



Organisational Performance Report

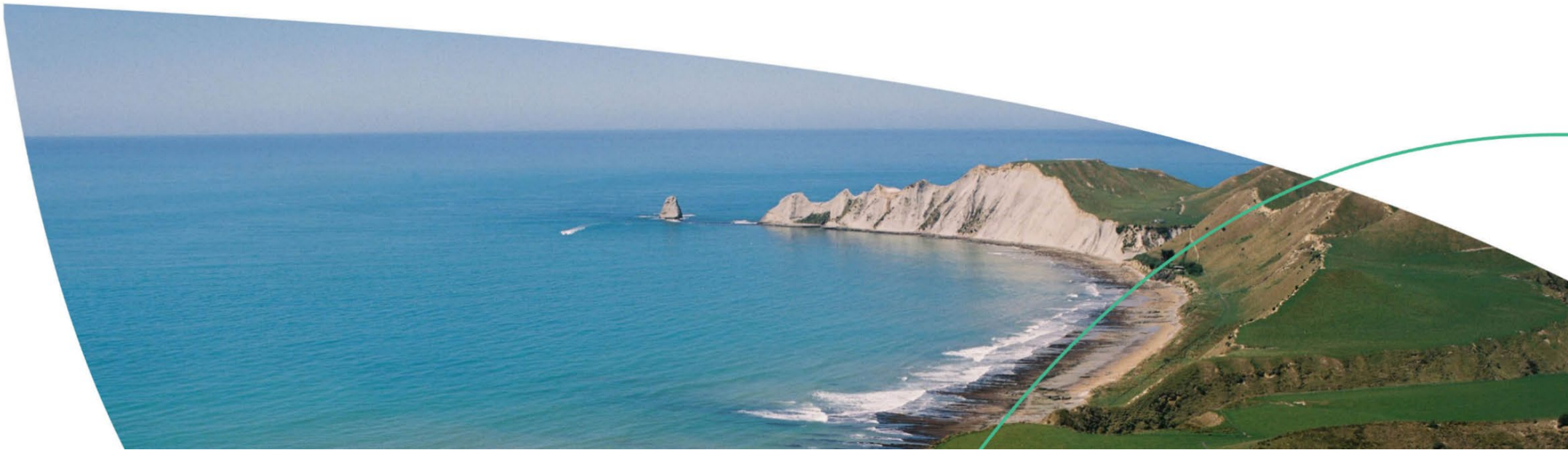
QUARTER 2: 1 October to 31 December 2025



HAWKES BAY
REGIONAL COUNCIL
TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI

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Introduction

This Organisational Performance Report is the second quarterly report for the 2025-2026 financial year and covers the period of 1 October to 31 December 2025.

The purpose of the report is to provide the Regional Council with an overview of how well we are performing across a number of measures, including corporate measures. It uses the groups of activities from our Three-Year Plan 2024-2027 to present non-financial and financial performance using a traffic light reporting approach. It also provides the Regional Council with qualitative information to understand the situation-specific factors affecting performance.

The secondary purpose of the report is to provide the Chief Executive, Executive Leadership Team, and staff with information to ensure alignment of the Regional Council's work programme across different groups and teams to ensure a steadfast focus on performance and accountability.

Executive Summary

This Organisational Performance Report is the second quarterly report for year two of our Three-Year Plan 2024-2027.

A significant happening this quarter was the three-yearly local government elections. A poll for voters to decide on the future of Māori wards and constituencies was also held.

Twenty candidates were nominated for the Hawke's Bay Regional Council. Elections were held for all our constituencies except for Māui ki te Tonga, where the incumbent councillor was elected unopposed. The new Hawke's Bay Regional Council was sworn in on 29 October 2025 and a new chair - Councillor Sophie Siers, and new deputy chair - Councillor Jerf van Beek, were elected by sitting councillors.

Hawke's Bay residents voted to remove our two Māori constituencies. This applies to the next two elections (2028 and 2031).

Staff supported the second phase of the coronial inquiry into the deaths of people in relation to Cyclone Gabrielle.

Significant progress was made on the *North Island Weather Events (NIWE) Flood Resilience* programme with communities starting to see visible results. Construction was in full swing at Waiohiki, with the new stopbank expected to be substantially complete in March 2026. The State Highway 2 bypass road at Whirinaki was finished, with stopbank construction due to start in February 2026. Telemetry upgrade work also advanced well this quarter.

Community input is shaping coastal protection plans for Bay View/Westshore and Te Awanga/Haumoana with focus groups discussing options and affordability solutions. Wider community engagement was also held, all helping to shape advice the Community Reference Group will give to the Regional Council in April 2026.

Two stakeholder reference groups were set up and held their first meetings as part of the *Reimagining Flood Resilience* project – one for the Heretaunga Plains and one for the Upper Tukituki. A working group with representatives from NZTA Waka Kotahi, KiwiRail, Napier City Council, and Hastings District Council, was also established.

Work for our *Fit for the Future* transformation programme gained real momentum with three critical projects underway. The programme, developed from a major Efficiency and Effectiveness



Review completed mid-2025, aims to reshape the organisation to deliver smarter, faster, and more focused regional leadership.

With summer arriving, we started our regular water quality monitoring of popular swimming spots to identify whether they're safe for swimming. Other summer campaigns include 'Stay safe on the water' for boaties and other water users and promoting the Extreme Dry Weather Hub and Extreme Dry Weather App.

A critical focus for our Transport and Digital Communications and Marketing teams was preparing for the rollout of the new GoBay bus network. This will be launched at the end of January 2026 with a week of free travel for all bus users.

While the Government announced some significant reform proposals changes impacting local government, particularly changes to the governance of regional councils, Hawke's Bay Regional Council remains fully committed to delivering for the region with the Council's focus continuing to be on core work that protects the environment and builds resilience.

Highlights

- Bus use continued to improve with 132,175 passenger journeys this quarter, ahead of 128,041 for the same quarter last year.
- Erosion protection work was completed on the Farndon Road portion of Te Awa o Mokotūāraro (Clive River) in November, stabilising around 250 meters of exposed river edge. This was completed in partnership with Operation Pātiki Charitable Trust.
- Our Customer Services team was named in the Top Ten councils for 2025 delivering an excellent customer experience in ALGIM's (Association of Local Government Information Management) Customer Experience Benchmarking Report 2025.
- More people than ever are choosing to ride, walk, and explore the region on the Hawke's Bay Trails Great Ride. Trail counts for 2025 reached just over 812,000. This was higher than the previous high of 793,257 in 2020.
- Our Maritime Response team's Tier 2 oil spill response exercise in December received a positive report and showed a growing level of capability across the team.
- Control system upgrades have been completed across all Heretaunga Plains pump stations, improving real-time monitoring and operational response.
- Staff secured \$310,000 of external funding to help the Whakatipu Māhia – Predator Free Māhia project complete possum eradication on the Māhia Peninsula by mid-2027.

- Staff secured funding from Department of Conservation's Hawke's Bay Nature Fund meaning it can now protect six new prioritised ecosystem sites in this financial year, ahead of the target of four.
- In October, Council adopted the HBRC Annual Report for the 2024-25 financial year with a clean audit report.
- The HBCDEM Group adopted a standardised tsunami evacuation mapping methodology and completed regional signage audits
- Two more schools - Putere School and Wairoa College - joined our Enviroschools programme, taking the total number to 75.
- Five Hawke's Bay secondary students spoke at the new Council's first ordinary meeting in November, giving thoughtful speeches about what the taiao/environment means to them and their hopes for Hawke's Bay.
- Fifteen community groups championing biodiversity across Hawke's Bay received support in the second 2025 round of the Biodiversity Hawke's Bay Environmental Enhancement Contestable Fund.

Challenges

- Staff managed three potentially toxic algae blooms, (one of which triggered a health warning from Te Whatu Ora), three reports of low water levels, and several reports of recreational water quality concerns. The additional monitoring, testing, and signage required has put pressure on budgets and may cause minor delays to the freshwater work programme.
- Chilean needle grass, a highly invasive pest plant, was discovered on Te Mata Peak in November 2025, prompting a quick response from Te Mata Park Trust and the Regional Council.
- The increasing volume and pace of proposed legislative changes to resource management continued to present challenges for our Policy team, requiring ongoing monitoring and adaptation.
- Ongoing resourcing pressure in the Environmental Information team, particularly in Water Information Science, has created a growing backlog in processing and checking of data. This increases risks to data integrity and confidence in reporting.



