000	9,000,000	9,600,000	9,600,000	1,187,000	1,187,000
Area (Hectares)	Area	437.96	437.96	1,293.45	1,293.45	598.00	598.00
Rates	Basis	\$	\$	\$	\$	\$	\$
General Rate	LV	2,495.70	2,090.70	2,260.80	2,065.92	279.54	255.44
UAGC Fixed Amount	Fixed	70.43	65.89	140.86	131.78	70.43	65.89
<b>General Funded Rates</b>		<b>2,566.13</b>	<b>2,156.59</b>	<b>2,401.66</b>	<b>2,197.70</b>	<b>349.97</b>	<b>321.33</b>
Central Stream/Drains	CV	13.70	12.65	-	-	-	-
Plant Pest	Area	266.08	271.99	785.84	803.27	363.32	371.38
Animal Pest Rate	Area	982.50	1,231.03	2,901.66	3,635.66	-	-
Forest Pest Rate	Area	-	-	-	-	464.55	589.94
Land Management	Area	482.62	582.13	1,425.36	1,719.21	658.98	794.84
Wairoa River	CV	-	-	566.58	711.15	68.54	86.03
Coastal Erosion	Fixed	-	-	-	-	-	-
Upper Tukituki River	LV	308.70	353.70	-	-	-	-
Economic Development	Fixed	11.95	11.58	23.90	23.16	11.95	11.58
Emergency Management	Fixed	38.63	43.96	77.26	87.92	38.63	43.96
Regional Cyclone Recovery	SUIP	-	55.00	-	110.00	-	55.00
Regional Cyclone Recovery	LV	-	345.60	-	368.64	-	45.58
<b>Targeted Rates</b>		<b>2,104.19</b>	<b>2,907.64</b>	<b>5,780.59</b>	<b>7,459.01</b>	<b>1,605.97</b>	<b>1,998.31</b>
<b>TOTAL RATES</b>		<b>4,670.32</b>	<b>5,064.23</b>	<b>8,182.25</b>	<b>9,656.71</b>	<b>1,955.94</b>	<b>2,319.64</b>
Dollar Increase			393.91		1,474.46		363.70
Percentage Increase			8.43%		18.02%		18.59%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on the property values and, in the case of properties in the Hastings District, the amount of the increase in property values following the 2022 revaluation, relative to other properties.



## Explanation of Rating Method – Types of Rates/ Activities Funded

General rates	Activities Funded	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Govt (Rating) Act, schedule 3)
General rates	General rates fund the remaining cost of Council activities excluding that portion funded by targeted rates and the UAGC. Activities funded include: <ul style="list-style-type: none"> <li>• Consents and Compliance</li> <li>• Integrated Catchment Management</li> <li>• Governance and Partnerships</li> <li>• Catchment works (part)</li> <li>• Erosion Control Scheme</li> </ul>	All rateable rating units within the region.	Land Value using Section 131 of the LGRA
Uniform Annual General Charges	The UAGC is set at a level which is approximately 20% of rates, subject to the statutory maximum, are charged on a fixed basis. Activities funded include: <ul style="list-style-type: none"> <li>• Consents and Compliance</li> <li>• Integrated Catchment Management</li> <li>• Governance and Partnerships</li> </ul>	All rateable rating units within the region.	UAGC (Refer Note 1) section 15 (1)
Targeted rates	Activities funded	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Govt (Rating) Act, Schedule 3)
Subsidised Public Transport	Passenger Transport	Those rating units within the urban areas of Napier, Hastings & Havelock North including Clive Township but excluding Bay View. Clive Township is capped at \$200,000 LV.	Land Value
Heretaunga Plains Control Scheme - Rivers	Asset Management – Flood Protection & Control <ul style="list-style-type: none"> <li>• Direct Benefit</li> <li>• Indirect Benefit (see Flood Protection &amp; Control section)</li> </ul>	Rating units receiving direct benefit within Napier City and Hastings District from flood control measures.  All rating units within Napier City and Hastings District.	Capital Value
Heretaunga Plains Flood Control Scheme – Streams and Drains	Asset Management – Flood Protection & Control <ul style="list-style-type: none"> <li>• Direct Benefit (see Flood Protection &amp; Control section)</li> </ul>	Rating units receiving direct benefit within one of nine individual drainage catchment areas.  For all rating units within each of the nine drainage catchment areas a differential of four times for properties with an industrial land use.  Also separate targeted rates for Raupare enhancement agreement and Karamū enhancement.	Land Value  Area or fixed amount
Upper Tukituki Catchment Control	Asset Management – Flood Protection & Control (see Flood Protection & Control section)	All rating units within the Central Hawke's Bay District and all rating units on the southern boundary of Hastings District Council on a differential basis based on the provision of service provided.	Differential Land Value
Central & Southern Rivers & Streams	Asset Management – Flood Protection & Control	All rating units in the region excluding Wairoa District.	Capital Value
Wairoa River & Stream	Asset Management – Flood Protection & Control	All rating units in the Wairoa District.	Capital Value

(continued)

Targeted Rates	Activities funded	Types of Land to be Rated (Local Government (Rating) Act, Schedule 2)	Basis of rating (Local Govt (Rating) Act, Schedule 3)
Various Stream & Drainage Schemes	Asset Management – Flood Protection & Control	Location and use of properties with a services of stream and drainage works are provided.	Differential Land Value Area of land within a rating unit. Fixed amount per rating unit.
Animal Pest Strategy	Pest Animal Control	All rateable rural land containing 4.0469 hectares in the region excluding rating units greater than 200 hectares where the land is not used for productive purposes. (Council has defined land that is covered in more than 90% in indigenous vegetation as not productive).  Rating factors are divided into Northern (N) and Southern (S) areas with the Ngaruroro River being the divide. Taupō, Napier and Wairoa are Northern, Central Hawkes Bay and Rangitikei are Southern. Hastings area is included in both Northern and Southern.  Land that is used for forestry and has a land area between 40 and 4000 hectares will be levied a differential rate. Council has defined land that is covered in more than 75% in production forestry as being used for forestry purposes.	Area/Use
Sustainable Land Management	Catchment Management – Delivery & Policy Implementation	All productive rateable rural land containing 4.0469 hectares in the region. Council has defined properties titles subject to QE11 Open Space Covenants are not productive.	Area/Use
Plant Pest Strategy	Pest Plant Control	All rateable rural land containing 4.0469 hectares in the region excluding rating units greater than 200 hectares and where the land is not used for productive purposes. Council has defined land covered in more than 90% indigenous vegetation is not productive.	Area/Use
Sustainable Homes	Management of the scheme to encourage the replacement of open fire or wood burners with more efficient forms of heating and where necessary the installation of insulation.	All rating units in Napier and Hastings within the affected air-shed.	Land Value
Sustainable Homes - Financial Assistance	Repayment of financial assistance to ratepayers to insulate homes, replace open fires or non-compliant wood-burners, solar heating, PhotoVoltaic cells, domestic water storage, double glazing and septic tank replacement.	Those ratepayers who have opted for financial assistance to be repaid over 10 years with interest as a fixed amount through a Targeted Differential rate.	Extent of provision of any service to the rating unit
Erosion Control – Financial Assistance	Repayment of financial assistance to ratepayers to fund riparian fencing, planting and maintenance of planted areas for highly-erodible land unsuitable for commercial forestry.	Those ratepayers who have opted for financial assistance to be repaid over 10 years with interest as a fixed amount through a Targeted Differential rate.	Extent of provision of any service to the rating unit



(continued)

Targeted Rates	Activities funded	Types of Land to be Rated (Local Government (Rating) Act, Schedule 2)	Basis of Rating (Local Govt (Rating) Act, Schedule 3)
Coastal Hazards	To fund development of Stage 4 of the Clifton to Tangoio Coastal Hazards Strategy	All rateable units within Napier and Hastings	UTR (Refer Note 1)
Economic Development Rate	Regional Development. To fund economic and tourism development in the Hawke's Bay Region	Commercial/industrial rating units based on the Capital Value. Residential and rural rating units as a fixed amount per SUIP.	Differential Capital Value Differential UTR by location (Refer to Note 2)
Emergency Management	Funding of the Hawke's Bay Civil Defence Emergency Management (CDEM) Group Office to manage the provision of effective CDEM consistent with the CDEM Act 2002	All rating units in the region with the exception of Rangitikei and Taupō districts	UTR (Refer to Note 1)
Regional Cyclone Recovery Charge	Funds regional cyclone response & recovery activities	All rating units within the region based as a fixed amount per SUIP. All rating units within the region based on the Land Value.	UTR (Refer to Note 1) Differential Land Value

Note 1: A Uniform Annual General Charge (UAGC) or Uniform Targeted Rate (UTR) is set on each separately used or inhabited part of a rating unit, this includes any portion inhabited or used by the owner or a person other than the owner, and who has the right to use or inhabit that portion by virtue of a tenancy, lease, licence or other agreement. This definition includes separately used parts, whether or not actually occupied at any particular time, which are used by the owner for rental (or other form of occupation) on an occasional or long-term basis by someone other than the owner.

Note 2: A Uniform Targeted Rate (UTR) on each rateable property.

## Explanation of Rating Methods River Control and Drainage/Explanation of Rates

Flood Protection & Control		Explanation of Rates	
<b>Heretaunga Plains Flood Control Scheme - Rivers</b>			
Napier City	Capital Value	Direct	Properties receive direct benefit from reduced risk of flooding and rivers changing their course.
Napier City	Capital Value	Indirect	Properties receive indirect benefit as a result of their proximity to area of increased economic activity, increased social/recreational/cultural infrastructure, and increased opportunity for employment, service industry and investment.
Hastings District	Capital Value	Direct	Properties receive direct benefit from reduced risk of flooding and rivers changing their course.
Hastings District	Capital Value	Indirect	Properties receive indirect benefit as a result of their proximity to area of increased economic activity, increased social/recreational/cultural infrastructure, and increased opportunity for employment, service industry and investment.
<b>Heretaunga Plains Flood Control Scheme - Streams &amp; Drains</b>			
Meeanee, Napier, Puketapu, Oamaru, Dartmoor Drainage Areas	Land Value	D1	Rateable land situated in the Hastings District and Napier City on the right bank of the Tūtaekurī River within the drain catchment area of Oamaru, which Council considers received direct benefit of drain maintenance works within the drain catchment areas of Meeanee, Napier, Puketapu and Dartmoor but excluding Napier CBD and the Brookfields Awatoto drainage area within Napier City.
Meeanee, Napier, Puketapu, Oamaru, Dartmoor Drainage Areas Industrial	Land Value	DI1	Rateable land within the D1 differential and being zoned for industrial purposes. The Council considers the benefit to these properties is added economic activity made possible by the drainage network and its continued maintenance.
Karamū Stream and Tributaries	Land Value	D2	Rateable land situated in the Hastings District within the Karamū Stream catchment area which Council considers receives direct benefit of drain and stream maintenance works.
Karamū Stream and Tributaries Industrial	Land Value	DI2	Rateable land within the D2 differential and being zoned for industrial purposes. The Council considers the benefit to these properties is added economic activity made possible by the drainage network and its continued maintenance.
Twyford Raupare	Land Value	D3	Rateable land situated in the Hastings District within the Twyford Raupare drainage area which Council considers receives direct benefit of drain and stream maintenance works.
Twyford Raupare Enhancement	Area	DA3	Selected properties in the Raupare Catchment (1,179 Hectares) which have agreed to contribute to the enhancement of specific streams and drains in the Raupare Catchment.
Twyford Raupare Industrial	Land Value	DI3	Rateable land within D3 differential and being zoned for industrial purposes. The Council considers the benefit to these properties is added economic activity made possible by the drainage network and its continued maintenance.
Haumoana/Te Awanga	Land Value	D4	Rateable land situated in the Hastings District within the Haumoana drainage area which Council considers receives direct benefit of drain and stream maintenance works.
Haumoana/Te Awanga Industrial	Land Value	DI4	Rateable land within the D4 differential and being zoned for industrial purposes. The Council considers the benefit of these properties is added economic activity made possible by the drainage network and its continued maintenance. No rates charged.
Tūtaekurī-Waimate & Moteo	Land Value	D5	Rateable land situated in the Hastings District within the Tūtaekurī-Waimate, Moteo drainage area which Council considers receives direct benefit of drain and stream maintenance works.