Corporate Metrics

Our people are our greatest asset working to deliver services to meet outcomes outlined in our Three-Year Plan 2024-2027.

Our work serves our community, and it is important we ensure customers have the best experience possible with the Regional Council, and offer value for money.

This section provides a snapshot of:

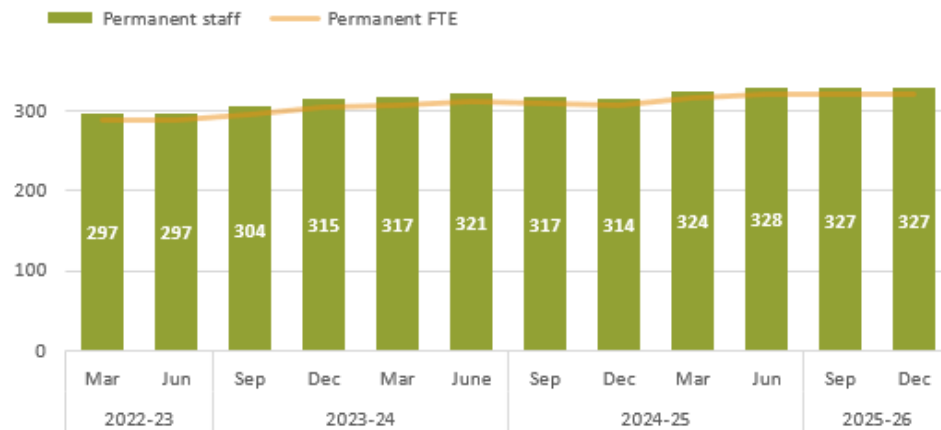
- staff numbers and turnover
- reported health and safety incidents
- customer experience
- digital media reach
- official information and media requests, and communications
- fleet and air travel.

Human Resources

Employee count (permanent staff)

327 Employees	+0.0% +4.1%	vs last qtr vs prior yr	319.2 FTEs	+0.1% +4.5%	vs last qtr vs prior yr
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Employee count and FTE (permanent staff)



Our employees (permanent)

Eight new permanent employees joined during the quarter, with the total staff count remaining steady at 327. Additionally, 4 fixed-term employees and 8 summer students were recruited to support business continuity and provide practical experience for students. The overall turnover has remained stable.

Our staff numbers include 25 staff (24.6 FTE) working in the Regional Projects team. Most of these are in the Infrastructure Programme Management Office (IPMO) for the NIWE Flood Resilience Programme. Also included in this number are 8 staff employed in the Hawke’s Bay CDEM Group.

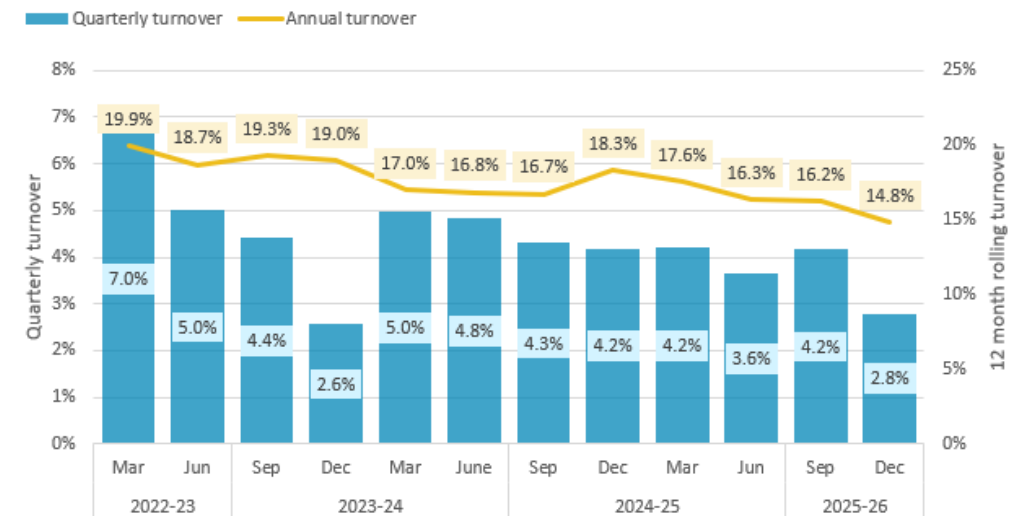
Vacancies and recruitment

A total of 9 permanent vacancies were advertised this quarter, including 6 roles within Civil Defence Emergency Management following the recent restructure. One position has been filled, with recruitment for the remaining roles ongoing. In addition, 3 fixed-term roles were advertised to meet short-term operational needs, and 3 internal secondments were established to maintain continuity and support capability development.

Resignations

This quarter saw 7 employee departures. Resignations were dispersed across the organisation, with no single area showing concentrated turnover. Turnover has decreased compared with previous periods, indicating improving workforce stability.

Employee turnover (permanent and fixed-term staff)

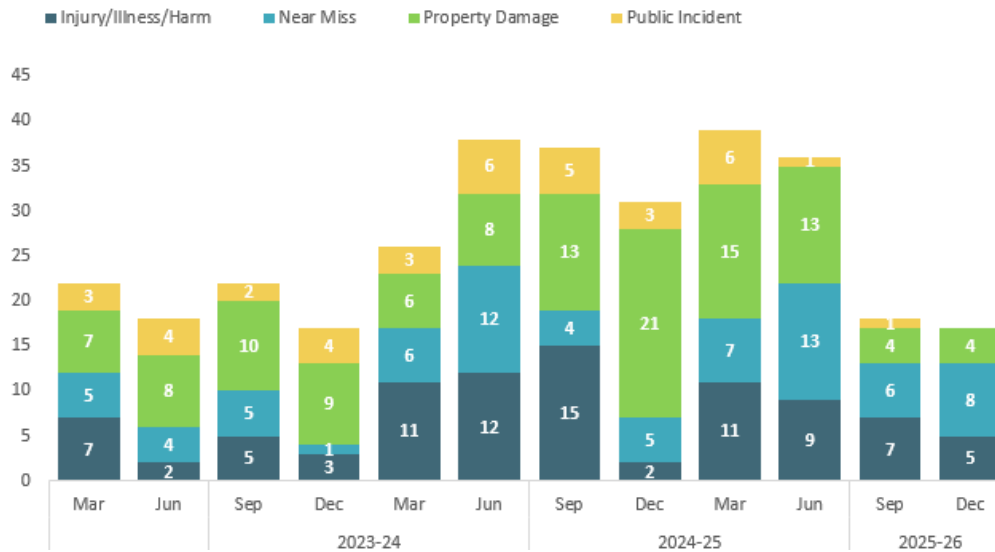


Health, Safety and Wellbeing (HSW)

Staff wellness

Staff wellbeing remains a focus. A new health provider has been engaged to deliver ongoing health services for staff such as skin checks, vaccinations etc. The new provider will meet with relevant teams to ensure staff are fully aware of the support available.

Incidents reported*



*Other Health & Safety incidents captured but not included in this figure are environmental incidents, hazards, improvement ideas, and public complaints. The data relates to HBRC staff only and excludes contractors. The incident reporting system is currently being updated.

Health & Safety Incidents

In total, 17 incidents were reported this quarter compared to 18 last quarter. The HSW team is reviewing the near miss events to ensure mitigation is in place and the progression to incident or injury is not presented.

Corrective actions

One full incident investigation was completed. There were no injuries or anything substantive, and no corrective actions were required. The HSW team continues to monitor work sites and provide ongoing guidance and education on health and safety procedures.

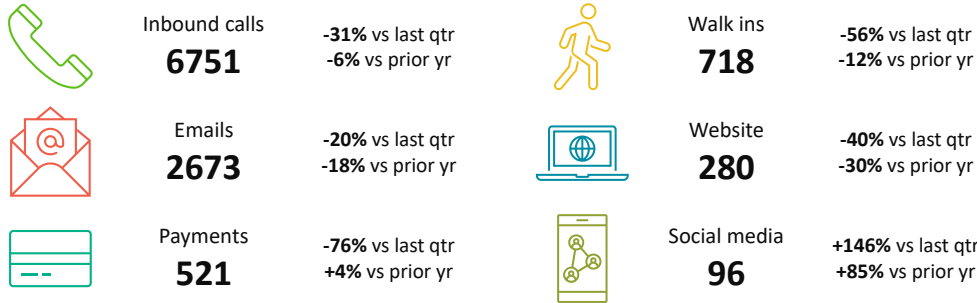
Training for staff

The HSW team worked across the organisation reviewing work instructions. Managers ensured staff are trained and briefed for the task at hand and this reflects a collaborative approach.

Training for new staff and refresher training for current employees included first aid and driving.

Customer Services

Contacts handled

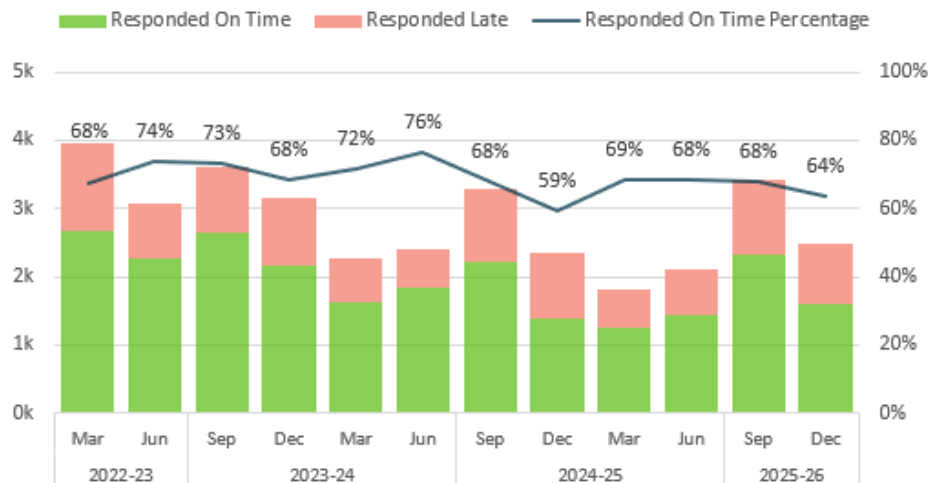


Customer experience

October was a busy month due to higher contact volumes when rates penalty letters were sent out. Contact numbers returned to normal levels in November and December. Customer satisfaction remained high throughout the quarter.

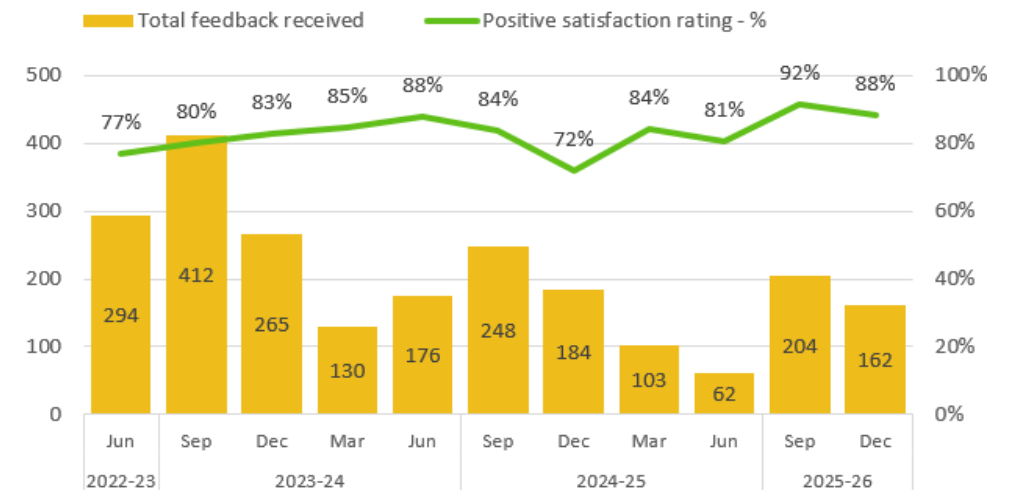
The HBRC Customer Services team was named as one of the Top Ten councils in the Association of Local Government Information Management (ALGIM) Customer Experience Benchmarking Report 2025. This was out of 80 local government agencies across the country.

Response time to customer enquiries*



*Target is to respond within 5 working days

Customer satisfaction rating*



*This graph shows customer satisfaction ratings for enquiries received by email. A survey is sent to customers once their enquiry is completed.

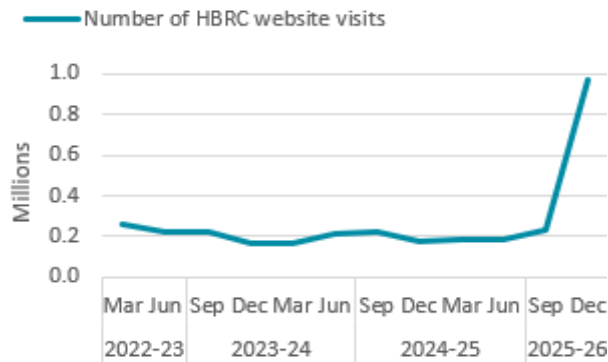
Digital Media

Website (hbrc.govt.nz)

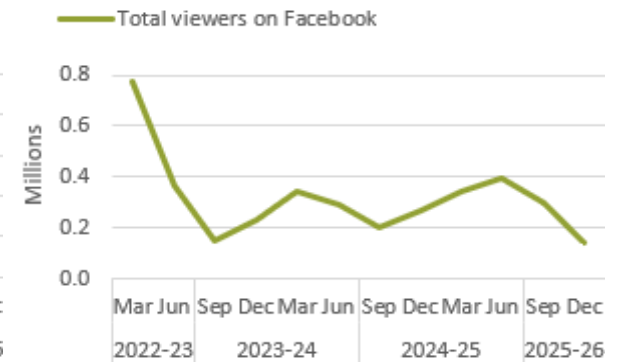
Website visits increased significantly this quarter compared to both the last quarter and the same time last year. October saw higher traffic due to people looking for local election information. In November, we had an unusually high number of visits to some pages which signalled possible academic links were widely shared online. Some pages that normally get very few visitors saw huge increases in traffic (~5000%) during this time. December traffic was lower than November (as expected after the shared links), but still more than five times higher than December last year. This indicates that our website continues to grow beyond one-off events.

Popular pages included rates information, river levels, and rainfall data. Most people came to our website either by typing in the web address directly or through search engines.

Website*



Social Media



*The number of visits to our hbrc.govt.nz website does not include sessions on other websites managed by the digital team including GoBay, Consultations, HB Trails.

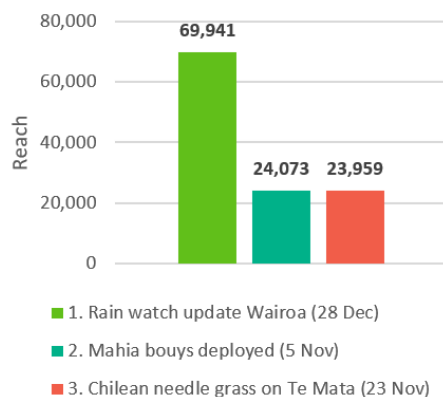
Social media (Facebook, LinkedIn and Instagram)

This quarter, our social media focused on promoting the Extreme Dry Hub and Dry Weather App, the 2026 Better Bus Routes launch, coastal hazards engagement, and summer swimming and water testing education.

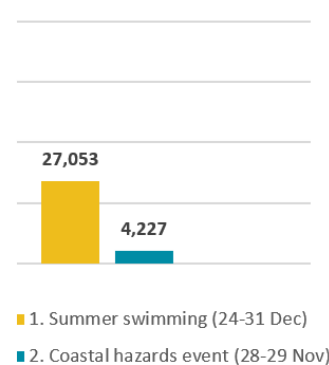
Facebook views and interactions were lower than last quarter, which was expected after the high interest during local elections. However, more people clicked through to our website – up nearly 12% this quarter and following a 22% increase last quarter. This indicates that people are finding our content useful and want to learn more. Posts explaining 'what does HBRC do' continue to perform well.

On LinkedIn, our 8 posts were seen 11,186 times and 550 people clicked through to read more – a strong result with over 5% of viewers taking action. On Instagram, 10 posts reached nearly 20,000 accounts and generated 544 interactions. One Instagram post—a reel of our Harbourmaster placing buoys at Māhia—became our highest-performing post ever with 22,692 views.