(continued)

Pākōwhai	Land Value	D6	Rateable land situated in the Hastings District within the Pākōwhai, Puninga drainage area which Council considers receives direct benefit of drain and stream maintenance works.
Pākōwhai	Land Value	DI6	Rateable land within the D6 differential and being zoned for industrial purposes. The Council considers the benefit to these properties is added economic activity made possible by the drainage network and its continued maintenance. No rates charged.
Brookfield Awatoto	Land Value	D7	Rateable land situated in Napier within the Brookfield Awatoto drainage area which Council considers receives direct benefit of drain and stream maintenance works.
Brookfield Awatoto Industrial	Land Value	DI7	Rateable land within the D7 differential and being zoned for industrial purposes. The Council considers the benefit to these properties is added economic activity made possible by the drainage network and its continued maintenance.
Clive Muddy Creek	Land Value	D8	Rateable land situated in the Hastings District within the Clive Muddy Creek drainage area which Council considers receives benefit of drain and stream maintenance works.
Clive Muddy Creek	Land Value	DI8	Rateable land within the D8 differential and zoned used for industrial purposes. The Council considers the benefit to these properties is added economic activity made possible by the drainage network and its continued maintenance.
Puninga	Land Value	D9	Rateable land situated in the Hastings District within the Puninga drainage area which Council considers receives direct benefit of drain and stream maintenance works.
Puninga	Land value	DI9	Rateable land within the D9 differential and being zoned for industrial purposes. The Council considers the benefit to these properties is added economic activity made possible by the drainage network and its continued maintenance. No rates charged.

**Upper Tukituki Flood Control Scheme**

Central HB District	Land Value	A - direct	Land adjacent to stopbanked reaches of Tukituki and Waipawa rivers and receiving full and direct benefit from reduced risk of flooding and rivers changing their course as a result of stopbanks and river control works.
Central HB District	Land Value	B - direct	Land adjacent to stopbanks and receiving an intermediate level of direct benefit from reduced risk of flooding and rivers changing their course as a result of stopbanks and river control works; and land between the Waipawa, Tukituki and Tukipo Rivers which could experience floodwaters flowing in channels in the event of stopbank failure on the south banks of the Waipawa and Tukituki Rivers.
Central HB District	Land Value	C - direct	Lower land adjacent to non stopbanked reaches of the Tukituki and Waipawa Rivers and adjacent to the lower reach of the Makaretu River; and land on the Ruataniwha Plains and downstream river terraces which is considered to be high enough to be at or just above inundation levels; and an area of land protected by the upstream end of the stopbank on the north bank of the Tukipo River where only minor channel improvements are required to protect the stopbank; and land immediately adjacent to the channel in the upstream reach of the Papanui Stream recognising the benefits to be received from improvements to the Waipawa River channel.
Central HB District	Land Value	D - direct	Unprotected land adjacent to rivers and streams which require only a minor level of channel improvements; higher land which is adjacent to more highly classified land or is adjacent to the lower reaches of the main rivers. It is land which would generally not be expected to experience flooding in a major event; an area between the Makaretu and Tukipo Rivers through which overflow from the Makaretu River would be expected to flow in channels; and land adjacent to the channel in the middle reach of the Papanui Stream where the channel is not as entrenched as it is further upstream.
Central HB District	Land Value	E - direct	Land adjacent to watercourses on which a level of channel maintenance is to be pursued (e.g. lower Papanui Stream, Tukituki River downstream of Tamumu, Ongaonga Stream); and a broad strip of land adjacent to watercourses and more highly classified land which includes both flat and hill country on or adjacent to the Ruataniwha Plains.
Central HB District	Land Value	F - Indirect	Land of the catchment which receives only indirect benefit, including eastern and southern hill country, central hills, mountain foothills and the highest parts of the Ruataniwha Plains.

(continued)

Central HB District	Land Value	U1 - direct	Rateable property situated in the Upper Tukituki Catchment Control Scheme area being generally land on the Ruataniwha Plains adjacent to the presently stopbanked reaches of the Waipawa and Tukituki Rivers which Council considers receives direct benefit from a full range of flood protection measures provided by the scheme works, and generally being urban land within the townships of Waipawa and Waipukurau.
Central HB District	Land Value	U2 - direct	Rateable property situated in the Upper Tukituki Catchment Control Scheme area being generally land on the Ruataniwha Plains adjacent to the presently stopbanked reaches of the Waipawa and Tukituki Rivers which Council considers receives direct benefit from a full range of flood protection measures provided by the scheme works, and generally being urban land within the townships of Waipawa and Waipukurau which is considered to be high enough to be at or just above possible inundation levels.
Central HB District	Land Value	U3 - direct	Rateable property situated in the Upper Tukituki Catchment Control Scheme area being generally land on the Ruataniwha Plains adjacent to the presently stopbanked reaches of the Waipawa and Tukituki Rivers which Council considers receives direct benefit from a full range of flood protection measures provided by the scheme works, and generally being urban land within the townships of Waipawa and Waipukurau which would generally not be expected to experience flooding in a major event.
Central HB District	Land Value	U4 - direct	Rateable property situated in the Upper Tukituki Catchment Control Scheme area being generally land on the Ruataniwha Plains adjacent to the presently stopbanked reaches of the Waipawa and Tukituki Rivers which Council considers receives direct benefit from a full range of flood protection measures provided by the scheme works, and generally being urban land within the townships of Waipawa and Waipukurau. A broad strip adjacent to watercourses and land receiving a greater degree of benefit including both flat and hill country on or adjacent to the Ruataniwha Plains where river control works reduce the risk of erosion to adjoining hills and river terraces.
Hastings District	Land Value	E - direct	Land adjacent to watercourses on which a level of channel maintenance is to be pursued (e.g. lower Papanui Stream, Tukituki River downstream of Tamumu, Ongaonga Stream); and a broad strip of land adjacent to watercourses and more highly classified land which includes both flat and hill country on or adjacent to the Ruataniwha Plains.
Hastings District	Land Value	F - indirect	Land of the catchment which receives only indirect benefit, including eastern and southern hill country, central hills, mountain foothills and the highest parts of the Ruataniwha Plains.