Top 3 Facebook posts



Facebook campaigns



Media and Official Information Requests

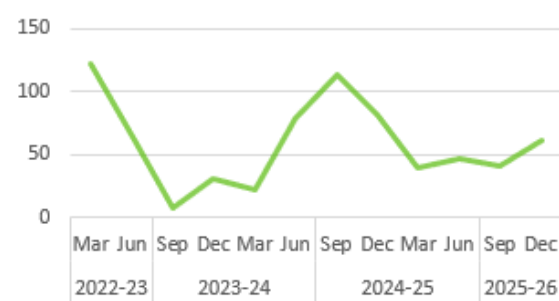
Communications and media

Media coverage increased this quarter, with some stories involving high-profile and reputationally sensitive issues. Early in the quarter, media continued to cover the Wairoa class action lawsuit and the second phase of the Coronial Inquest, both relating to flood management responsibilities. Local election results and the Māori constituencies poll also generated media interest.

In November and December, central government's proposed changes to the Resource Management Act created significant media coverage, including discussion about the future role of regional councils. HBRC responded by clearly communicating our ongoing role and the value we provide to the region.

Other topics that attracted media attention included invasive Chilean needle grass at Te Mata Peak, the Paritua stream running dry, and our lifejacket library.

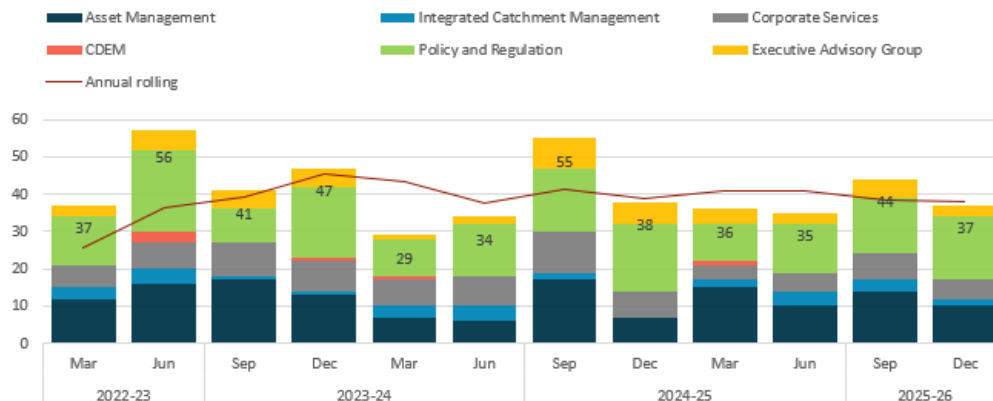
Media enquiries



Media releases



Official information requests by HBRC Group



Local Government Official Information and Meeting Act (LGOIMA) requests

We received 37 official information requests this quarter, down from 44 last quarter.

Most requests were about Cyclone Gabrielle—including HBRC's response and the land categorisation process—enforcement actions the Council has taken, and the new bus routes.

Staff spent 87 hours responding to these requests compared to 121 last quarter. The actual time spent is likely higher as recording hours spent becomes normal practice.

All official information requests and responses of public interest are published online [hbrc.govt.nz](https://www.hbrc.govt.nz), search: #lgoima

Fleet and Air Travel

Fleet

140 Total fleet vehicles		19 Total hybrid vehicles	
141 prior quarter	151 prior year	18 prior quarter	23 prior year
0 Total plug-in hybrid vehicles		3 Total electric vehicles	
1 prior quarter	2 prior year	3 prior quarter	8 prior year

Fleet vehicles include motorbikes, plant equipment, quads, utes, jet ski and cars.

Vehicles and fleet

This quarter, we sold one vehicle and replaced another. Vehicle usage data shows that our remaining fleet vehicles are being used more since we reduced fleet numbers. We're continuing to collect data to assess whether there are opportunities to reduce fleet numbers further.

Fuel use

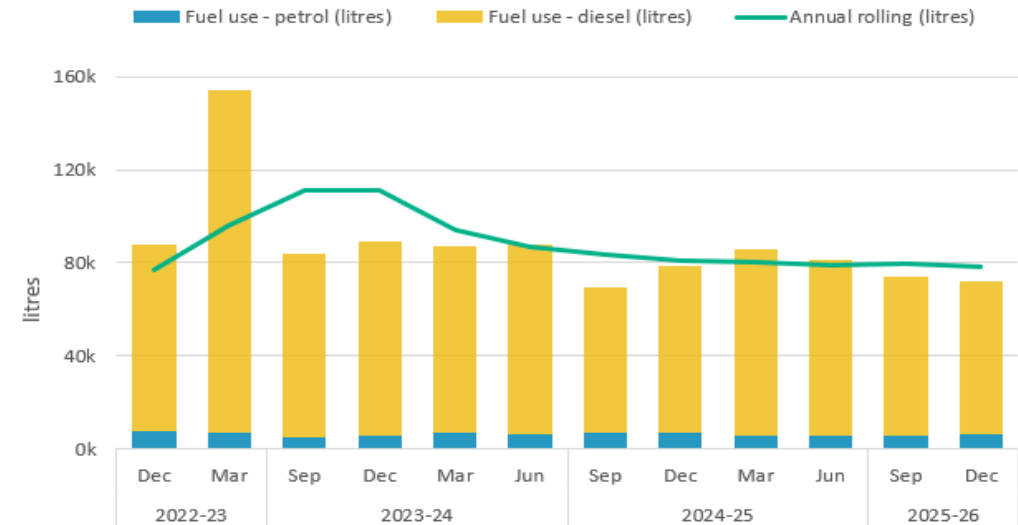
Fuel use was similar to last quarter. Note that these figures only include fuel used by staff and the Works Group – contractor fuel use is not included.

Carbon emissions

This is a level of service performance measure that is updated in the HBRC Annual Report at the end of the financial year.

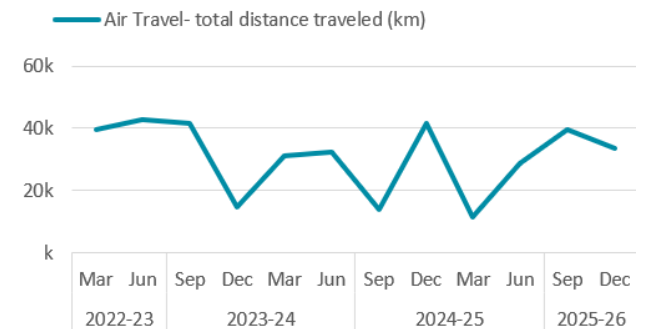
Previous Annual Reports are available online [hbrc.govt.nz](https://www.hbrc.govt.nz). search: **#AnnualReports**

Fuel use



Air travel

33,437
Total distance travelled (km)
-16% vs prior qtr
-20% vs prior year



Air travel

Travel includes staff and councillor and is spread fairly evenly across the organisation. The main reasons for travel continue to be working group meetings, conferences, forums, and training.



Level of Service Measures

by group of activity

Each quarter we monitor and report on 55 level of service measures across six groups of activities. The measures and targets were agreed in our Three-Year Plan 2024-2027.

Our six groups of activities are:

1. Governance and Partnerships
2. Policy and Regulation
3. Integrated Catchment Management
4. Asset Management
5. Emergency Management
6. Transport

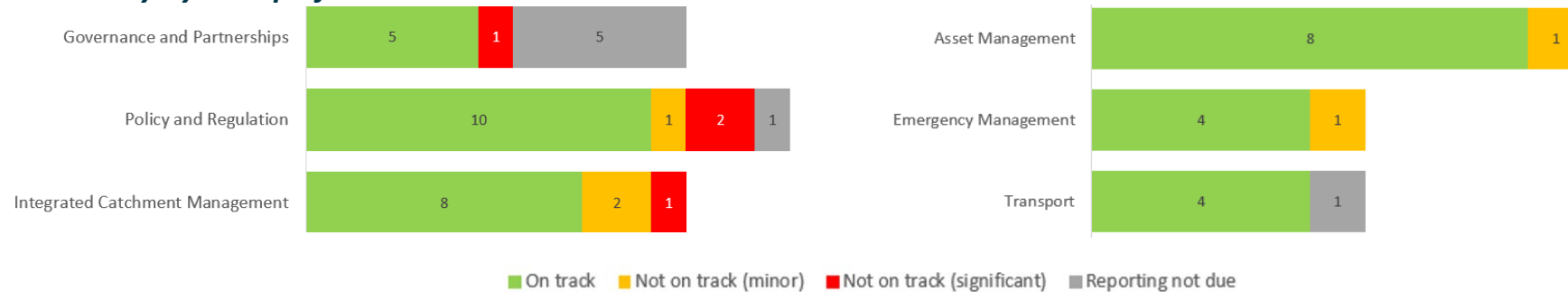
A traffic light reporting approach is used to show how we are tracking towards the end of year results.