**Upper Mākara Streams Catchment Special Rating Scheme**

Central HB District	Area Basis	A	This rural class of direct benefit extends on the valley floor in the upstream flood plains of the Mākara Stream and part elsewhere downstream. This area is susceptible to very severe and frequent flooding and siltation and receives flood protection.
Central HB District	Area Basis	B	A direct benefit area of the Mākara flats where the flooding is less frequent than the land in Class A and which provides near optimum cropping potential. This area extends downstream to include the flood plains of the Wharemate and Silver Range Streams at their confluence with the Mākara Stream.
Central HB District	Area Basis	C - Mākara	A direct benefit area of the Mākara flats downstream of Kokatewai Road where only medium frequency flooding and siltation occurs, but where utilisation is more limited than in Class B due to accessibility and the width of the flats.
Central HB District	Area Basis	C - Wharemate	A direct benefit area adjacent to the Wharemate Stream that is susceptible to very severe and frequent flooding and ponding due to poor drainage. This area will have greater protection due to the detention dams. The area is difficult to utilise due to the irregularities of the valley floor.
Central HB District	Area Basis	D - Mākara	This rural class of direct benefit covers the flood plain of the Mākara Stream from the Elsthorpe township to the outlet of the catchment. It is an area of low frequency flooding and siltation in the lower Mākara where protection in the upstream dams will provide 20-year plus protection here with the large channel that exists making the land suitable for high risk cropping.
Central HB District	Area Basis	D - Silver Range	This rural class of direct benefit covers the floodplain of the Silver Range Stream from the Mākara Stream to the bridge on Kahurānaki Road. This area has a narrow stream bed and limited stopbanks that result in high frequency flooding and siltation. Given the risks, this area will be suitable only for grazing.
Central HB District	Area Basis	E	This class of direct benefit extends from the Mākara floodplain northward and follows a soil and topography boundary on the eastern side of Kahurānaki Road. An area of moderate to very severe soil erosion in the northern section of moderate to very steep hill country requiring intensive conservation measures to prevent loss and damage to land and improvements and stabilise stream beds.



(continued)

Central HB District	Area Basis	F	An area not in the classes above but receiving indirect benefit from all the works carried out on the Scheme through the protection of communications assets including roads, and telecommunications networks, the support of amenities, services and facilities in the area and the general economic stability of the community. Contains the balance of the catchment.
Central HB District	Area Basis	G	For those properties that straddle the catchment boundary, this area is the balance of properties that lie outside the catchment boundary and therefore, receive no benefit from the scheme. No rates charged.

**Poukawa Drainage Special Rating Scheme**

Hastings District	Land value	A	Rateable property situated in the Hastings District on the lower lying land surrounding Lake Poukawa and subject to seasonal inundation which HBRC considers receives both direct and indirect benefit of the maintenance of the drainage scheme.
Hastings District	Land value	B	Rateable property situated in the Hastings District on the periphery of the land surrounding Lake Poukawa receiving the benefits as described in Class A which HBRC considers receives both direct and indirect benefit of the maintenance of the drainage scheme.
Hastings District	Land value	C	Rateable property situated in the Hastings District surrounding Lake Poukawa which HBRC considers receives indirect benefit of the maintenance of the drainage scheme.

**Paeroa Drainage Scheme Special Rating Area**

Wairoa District	Area Basis	A	Rateable property situated in the Wairoa District on the lower lying land in the valley of the Waikoko Stream and the majority of the flat area surrounding and including the aerodrome, racecourse which HBRC considers receives both direct and indirect benefit of the drain and stream maintenance works.
Wairoa District	Area Basis	B	Rateable property situated in the Wairoa District including the sloping land in the Clydebank Road area on the delta at the lower end of the Awatere Stream valley which HBRC considers receives both direct and indirect benefit of the drain and stream maintenance works.
Wairoa District	Area Basis	C	Rateable property situated in the Wairoa District on the valley floors in the middle reaches of the Awatere and Waikoko Streams, and the slightly higher land adjacent to the Awatere Stream in the vicinity of SH2. It also includes the land to the west of the aerodrome which relies on culverts under the runway for a drainage outlet which HBRC considers receives both direct and indirect benefit of the drain and stream maintenance works.
Wairoa District	Area Basis	D	Rateable property situated in the Wairoa District on land near the boundaries of the classified area more remote from the watercourse maintained under the Scheme. It also includes land to the south of the railway (mainly urban property) which relies directly on the Awatere Stream for a drainage outlet which HBRC considers receives both direct and indirect benefit of the drain and stream maintenance works.
Wairoa District	Area Basis	E	Rateable property situated in the Wairoa District which HBRC considers receives indirect benefit only and includes the top ends of the valley floors, hill country adjacent to that land receiving direct benefit and an area of North Clyde.

**Ohuia- Whakakī Drainage Scheme**

Wairoa District	Area Basis	A	This Scheme is located only a few kilometres east of Wairoa where it drains a 3,410ha catchment to Hawke Bay. The Scheme uses a combination of detention and gravity drains plus controlled pump discharges to enable landowners to improve production. The cost is apportioned across a land area of just over 1,038ha based on the location. Each category has a proportionate factor applied to determine the amount payable per hectare.
Wairoa District	Area Basis	B	Land that without drainage could be inundated up to eight months of the year.
Wairoa District	Area Basis	C	Land affected by high water table because of poor outfall, overflow or backing up from lower lands.
Wairoa District	Area Basis	D	Land subject to ponding from time to time because of lack of outfall or from backing up to a lesser degree.
Wairoa District	Area Basis	E	Hill land and other land benefiting by improved access not available under original conditions.

(continued)

**Opoho Drainage Stream Scheme**

Wairoa District	Fixed Amount	A, B, C	The Opoho Flood and Drainage Scheme involves three neighbouring farms situated approximately half way between Wairoa and Nuhaka. The relativities between the three properties in the Scheme were determined by way of an analysis of the benefits received by each property and respective apportionment of costs. The rating allocation should be reviewed every six years.
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**Kopuawhara Stream Flood Control/Maintenance Scheme**

Wairoa District	Area Basis	K1	Rateable property situated in the Scheme area within 20m of the banks of the Kopuawhara Stream which HBRC considers receives direct benefit from flood protection works. The benefits of these flood protection measures are reduction in bank erosion, bank and channel stability and loss of land by flooding and siltation. The K1 rating covers approximately 7.5km of channel versus only 4.7km of maintained channel as the lower reaches of the K1 rating areas are deemed to receive benefit from the upstream maintenance.
Wairoa District	Area Basis	K2	Rateable property situated in the Scheme area being the balance of flat land within the scheme area between Mahanga Road and the Railway Bridge over the Kopuawhara Stream but excluding land in differential K1. HBRC considers this land receives benefit from flood protection works. The benefits of these protection measures are reduction in bank erosion, bank and channel stability and loss of land by flooding and siltation to a lesser extent than the benefits received by land in differential area K1.
Wairoa District	Area Basis	K3	Rateable property situated in the Scheme area being two bands of flat land, each 300m wide, on both sides of the Kopuawhara Stream extending south from the Mahanga Road Bridge downstream to the boundary of the Scheme area. Land within differential K1 and K2 are excluded. HBRC considers this land receives benefit from flood protection works. The benefits of these flood protection measures are a reduction in the frequency of flooding from overflows from the Kopuawhara Stream.
Wairoa District	Area Basis	K4	Rateable property situated in the Scheme area being the flat land outside of the two 300m bands of K3 below Mahanga Road. Land within differential K1, K2 and K3 are excluded. HBRC considers this land received benefit from flood protection works. The benefits of these flood protection measures are a reduction in the frequency of flooding from overflows from the Kopuawhara Stream.

**Te Ngarue Stream Flood Protection Scheme**

			The rating system has two rating class covering an area of 135ha. Rates are levied for the Scheme's maintenance activities only.
Hastings District	Area Basis	TN	Rateable property situated in the Hastings District within Te Ngarue Stream catchment (excluding property in Part Section 7 Block/ Tangoio Survey District) receiving direct and indirect benefit from Te Ngarue Scheme flood protection. The benefit of these protection measures, clearing of all trees and obstructions from the stream channel between the lagoon and Tangoio Road bridge, the removal of trees growing along the stream bank at risk of falling into the channel, and widening of parts of the channel and bank protection works adjacent to Beach Road, are a reduction in the risk of flooding to land situated within the benefit area.
			The rating system has two rating class covering an area of 135ha. Rates are levied for the Scheme's maintenance activities only.
Hastings District	Area Basis	TN1	Rateable property situated in Part Section 7 Block I Tangoio Survey District within Te Ngarue Stream catchment receiving direct and indirect benefit from Te Ngarue Scheme flood protection. To reduce the effect of flooding and erosion and provide security for investment and economic activity.



(continued)

### Esk River and Whirinaki Stream Maintenance Scheme

#### Esk River

Hastings District	Area Basis	E1	The Esk rating system has two categories, namely Esk (E1 and E2) and Rural Industry (R11, R12, R13). Some of the properties are rated for more than one category. The rating catchment area for Esk is approximately 515ha. Rateable land situated in the Esk River Maintenance Scheme area from the confluence with the Mangakopikopiko Stream to the sea is charged this rate. The benefit of the river works has reduced the incidence of flooding on these properties during floods.  Properties in area E1 are part of the Esk scheme with costs apportioned based on a percentage of the total scheme costs apportioned to this category.
Hastings District	Area Basis	E2	Properties in area E2 are part of the Esk scheme with costs apportioned based on a percentage of the total scheme costs apportioned to this category.
Hastings District	Area Basis	R11	Properties in area R11 are part of the Esk scheme with costs apportioned based on a percentage of the total scheme costs apportioned to this category.
Hastings District	Area Basis	R12	Properties in area R12 are part of the Esk scheme with costs apportioned based on a percentage of the total scheme costs apportioned to this category.
Hastings District	Area Basis	R13	Properties in area R13 are part of the Esk scheme with costs apportioned based on a percentage of the total scheme costs apportioned to this category.

#### Whirinaki Stream

Hastings District	Area Basis	W1,W2,W3, W4,W5,W6, W7	Costs are separately identified for Whirinaki (W). This is rateable land within the Whirinaki Stream Maintenance Scheme receiving direct benefit from the maintenance work associated with the Whirinaki Stream and its designated tributaries. Each category has an applied percentage.
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### Karamū Drainage Maintenance

Hastings District	UTR	This Scheme covers properties in Havelock North, being properties in the Karamū Catchment, which do not contribute to the Heretaunga Plains Flood Control Scheme-Streams & Drains (Karamū D2). The Scheme involves maintenance of the completed enhancement works in the Karamū Stream.
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### Karamū Enhancement

Hastings District	UTR	This Scheme covers properties in Havelock North, being properties in the Karamū Catchment, which do not contribute to the Heretaunga Plains Flood Control Scheme-Streams & Drains (Karamū D2). The Scheme involves funding for one third the cost of new enhancement works in the Karamū Stream.
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### Pōrangahau Flood Control

Central HB District	Land Value	This Scheme covers 90km of waterways consisting of the Porangahau River and some of its tributaries in Central Hawke's Bay. It was established to reduce flooding and bank erosion and ensure the main access to the community via Porangahau Road is not closed so often due to flooding. The Porangahau Scheme uses only natural assets (streams and rivers) and no hard engineering structures. The main strategy is routine maintenance involving vegetation control, predominantly willow with minor bank stabilisation and debris build-up removal.
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### Maraetotara Flood Maintenance

Hastings District	Capital Value	This Scheme reduces the risks of the Maraetotara River flooding Te Awanga township, roading and communication links. The rating scheme has only one rating class covering an area of 54ha. Rates are levied for the Scheme's maintenance activities only. The Scheme was established to protect a 1/100 year flood event, although land on the right bank will still be flooded when the river is high the scheme keeps the Maraetotara River flows within the stopbanks, floodwalls and natural high ground, and a flood-gated outlet from the lagoon through the stopbank to the river.
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### Kairakau Community Scheme

Central HB District	UTR	This Scheme maintains flood protection, including the seawall and Mangakuri River retaining wall for the Kairakau community on the Central Hawkes Bay coastline. HBRC works closely with the Kairakau Development Society (KDS) which requested the scheme. KDS determines on behalf of the community what work is needed.
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All rates figures are GST inclusive



Image courtesy of The Wairoa Star

## Details of Rates Calculated within each District and City: General Rates and Uniform Annual General Rates

Rate Type	Districts	Rates set on	Differentials or Units of Charge	Calculation Factor	2022-23 Rates	Estimated rates revenue 2023-24
<b>GENERAL RATE</b>				<b>Cents in \$</b>		
	Napier City	Land Value		0.02845	\$2,977,841	\$2,662,911
	Hastings District	Land Value		0.02091	\$5,166,798	\$5,216,085
	Central HB District	Land Value		0.02323	\$1,613,221	\$1,375,376
	Wairoa District	Land Value		0.02152	\$668,810	\$625,316
	Taupō District	Land Value		0.02320	\$22,633	\$19,678
	Rangitikei District	Land Value		0.02231	\$4,314	\$3,670
					<b>\$10,453,617</b>	<b>\$9,903,037</b>
<b>UNIFORM ANNUAL GENERAL CHARGE</b>			<b>No of SUIPs</b>	<b>Per SUIP \$</b>		
	Napier City	Fixed Amount	29,009	65.89	\$1,989,021	\$1,911,403
	Hastings District	Fixed Amount	35,121	65.89	\$2,426,369	\$2,314,090
	Central HB District	Fixed Amount	7,260	65.89	\$483,443	\$478,361
	Wairoa District	Fixed Amount	5,243	65.89	\$362,219	\$345,461
	Taupō District	Fixed Amount	54	65.89	\$3,873	\$3,558
	Rangitikei District	Fixed Amount	1	65.89	\$70	\$66
			<b>76,688</b>		<b>\$5,264,995</b>	<b>\$5,052,936</b>