Exception reporting

The exception reporting on the following pages provides commentary regarding measures that are currently 'not on track' or 'at risk' of not being achieved at year end. The Regional Council's Executive Leadership Team monitors the measures throughout the year to enable proactive action to improve performance.

Level of Service Measures

Summary by Group of Activities



Group reporting

Governance and Partnerships

Measure	Target	YTD Result	Status	Commentary
Community Representation & Leadership				
Percentage of official information requests responded to within 20 working days.	100%	81%	●	HBRC continues to meet statutory timeframes for responding to official information requests. This measure aims to respond with substantive information within 20 working days. We answered 17 requests on time and 7 requests past the 20-day deadline. A further 16 requests received in late December will be carried forward (due to the statutory Christmas/NY period). The requests we answered late were affected by their complexity, the overall volume of requests, and limited staff availability. We use an automated reminder system to help track deadlines and reduce delays.

Policy and Regulation

Measure	Target	YTD Result	Status	Commentary
Policy and Planning				
The Policy team meets the statutory timeframes as set by legislation.	Draft RRMP prepared	n/a	●	All statutory timeframes required under current legislation have been met however the performance target for the draft Regional Resource Management Plan has been overtaken by resource management reform. The increasing volume and pace of proposed legislative change continue to present challenges, requiring ongoing monitoring and adaptation. No significant changes occurred during the quarter.

Level of Service Measures

Policy and Regulation (contd)

Measure	Target	YTD Result	Status	Commentary
Consents				
Percentage of expiring water permits in the TANK catchment processed in accordance with TANK Plan Change.	50%	10%	●	100 Heretaunga Plains groundwater consents have now been issued out of ~1000 water permits. This measure is unlikely to achieve its target of 50% by the end of the financial year as most applicants have chosen to wait until the Environment Court makes a decision on the TANK Plan Change.
Compliance & Pollution Response				
Percentage of consents monitored each year as per the adopted risk-based Compliance Monitoring Strategy.	95% for high-risk consents 90% for all other consents	69% of high-risk consents	●	The total number of priority 1-4 consents to monitor in the year to date is 3,711. This was divided between the Compliance team (1,848 consents) and the Water Information Services team (1,863). The Compliance team monitored 69% of high priority consents to date. Performance was below target due to staff vacancies in both the rural and urban teams and the time needed for new starters to get up to speed. Recruitment is underway and performance is expected to be back on track by the end of the year.

Integrated Catchment Management

Measure	Target	YTD Result	Status	Commentary
Environmental Information				
Percentage of processed monitoring programme results that are publicly available within two months of collection for: <ul style="list-style-type: none"> Discrete water quality Groundwater quantity Surface water quantity Climate. 	90%	67.3%	●	This quarter, 67.3% of discrete and continuous data was processed and verified within two months, compared to 63.5% last quarter. This figure was partly due to the Christmas period, when no processing occurred. This comprised 56% of discrete data, 99% of groundwater, 50% of hydrology data, and 64% of climate data. The percentages are low due to staff vacancies and the decision to prioritise data collection over the processing and checking of data. Ongoing resourcing pressure in the data team, particularly in Water Information Science, has created a growing backlog. Data is published at hbrc.govt.nz Search: #envirodata and lawa.org.nz
Biosecurity				
Percentage of the Possum Control Area (PCA) with a 4% or less residual trap catch, with a minimum of 30% of PCA monitored each year.	>90%	86%	●	Approximately 173,522 hectares, or 25.7% of the Possum Control area will be monitored. This represents 86% of the area planned for monitoring and is a reduced area due to budget constraints. 1075 monitoring lines out of a total of 2,177 have been completed to date. This has returned an average residual trap catch of 2.3%. The annual Education Monitoring Programme is on track.

Level of Service Measures

Integrated Catchment Management (contd)

Measure	Target	YTD Result	Status	Commentary
Rural Partnerships				
The Rural Partnerships team will develop and implement an annual work programme for rural communities to include workshops, field days and community events.	>90% of programme delivered	85%	●	The Rural Partnerships team has an annual work plan in place. We are slightly behind on our delivery but expect to be on track at end of financial year as workshops are being planned over the next couple of months.

Asset Management

Measure	Target	YTD Result	Status	Commentary
Flood Protection & Control Works (Flood Schemes)				
Major flood protection and control works maintained, repaired and renewed to the standards defined in the relevant scheme Asset Management Plan and annual works programme: a) An annual maintenance programme is prepared and delivered b) An annual capital programme is prepared and delivered.	>80% of programme delivered	n/a	●	The annual maintenance programme is facing budget pressure, particularly unplanned works such as fallen tree removal, silt clearance, and drain slumping repairs. The capital programme, led by the Infrastructure Programme Management Office, accelerated this quarter, with good progress achieved. Critical asset maintenance remained on schedule. Asset renewal programmes have been developed but are constrained by limited resources and the need for additional condition assessments to confirm priorities.

Emergency Management

Measure	Target	YTD Result	Status	Commentary
Hawke's Bay CDEM				
An operative Group Plan under the CDEM Act 2002 is in place, and reviewed within statutory timeframes by the Joint Committee.	Achieved	n/a	●	The current 2014 CDEM Group Plan remains operative and is updated as needed to meet statutory requirements but is outside the statutory 5-year review. The new Service Level Agreement, endorsed by Hawke's Bay councils and approved by the Joint Committee in July 2025, confirms the CDEM arrangements for the region. The HBCDEM Transformation Strategy, approved in January 2025, includes a review of the Group Plan, subject to resourcing and the outcome of the CDEM group realignment. In April 2025, the Government announced its intention to reform New Zealand's emergency management legislation, with an Emergency Management Bill expected to replace the CDEM Act during the current parliamentary term.

Activity Reporting

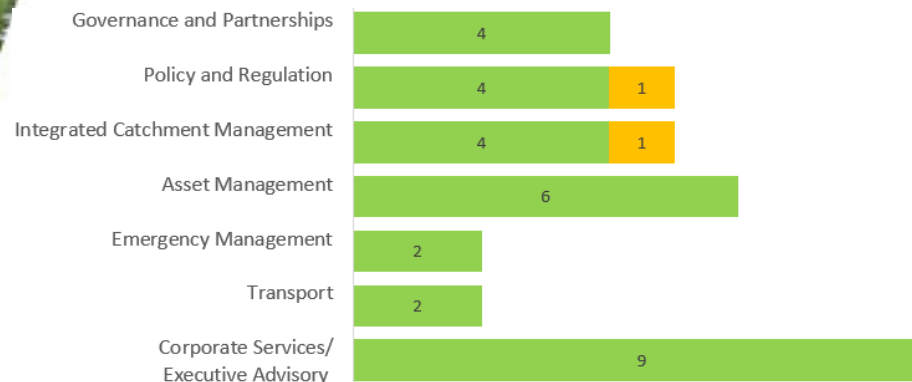
by group of activity

This section provides an overview of performance by activity using the traffic light reporting approach. It includes:

- a summary for both financial and non-financial performance by group of activity plus corporate services and overheads(see graphs below)
- individual activity reporting within the six groups of activities, plus corporate services and overheads
- financial reporting shows actual versus budget for operational and capital expenditure, and income
- finance reporting is year-to-date and subject to audit.