## Details of Rates Calculated within each District and City

Activity	Districts	Rates set on	Differentials or units of charge	Calculation Factor	2022-23 Rate	Estimated rates revenue 2023 -24
<b>SUBSIDISED PUBLIC TRANSPORT RATE</b>				<b>Cents in \$</b>		
	Napier City	Land Value		0.02198	\$1,859,875	\$1,815,787
	Hastings District	Land Value		0.01615	\$1,453,962	\$1,719,048
	Clive	Land value		0.01615	\$28,793	\$19,839
					<b>\$3,554,674</b>	<b>\$3,342,629</b>
<b>RIVER CONTROL</b>				<b>Benefit</b>		
<b>Heretaunga Plains Flood Control Scheme</b>				<b>Cents in \$</b>		
	Napier City	Capital Value	Direct	0.01062	\$1,143,896	\$1,444,819
	Napier City	Capital Value	Indirect	0.00261	\$420,045	\$519,448
	Hastings District	Capital Value	Direct	0.00837	\$1,410,966	\$1,809,010
	Hastings District	Capital Value	Indirect	0.00205	\$674,896	\$874,137
					<b>\$3,649,804</b>	<b>\$4,647,414</b>
<b>Upper Tukituki Catchment Control Scheme</b>				<b>Cents in \$</b>		
	Central HB District	Land Value A	F1 100	0.39240	\$148,475	\$170,109
	Central HB District	Land Value B	F2 75	0.29430	\$244,377	\$281,891
	Central HB District	Land Value C	F3 50	0.19620	\$135,196	\$156,204
	Central HB District	Land Value D	F4 25	0.09810	\$151,435	\$175,858
	Central HB District	Land Value E	F5 10	0.03924	\$95,617	\$112,939
	Central HB District	Land Value F	F6 1	0.00393	\$104,805	\$122,337
	Central HB District	Land Value	U1 25	0.09810	\$77,028	\$88,648
	Central HB District	Land Value	U2 15	0.05886	\$11,412	\$13,061
	Central HB District	Land Value	U3 10	0.03924	\$17,757	\$20,529
	Central HB District	Land Value	U4 1	0.00393	\$17,998	\$20,889
	Hastings District	Land Value	F5 10	0.03533	\$1,814	\$2,190
	Hastings District	Land Value	F6 1	0.00353	\$3,440	\$4,601
					<b>\$1,009,356</b>	<b>\$1,169,256</b>
<b>Coastal Hazards</b>				<b>No of SUIPs</b>	<b>Per SUIP \$</b>	
	Napier City	Fixed Amount	28,642	3.27106	\$91,177	\$93,662
	Hastings District	Fixed Amount	34,783	3.27106	\$111,232	\$113,743
			<b>63,425</b>		<b>\$202,408</b>	<b>\$207,405</b>
<b>Wairoa River &amp; Streams Scheme</b>				<b>Cents in \$</b>		
	Wairoa District	Capital Value		0.00669	\$211,905	\$271,327
<b>Central &amp; Southern Area Rivers &amp; Streams</b>				<b>Cents in \$</b>		
	Napier City	Capital Value		0.00014	\$27,856	\$27,857
	Hastings District	Capital Value		0.00011	\$44,324	\$46,804
	Central HB District	Capital Value		0.00012	\$11,758	\$10,912
	Taupo District	Capital Value		0.00012	\$142	\$148
					<b>\$84,080</b>	<b>\$85,721</b>

(continued)

Activity	Districts	Rates set on	Differentials or units of charge	Calculation Factor	2022-23 Rates	Estimated rates revenue 2023 -24
<b>STREAMS AND DRAINS</b>						
<b>Napier Meeanee Puketapu</b>				<b>Cents in \$</b>		
	Napier City	Land Value	Urban	0.02038	\$968,408	\$1,135,453
	Napier City	Land Value	Industrial	0.08152	\$272,857	\$318,819
	Hastings District	Land Value	Rural	0.01498	\$34,220	\$36,189
					<b>\$1,275,485</b>	<b>\$1,490,461</b>
<b>Karamū &amp; Tributaries</b>				<b>Cents in \$</b>		
	Hastings District	Land Value	Urban	0.01541	\$1,111,602	\$1,246,869
	Hastings District	Land Value	Industrial	0.06165	\$382,006	\$368,663
					<b>\$1,493,608</b>	<b>\$1,615,532</b>
<b>Cents per hectare</b>						
<b>Raupare Enhancement</b>	Hastings District	Area	1,178	1,320.66	\$16,538	\$14,855
<b>Cents in \$</b>						
<b>Raupare Twyford</b>	Hastings District	Land Value	Rural	0.01720	\$194,891	\$180,994
<b>Haumoana</b>	Hastings District	Land Value	Rural	0.04536	\$167,186	\$171,793
<b>Tūtaekurī Waimate Moteo</b>	Hastings District	Land Value	Rural	0.07607	\$288,343	\$296,311
<b>Pākōwhai Brookfields</b>	Hastings District	Land Value	Rural	0.08059	\$170,785	\$187,193
<b>Puninga</b>	Hastings District	Land Value	Rural	0.14124	\$113,272	\$150,145
					<b>\$934,477</b>	<b>\$986,436</b>
<b>Brookfields Awatoto</b>	Napier City	Land Value	Urban	0.08398	\$106,380	\$109,308
	Napier City	Land Value	Industrial	0.33590	\$78,494	\$80,650
					<b>\$184,874</b>	<b>\$189,031</b>
<b>Muddy Creek</b>						
	Hastings District	Land Value	Urban	0.03189	\$225,807	\$220,876
	Hastings District	Land Value	Industrial	0.12755	\$64,232	\$77,155
					<b>\$290,040</b>	<b>\$298,031</b>
<b>Per rating unit \$</b>						
<b>Karamū Drainage Mtce</b>	Hastings District	Fixed Amount	6,416	12.88738	\$82,685	\$82,700
<b>Karamū Enhancement</b>	Hastings District	Fixed Amount	6,416	12.02067	\$77,125	\$77,121
<b>Poukawa Drainage Special Rating Scheme</b>				<b>Cents in \$</b>		
	Hastings District	Land Value	PO1	0.20959	\$38,844	\$39,944
	Hastings District	Land Value	PO2	0.03493	\$1,791	\$1,779
	Hastings District	Land Value	PO3	0.00699	\$763	\$712
					<b>\$41,399</b>	<b>\$42,435</b>