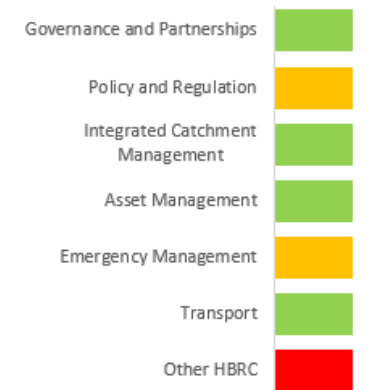
Performance Summary

Non-financial status (33 activities)



■ On track ■ Not on track (minor) ■ Not on track (significant)

Financial status (6 groups)



■ within 5% ■ within 5-10% ■ >10%



Governance and Partnerships activities (non-financial)

Community Representation and Leadership

Status	Commentary
●	<p>This quarter focused on inducting and transferring knowledge to the new 2025-28 regional councillors through: orientation sessions including ‘meet & greet’; Docs on Tap training; independently facilitated Discovery and Strategic Direction Setting sessions; introductory sessions on each of the Groups of Activities; as well as LGNZ-led training.</p> <p>Four council meetings were held including the inaugural meeting at the Napier War Memorial Centre on 29 October 2025 for swearing-in and Chair election. In addition, there were: two council workshops to develop the annual plan; CDEM and Regional Transport Committee meetings; and a Regional Planning Committee briefing on resource management reform.</p> <p>Councillors also attended a Regional Collaboration Day with our neighbouring councils. 37 Official Information requests were received during the quarter, compared to 44 last quarter.</p>

Tāngata Whenua Partnerships

Status	Commentary
●	<p>HBRC maintained active relationships with tāngata whenua through the Regional Planning Committee (RPC, 9 appointees) and the Māori Committee (13 representatives) during a quarter affected by the local government elections and governance changes.</p> <p>Following the October elections, Council and all committees—including the Māori Committee—were formally disestablished, as required by the Local Government Act. The Māori Committee was approved to continue for the 2025–2028 term, with updated Terms of Reference to be adopted by Council next quarter. Members of both committees supported councillor onboarding and induction, providing continuity of Māori governance.</p> <p>The Regional Planning Committee is a statutory co-governance committee established through Treaty settlement legislation, so it continues beyond the election cycle. While its first formal meeting is scheduled for February 2026, members met during the quarter to discuss Resource Management Act reform and its implications for HBRC and tāngata whenua rights and interests.</p>

Community Sustainability

Status	Commentary
●	<p>This activity covers climate action, environmental education, and corporate sustainability.</p> <p>Budget spend was reduced this quarter due to the Climate Change Lead Advisor’s secondment to MfE. The climate action joint Technical Advisory Group produced cross-council climate collateral for newly elected members.</p> <p>Enviroschools contractors achieved good outcomes this quarter, with the rural Putere school and Wairoa College, both in the Wairoa district, joining the programme. Activities included two beach cleanups, four field trips (estuary, Pekapeka, Te Mata Park), nine river visits using stream health monitoring kits, eight waste minimisation sessions, and fifteen biodiversity sessions covering skink habitats, dotterel nesting, Predator Free rat sessions, and native planting.</p> <p>The facilities and corporate support team continued monthly vehicle usage monitoring to identify further savings and support sustainability objectives.</p>

Regional Development

Status	Commentary
●	<p>The Regional Council has committed \$500K annual funding alongside Hawke’s Bay’s four other councils for the Regional Economic Development Agency (REDA). REDA is progressing a Transport Study. The Board—comprising John Loughlin (Chair), Meka Whitiri and Andrew Gibbs (appointed mid 2025), and interim CE Richard Briggs (contracted until April 2026)—collaborated with the Regional Recovery Agency Board on future delivery arrangements, presenting to the Matariki Governance Group on 12 December 2025.</p> <p>No reports were provided to the Regional Council this quarter.</p> <p>Hawke’s Bay Tourism funding concluded 30 June 2025.</p>

Governance and Partnerships group (financial)

Expenditure	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Activity						
Community Representation & Leadership	1,064	1,077	13	-	-	-
Tāngata Whenua Partnerships	289	469	180	-	-	-
Community Sustainability	1,995	1,328	(668)	-	-	-
Regional Development	337	337	-	-	-	-
TOTAL	3,685	3,211	(474)	-	-	-

Funded by	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Activity						
General funds	1,786	1,786	-	-	-	-
Targeted rates	644	641	3	-	-	-
Fees and user charges	-	-	-	-	-	-
Other income	69	455	(386)	-	-	-
Loan		100	(100)	-	-	-
Reserves	1,328	278	1,050	-	-	-
TOTAL	3,827	3,261	567	-	-	-

Surplus/(deficit)	142	50	92	-	-	-
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Status Financial commentary

- Community Representation & Leadership spending is on track with the budget so far this year. Tāngata Whenua Partnerships is under budget. This is because committees are still re-establishing, and current work is heavily focused on policy and legislative matters.

Community Sustainability is currently over budget. This is mainly due to the timing of Sustainable Homes transactions, which has also affected when we draw from reserves and receive related income.

Loan funding for Tāngata Whenua Partnerships has not been accessed yet because spending has been lower than expected so far this year.

Policy and Regulation activities (non-financial)

Policy and Planning

Status	Commentary
●	Work on new Regional Policy Statement provisions was temporarily paused to align with expected national direction. In the meantime, the existing Regional Coastal Environment Plan continues to provide a reliable and legally sound framework for managing coastal resources. The overall framework continues to adapt to environmental pressures and ongoing legislative changes, ensuring it remains effective and supports sustainable coastal and marine management.

Regulatory Implementation

Status	Commentary
●	Staff continue to be seconded into other roles across HBRC, mainly focused on cyclone recovery work, while we wait for more details from central government on Resource Management Act reforms. In the meantime, Regulatory Implementation work is being assessed case-by-case or managed by other regulatory teams, such as Consents. Updated guidance on the reforms is not expected until mid-2026.

Consents

Status	Commentary
●	<p>Over a busy quarter, the Consents team issued 100 Heretaunga Plains applications, with around 1,000 applications still waiting to be processed. The team is now fully staffed.</p> <p>In mid-December 2025, the Resource Management Act was amended to automatically extend expired or expiring consents until 31 December 2027. This affects a large number of consents, including Heretaunga Plains water take consents that have expired since 2019. These applicants now have the option to withdraw their applications and rely on their extended consents instead.</p>

Compliance and Pollution Response

Status	Commentary
●	<p>This was a busy quarter for the Compliance team. The rural team still has one vacancy (Compliance Officer – Forestry), but has managed the workload by prioritising work until the role is filled.</p> <p>The team dealt with several high-profile pollution response matters, including the Hawke’s Bay Wine Company incident at Pandora Estuary and the Haumoana seawall issue.</p> <p>Work continues on the Compliance Monitoring and Enforcement Guidelines. Work on the Enforcement Policy is expected to start in the first half of the year, depending on workload.</p>

Maritime Safety

Status	Commentary
●	<p>Commercial – The Memorandum of Understanding reviews for Napier Port and Napier City Council have been completed and should be signed off soon. Operations continue to be well managed, with no significant incidents since the last report. Napier City Council will provide an update on infrastructure developments within Ahuriri Inner Harbour.</p> <p>Recreational – The summer safety campaign has been going well, with positive community feedback on our on-water and boat ramp engagement. Boating courses are scheduled throughout the region for the rest of summer.</p>

Policy and Regulation group (financial)

Expenditure	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Activity						
Policy & Planning	1,541	1,633	91	-	-	-
Consents	1,724	1,581	(143)	-	-	-
Compliance & Pollution Response	2,037	2,046	9	-	-	-
-Silt Taskforce & Woody Debris	152	-	(152)	-	-	-
Regulatory Implementation	141	526	386	-	-	-
Maritime Safety	426	407	(19)	51	-	(51)
TOTAL	6,021	6,193	172	51	-	(51)

Funded by	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Activity						
General funds	4,061	4,061	-	-	-	-
Targeted rates	-	-	-	-	-	-
Fees and user charges	1,973	1,728	245	-	-	-
Other income	204	33	170	-	-	-
Loan	420	420	-	-	-	-
Reserves	(51)	-	(51)	-	-	-
TOTAL	6,607	6,243	364	-	-	-

Surplus/(deficit)	586	50	536	(51)	-	(51)
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Status	Financial commentary
●	<p>Consents is over budget due to hiring two new planners and the extra non-recoverable work required to respond to central government's changes to the Resource Management Act.</p> <p>Regulatory Implementation is under budget, as work has slowed while awaiting further direction from central government. Staff from this area have also been temporarily reassigned to Asset Management to help manage the increased workload from Cyclone Gabrielle.</p> <p>Fees & user charges income is higher than budgeted, with the consents team processing a high volume of applications. This includes a large group of water permit applications from late July.</p> <p>Other income is also ahead of budget due to unplanned revenue from the final silt taskforce work. This additional income is offset by the related costs.</p>

Integrated Catchment Management activities (non-financial)

Environmental Information

Status	Commentary
●	<p>The Environmental Information team continued to collect, process, and archive environmental data across all areas during the quarter. Data processing is behind schedule due to resourcing constraints and a deliberate decision to prioritise data collection over processing.</p> <p>Ongoing resourcing pressure in the data team, particularly in Water Information Science, has created a growing backlog. This increases risks to data integrity and confidence in reporting.</p> <p>Water Quality and Ecology activities remained largely on track, except for the water sampling equipment (ISCO) project, which is awaiting direction and resourcing to complete. Groundwater data was collected on time and met required specifications.</p>

Environmental Science

Status	Commentary
●	<p>There were no changes to resourcing, although the team remains 3 scientists short. This has been factored into work programme planning.</p> <p>Development of the Ruataniwha groundwater models has been completed.</p> <p>We managed three potentially toxic algal blooms this summer (one triggered a health warning from Te Whatu Ora), three reports of low water levels, and several reports of recreational water quality concerns. This compares to just one algal bloom last summer. The additional monitoring, testing, and signage required has put pressure on budgets and may cause minor delays to the freshwater work programme.</p> <p>With no dedicated freshwater investigation budget, the team focused on analysing Cyclone Gabrielle-related data.</p> <p>Routine monitoring was completed for nearshore water quality sampling, spring monitoring of intertidal reef communities at Māhia and Hardinge Road, estuarine water quality, and sediment plate monitoring.</p>

Biodiversity and Biosecurity

Status	Commentary
●	<p>All work in this area is on track except for Predator Free Hawke's Bay. External Funding for the project was confirmed in late November, and discussions are in progress for this project to continue. For Biodiversity, one new site was protected this quarter, as well as a project of fish barrier remediations completed by our Water Quality team.</p>

Sustainable Land Management

Status	Commentary
●	<p>Regular maintenance work at the Poplar & Willow nursery is on track and tree growth is good.</p> <p>Uptake of the Erosion Control Scheme (ECS) Grant Scheme is going well. The admin team received 95% of pole planting inspection reports by the 1 December 2025 deadline, leaving time for processing before Christmas. Work is being done to ensure existing ECS contracts and projects are completed by the end of the financial year.</p> <p>The New Zealand Association of Resource Management (NZARM) conference was a valuable learning and development opportunity for members of the team.</p>

Rural Partnerships

Status	Commentary
●	<p>The Rural Partnerships team continued working with Catchment Collectives and Catchment Groups across the region. The team successfully delivered the Regional Catchment Support Forum in October.</p> <p>Water efficiency work continued, including reviewing and updating irrigation water management pages on the HBRC website and promoting irrigation system maintenance.</p> <p>The Land for Life project has some minor delays. Milestone three of the Sustainable Food and Fibre Futures (SFFF) agreement with MPI was extended from November 2025 to February 2026 due to delays in establishing the financial and implementation entities being delivered by partner The Nature Conservancy (TNC). HBRC will continue working with TNC and MPI on this milestone next quarter. MPI funding for this milestone is consequently delayed.</p>

Integrated Catchment Management group (financial)

Expenditure Activity	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Environmental Information	2,442	2,416	(26)	116	195	80
Environmental Science	2,513	2,586	73	-	-	-
Sustainable Land Management	4,490	4,671	181	23	25	2
Biodiversity & Biosecurity	2,477	2,681	204	-	-	-
Rural Partnerships	555	757	202	-	-	-
TOTAL	12,477	13,111	634	139	221	82

Funded by Activity	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
General funds	8,723	8,723	-	-	-	-
Targeted rates	1,418	1,417	1	-	-	-
Fees and user charges	796	919	(122)	-	-	-
Other income	973	1,365	(392)	-	-	-
Loan	762	1,041	(279)	23	25	(2)
Reserves	453	152	301	116	195	(80)
TOTAL	13,125	13,616	(492)	139	221	(82)

Surplus/(deficit)	648	505	142	-	-	-
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Status Financial commentary

- Environmental Information spending is on track with the budget.

Environmental Science is under budget due to vacant positions. However, additional projects have recently been added to this work area, which is likely to create budget pressure later in the year.

The Erosion Control Scheme programme, through Sustainable Land Management, is on track to use its full annual budget.

Biodiversity and Biosecurity are under budget so far this year due to timing. Most of this work happens during the warmer months, particularly for pest control.

Rural Partnerships is expected to remain under budget, as community demand has been lower than expected. A series of workshops are planned for the coming months.

Loan funding is currently under budget due to the timing of Erosion Control Scheme spending.

Reserve funding is over budget due to the timing of nursery sales.

Asset Management activities (non-financial)

Flood Protection and Control Works (Rivers, Drainage and Small Schemes)

Status	Commentary
●	<p>Maintenance activities are being delivered on time and in line with contract requirements. Planning, scheduling, and reporting continue to improve through the Strategic Enterprise Asset Management (SEAM) system, with staff capability and confidence also increasing. Recording and fixing asset defects has improved, giving us better visibility of asset condition and allowing for more timely responses. Control system upgrades are now complete across all Heretaunga Plains pump stations, improving real-time monitoring and operational response.</p> <p>River mouth monitoring continues to improve through surveillance cameras and water level devices. The Wairoa River bar crest is inspected weekly, with continuous assessment to ensure it is performing effectively.</p>

Flood Risk Assessment and Warning

Status	Commentary
●	<p>Staff continued supporting the Infrastructure Programme Management Office (IPMO), focusing on flood risk assessments and reviewing flood modelling data provided by consultants. Work progressed on prioritising infrastructure upgrades to improve flood resilience.</p> <p>Updates to flood forecasting models are ongoing, including new models for the Tūtaekurī and Ngaruroro Rivers. The flood forecasting dashboard has been refined, with separate live and development versions now in place. Its history and development have been documented for future reference.</p> <p>Collaboration with our ICT team continued to upgrade the server hosting the flood forecasting models and to relocate the dashboard. Flood frequency analysis across regional rivers is progressing to inform warning alerts and trigger levels.</p>

New Flood Resilience

Status	Commentary
●	<p>NIWE Cat 2 programme: ●</p> <p>Projects are tracking within approved budgets and timelines. Waiohiki is progressing steadily, with practical completion forecast for March 2026.</p> <p>Ōhiti is now underway, with land secured, a contractor engaged, and resource consent granted.</p> <p>Whirinaki State Highway is in construction – the bypass completed in December and stopbank works start in February 2026.</p> <p>Pōrangahau is finalising town side land access and has lodged its resource consent.</p> <p>Pākōwhai is in final design, with contractors identified or under tender. Using multiple contracts has helped maintain pace and reduce overall risk.</p> <p>NIWE Scheme Reviews: ●</p> <p>The project is on track and progressing well and to budget. It is currently forecasted to be completed by March 2026.</p> <p>HB Independence Flood Review/ Post Cyclone Improvement: ●</p> <p>The Reimagining Flood Resilience project is underway and progressing well.</p> <p>Two Stakeholder Reference Groups have been set up for the Upper Tukituki and Heretaunga areas, with engagement led by Tonkin + Taylor alongside the project team. This quarter included a bus trip and three workshops.</p> <p>Infometrics has been engaged to assess the economic benefits of the two existing major flood schemes.</p> <p>A working group has also been established with Waka Kotahi/NZTA, KiwiRail, Hastings District Council, and Napier City Council to review bridge impacts and future flood resilience.</p> <p>Steering Group appointments have been confirmed, an initial meeting held, and monthly updates continue to be provided to Council.</p>

Asset Management activities (non-financial)

Coastal Hazards

Status	Commentary
●	<p>Renourishment works are ongoing due to large swell events impacting progress. Instrument maintenance is ongoing, with pressure sensors permanently retrieved. The Wairoa wave buoy is in the consenting process, and Coastsnap stations have been installed along northern coastal areas. Support to the Technical Advisory Group continues through reports, memos, and technical advice.</p> <p>Coastal Hazard Strategy: Staff and governors (HBRC, HDC and NCC) continued to engage in focus group meetings. Ten meetings have been held with each of the two focus groups - Bay View/Westshore and Te Awanga/Haumoana. Tonkin + Taylor completed an assessment of a modular seawall option (similar to the ecoreef system installed at Te Awanga) concluding it may be suitable in parts of Te Awanga and Westshore, but is less favourable for Bay View and Haumoana than the draft Strategy. Wider community engagement through webinars, drop-ins, and a survey generated strong feedback, which has been reported back to the focus groups. The Community Reference Group remains on track to provide advice to HBRC in April 2026 on actions and costs that will contribute to decision-making on which options and funding models move forward to formal consultation. Budgeting remains challenging given HDC's decision to no longer fund this work from 1 July 2025 and uncertainty around NCC funding, although all partner councils remain highly engaged.</p>