(continued)

Activity	Districts	Rates set on	Differentials or units of charge	Calculation Factor	2022-23 rate	Estimated rates revenue 2023 -24
<b>STREAMS AND DRAINS</b>						
<b>Pōrongahau Flood Control</b>	Central HB District	Land Value	Cents in \$	0.00598	\$45,205	\$46,322
<b>Maratotara Flood Mtce</b>	Hastings District	Capital Value	Cents in \$	0.00464	\$13,881	\$18,371
				<b>Per SUIP \$</b>		
<b>Kairakau Community Scheme</b>	Central HB District	Uniform Charge	84 SUIPs	136.28000	\$11,169	\$11,448
<b>Paeroa Drainage Scheme Special Rating Area</b>				<b>Cents per hectare</b>		
	Wairoa District	Area Basis	A	8,060.78	\$14,900	\$15,177
	Wairoa District	Area Basis	B	5,239.51	\$6,051	\$6,571
	Wairoa District	Area Basis	C	3,627.35	\$1,870	\$1,746
	Wairoa District	Area Basis	D	2,821.27	\$1,215	\$1,256
	Wairoa District	Area Basis	E	403.04	\$849	\$757
					<b>\$24,885</b>	<b>\$25,507</b>
<b>Ohuia Whakaki Drainage Rating Scheme</b>				<b>Cents per hectare</b>		
	Wairoa District	Area Basis	A	18,242.03	\$46,493	\$54,634
	Wairoa District	Area Basis	B	14,593.62	\$10,848	\$13,212
	Wairoa District	Area Basis	C	10,945.22	\$6,625	\$8,147
	Wairoa District	Area Basis	D	5,472.61	\$16,644	\$19,346
	Wairoa District	Area Basis	E	1,824.20	\$3,639	\$3,300
					<b>\$84,248</b>	<b>\$98,639</b>
<b>Upper Makara Stream Catchment Special Rating Scheme</b>				<b>Cents per hectare</b>		
	Central HB District	Area Basis	A	22,836.44	\$8,680	\$12,379
	Central HB District	Area Basis	B	18,269.15	\$24,147	\$34,485
	Central HB District	Area Basis	C	14,843.69	\$36,667	\$52,293
	Central HB District	Area Basis	D	7,992.75	\$7,393	\$14,057
	Central HB District	Area Basis	E	1,141.82	\$18,459	\$26,325
	Central HB District	Area Basis	F	456.73	\$14,167	\$20,912
					<b>\$109,514</b>	<b>\$160,451</b>
<b>Opoho Drainage/Stream</b>				<b>Per rating unit \$</b>		
	Wairoa District	Fixed Amount	A	36,336.00	\$16,350	\$36,336
	Wairoa District	Fixed Amount	B	13,550.00	\$6,097	\$13,550
	Wairoa District	Fixed Amount	C	5,420.00	\$2,439	\$5,420
					<b>\$24,886</b>	<b>\$55,306</b>

(continued)

Activity	Districts	Rates set on	Differentials or units of charge	Calculation Factor	2022-2023 rate	Estimated rates revenue 2023-2024
<b>STREAMS AND DRAINS</b>						
<b>Esk River Maintenance</b>				<b>Cents per hectare</b>		
	Hastings District	Area Basis	E1	4,436.70	\$5,005	\$12,080
	Hastings District	Area Basis	E2	1,774.68	\$1,617	\$3,979
	Hastings District	Area Basis	R11	4,906.92	\$646	\$1,567
	Hastings District	Area Basis	R12	21,032.28	\$404	\$979
	Hastings District	Area Basis	R13	71,250.80	\$404	\$979
					<b>\$8,076</b>	<b>\$19,584</b>
<b>DRAINAGE SCHEMES</b>						
<b>Whirinaki Stream Maintenance</b>				<b>Cents per hectare</b>		
	Hastings District	Area Basis	W1	43,372.48	\$6,752	\$13,801
	Hastings District	Area Basis	W2	37,728.09	\$859	\$1,757
	Hastings District	Area Basis	W3	127,811.02	\$859	\$1,757
	Hastings District	Area Basis	W4	22,789.98	\$3,069	\$6,273
	Hastings District	Area Basis	W5	8,197.63	\$246	\$502
	Hastings District	Area Basis	W6	15,207.85	\$246	\$502
	Hastings District	Area Basis	W7	5,396.33	\$246	\$502
					<b>\$12,277</b>	<b>\$25,093</b>
<b>Te Ngarue Stream Flood Protection Scheme</b>				<b>Cents per hectare</b>		
	Hastings District	Area Basis	TN	11,883.05	\$3,277	\$10,338
	Hastings District	Area Basis	TN1	50,391.68	\$180	\$567
					<b>\$3,457</b>	<b>\$10,905</b>
<b>Kopuawhara Stream Flood Control Maintenance Scheme</b>				<b>Cents per hectare</b>		
	Wairoa District	Area Basis	A	33,775.76	\$2,245	\$4,126
	Wairoa District	Area Basis	B	13,510.30	\$4,553	\$8,370
	Wairoa District	Area Basis	C	6,755.15	\$2,663	\$4,007
	Wairoa District	Area Basis	D	1,688.79	\$923	\$1,034
					<b>\$10,384</b>	<b>\$17,538</b>
<b>BIOSECURITY</b>						
<b>Plant Pest Strategy</b>				<b>Cents per hectare</b>		
	Napier City	Area Basis	4,685	62.10290	\$2,534	\$2,917
	Hastings District	Area Basis	361,326	62.10290	\$220,631	\$223,936
	Wairoa District	Area Basis	276,607	62.10290	\$164,557	\$170,230
	Central HB District	Area Basis	303,430	62.10290	\$183,415	\$187,047
	Taupō District	Area Basis	22,028	62.10290	\$13,383	\$13,680
	Rangitikei District	Area Basis	10,192	62.10290	\$6,192	\$6,329
					<b>978,268</b>	<b>\$590,712</b>
						<b>\$605,449</b>