Regional Water Security

Status	Commentary
●	<p>A Project Manager is now in place and the three priority projects—Heretaunga Water Storage, Managed Aquifer Recharge, and Ngaruroro River Recharge—are progressing and are on track. Stakeholder engagement is strong and will continue throughout all phases of the three priority projects.</p> <p>While the Water Security Action Plan outlines the key interventions, the Project Manager has begun to develop a detailed work plan to activate the Action Plan. This will ensure that the 'second tier' priority interventions are achieved.</p>

Open Spaces

Status	Commentary
●	<p>Open Space activities continue to be delivered through a collaborative approach between the Regional Assets and Operations teams, in line with Asset Management Plans.</p> <p>The three-year maintenance contract for Regional Parks has been going well, with all programmed maintenance activities completed on schedule and to the required standards.</p> <p>Routine inspections were undertaken to monitor service delivery, compliance, and quality assurance. No issues have been identified to date.</p>

Asset Management group (financial)

Expenditure Activity	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Flood Protection and Control Works	9,393	10,488	1,095	26,784	54,540	27,756
Flood Risk Assessment and Warning	1,046	880	(166)	3	-	(3)
Coastal Hazards	442	638	196	-	-	-
Open Spaces	2,148	1,722	(426)	473	799	325
Regional Water Security	147	722	575	2,132	3,035	903
Works Group	942	402	(541)	211	238	27
TOTAL	14,119	14,852	733	29,603	58,611	29,008

Funded by Activity	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
General funds	4,693	4,696	(2)	49	47	2
Targeted rates	4,744	4,751	(7)	965	962	2
Fees and user charges	158	688	(530)	-	-	-
Other income	3,041	2,102	940	20,689	41,215	(20,526)
Loan	403	997	(593)	8,284	17,040	(8,756)
Reserves	1,261	1,926	(665)	(389)	341	(730)
TOTAL	14,301	15,159	(858)	29,597	59,605	(30,008)

Surplus/(deficit)	182	307	(125)	(6)	994	(1,000)
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Status	Financial commentary
●	<p>Flood Protection & Control Works operating costs are underspent due to the timing of the Upper Tukituki and Heretaunga Plains river surveys and willow spraying, which are scheduled for later in the year. Capital spending is also under budget due to delays in the North Island Weather Events (NIWE) and Cyclone Recovery projects.</p> <p>Coastal Hazards is underspent due to the timing of Westshore beach renourishment and repair works, which are continuing through January.</p> <p>Open Spaces operating costs are over budget due to early payment of the grant to Te Mata Park Trust and unbudgeted roading costs from the Tūtira harvest. This is partly offset by harvest revenue. Capital spending is under budget due to delays in the MBIE cycleway repairs while we wait for the Waiohiki NIWE project to be completed.</p> <p>The Regional Water Security programme is under budget for both operating and capital costs. Spending so far has mainly been on the Heretaunga project.</p> <p>Fees and user charges are under budget due to reduced gravel income. Other operating income is over budget due to unplanned forest harvest revenue, while other capital income is under budget due to the timing of NIWE project revenue. Loan funding is under budget due to the timing of Regional Water Security and NIWE spending.</p>

Emergency Management activities (non-financial)

Hawke's Bay CDEM Group

Status	Commentary
●	<p>The HBCDEM Group achieved several key milestones during the quarter, including adopting a standardised tsunami evacuation mapping methodology and completing regional signage audits.</p> <p>Operational readiness was strengthened through the Exercise Activate series, which involved 243 participants, and the formal appointment of two Group Controllers. The organisation also progressed its Transformation Strategy and alignment with the Service Level Agreement. Recruitment for the Operational Readiness team was completed following the restructure.</p> <p>Progress on the flood warning workstream was paused due to the requirements of the Cyclone Gabrielle Coronial Inquiry. The Transformation Strategy has also progressed more slowly than expected due to ongoing vacancies in critical roles, including the Principal Advisor Assurance and Principal Advisor Māori Partnerships.</p>

HBRC Emergency Management

Status	Commentary
●	<p>A renewed and refreshed Business Continuity Plan and updated Essential Functions were developed for HBRC, approved and adopted on 16 December. Hard copies have been placed across all HBRC buildings. The next six months will focus on a new Incident Management Plan (IMP) approach and hazard actions plans.</p> <p>During the quarter, a further 25 staff completed emergency readiness training. Our total number of HBRC staff with Emergency Management Essentials training is 203.</p>

Emergency Management (financials)

Expenditure	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Activity						
Hawke's Bay CDEM Group	1,844	1,996	151	-	-	-
HBRC Emergency Management	2,212	1,566	(646)	-	-	-
TOTAL	4,056	3,562	(494)	-	-	-
Funded by	Operating			Capital		
Activity	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
General funds	916	916	-	-	-	-
Targeted rates	1,857	1,833	25	-	-	-
Fees and user charges	-	-	-	-	-	-
Other income	163	-	163	-	-	-
Loan	1,515	966	550	-	-	-
Reserves	(602)	(153)	(449)	-	-	-
TOTAL	3,850	3,562	288	-	-	-
Surplus/(deficit)	(207)	-	(207)	-	-	-

Status	Financial commentary
●	<p>CDEM is under budget due to ongoing recruitment and staff onboarding.</p> <p>HBRC Emergency Management is over budget due to Coronial Inquiry costs. Most of the annual budget has already been spent, even though the budget was spread evenly across the year. The insurance cyclone claim project is also creating unbudgeted costs.</p> <p>Additional income was received from NEMA to support training initiatives.</p>

Transport activities (non-financial)

Transport Planning and Road Safety

Status	Commentary
●	<p>The Road Safety Programme is determined at the beginning of the year with our stakeholders, primarily NZ Police, and is guided by NZ Transport Agency/Waka Kotahi. Development of the Regional Land Transport Plan also follows guidance set by NZTA.</p> <p>All activities are currently on track within their respective programmes.</p>

Public Transport

Status	Commentary
●	<p>This quarter's key activities included establishing a new contract for Total Mobility operators, adopting a new NZTA-approved Transport Procurement Strategy, and preparing tender documentation for the Napier/Hastings bus contract, which will go to market in the next quarter.</p> <p>A critical focus this quarter was preparing for the rollout of the new bus network on 25 January 2026. All components within HBRC's control are on track.</p>

Transport (financial)

Expenditure	Operating			Capital		
	Actual	Budget	Variance	Actual	Budget	Variance
Activity	\$000	\$000	\$000	\$000	\$000	\$000
Public Transport	5,100	5,940	840	161	-	(161)
Transport Planning & Road Safety	108	179	71	-	-	-
TOTAL	5,209	6,119	910	161	-	(161)

Funded by	Operating			Capital		
	Actual	Budget	Variance	Actual	Budget	Variance
Activity	\$000	\$000	\$000	\$000	\$000	\$000
General funds	56	56	-	-	-	-
Targeted rates	2,493	2,463	30	-	-	-
Fees and user charges	-	-	-	-	-	-
Other income	1,830	3,514	(1,684)	82	-	82
Loan	-	-	-	-	-	-
Reserves	823	86	737	79	-	79
TOTAL	5,201	6,119	(917)	161	-	161

Surplus/(deficit)	(7)	-	(7)	-	-	-
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Status	Financial commentary
●	<p>Public Transport is under budget so far this year. Service changes scheduled for late January 2026 are expected to reduce this underspend, along with a planned free-travel week aimed at increasing bus use.</p> <p>Total Mobility is over budget, with further seasonal demand expected over the summer months. The Government has announced additional funding to support this, with an application to be lodged in January.</p> <p>Public Transport recoveries are behind budget so far this year, consistent with the lower spending. Rates funding has been fully used, and we need to draw from reserves to meet our share of Waka Kotahi