(continued)

Activity	Districts	Rates set on	Differentials or units of charge	Calculation Factor	2022-23 rate	Estimated rates revenue 2023-24
<b>BIOSECURITY</b>						
<b>Regional Animal Pest Management Strategy</b>				<b>Cents per hectare</b>		
	Napier City	Area Basis	4,685	281.08217	\$9,356	\$13,030
	Hastings District	Area Basis	299,419	281.08217	\$670,863	\$834,164
	Wairoa District	Area Basis	220,780	281.08217	\$484,212	\$620,446
	Central HB District	Area Basis	294,900	281.08217	\$660,857	\$828,293
	Taupō District	Area Basis	8,125	281.08217	-	\$22,838
	Rangitikei District	Area Basis	10,192	281.08217	\$22,863	\$28,647
			<b>838,100</b>		<b>\$1,848,153</b>	<b>\$2,347,418</b>
<b>Regional Animal Pest Forestry</b>				<b>Cents per hectare</b>		
	Napier City	Area Basis	79	98.65222	-	\$78
	Hastings District	Area Basis	63,790	98.65222	\$49,800	\$62,930
	Wairoa District	Area Basis	53,902	98.65222	\$42,725	\$53,174
	Central HB District	Area Basis	7,306	98.65222	\$5,676	\$7,208
	Taupō District	Area Basis	13,903	98.65222	\$10,801	\$13,716
	Rangitikei District	Area Basis	-	-	-	-
			<b>138,980</b>		<b>\$109,001</b>	<b>\$137,105</b>
<b>SUSTAINABLE LAND MANAGEMENT STRATEGY</b>						
	Napier City	Area Basis	4,688	132.91700	\$4,628	\$6,200
	Hastings District	Area Basis	375,066	132.91700	\$415,607	\$498,232
	Wairoa District	Area Basis	275,514	132.91700	\$299,405	\$366,174
	Central HB District	Area Basis	302,170	132.91700	\$332,672	\$401,444
	Taupō District	Area Basis	38,288	132.91700	\$42,193	\$50,891
	Rangitikei District	Area Basis	10,192	132.91700	\$11,231	\$13,546
			<b>1,005,917</b>		<b>\$1,105,735</b>	<b>\$1,336,488</b>
<b>SUSTAINABLE HOMES SCHEME</b>						
<b>Healthy Homes - Clean Heat</b>				<b>Cents in \$</b>		
	Napier City	Land Value		0.00401	\$364,689	\$339,519
	Hastings District	Land Value		0.00295	\$335,726	\$378,165
					<b>\$700,415</b>	<b>\$717,684</b>
<b>SUSTAINABLE HOMES FINANCIAL ASSISTANCE</b>						
Voluntary targeted rate to repay financial assistance to insulate homes and provide clean heat, solar heating, PhotoVoltaic cells, HRV, domestic water storage and septic tank replacement			\$10 per \$100 financial assistance	\$10	10 per \$100 financial assistance	

(continued)

Activity	Districts	Rates set on	Differentials or units of charge	Calculation Factor	2022-23 rate	Estimated rates revenue 2022-23
<b>ECONOMIC DEVELOPMENT</b>						
			<b>SUIPs</b>	<b>Per SUIP \$</b>		
<b>Residential and Rural</b>						
	Napier City	Fixed Amount	25,877	11.58000	\$305,370	\$299,656
	Hastings District	Fixed Amount	31,923	11.58000	\$377,913	\$369,663
	Wairoa District	Fixed Amount	4,941	11.58000	\$58,534	\$57,214
	Central HB District	Fixed Amount	6,717	11.58000	\$78,213	\$77,783
	Taupō District	Fixed Amount	54	11.58000	\$657	\$625
	Rangitikei District	Fixed Amount	1	11.58000	\$12	\$12
			<b>69,513</b>		<b>\$820,699</b>	<b>\$804,953</b>
<b>Commercial/Industrial</b>				<b>Cents in \$</b>		
	Napier City	Capital Value		0.02857	\$822,172	\$800,408
	Hastings District	Capital Value		0.02250	\$1,015,458	\$1,002,944
	Wairoa District	Capital Value		0.02302	\$18,850	\$20,331
	Central HB District	Capital Value		0.02504	\$58,714	\$54,912
					<b>\$1,915,194</b>	<b>\$1,878,594</b>
<b>CDEM EMERGENCY MANAGEMENT</b>						
			<b>SUIPs</b>	<b>Per SUIP \$</b>		
<b>Emergency Management</b>	Napier City	Fixed Amount	28,644	43.96069	\$1,090,962	\$1,259,191
	Hastings District	Fixed Amount	34,783	43.96069	\$1,330,922	\$1,529,062
	Wairoa District	Fixed Amount	5,185	43.96069	\$198,674	\$227,922
	Central HB District	Fixed Amount	7,037	43.96069	\$265,165	\$309,347
			<b>75,649</b>		<b>\$2,885,722</b>	<b>\$3,325,522</b>
<b>CYCLONE RECOVERY RATE</b>						
		<b>No. of SUIPs</b>	<b>Per SUIP</b>	<b>Per SUIP \$</b>		
	Napier City	Fixed Amount	29,009	55.00	-	\$1,595,495
	Hastings District	Fixed Amount	35,121	55.00	-	\$1,931,628
	Central HB District	Fixed Amount	7,260	55.00	-	\$399,300
	Wairoa District	Fixed Amount	5,243	55.00	-	\$288,365
	Taupō District	Fixed Amount	54	55.00	-	\$2,970
	Rangitikei District	Fixed Amount	1	55.00	-	\$55
			<b>76,688</b>		<b>-</b>	<b>\$4,217,813</b>
				<b>Cents in \$</b>		
	Napier City	Land Value		0.00384	-	\$360,356
	Hastings District	Land Value		0.00384	-	\$960,118
	Central HB District	Land Value		0.00384	-	\$227,756
	Wairoa District	Land Value		0.00384	-	\$111,562
	Taupō District	Land Value		0.00384	-	\$3,257
	Rangitikei District	Land Value		0.00384	-	\$632
					<b>-</b>	<b>\$1,663,681</b>





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**HAWKES BAY**  
REGIONAL COUNCIL

TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI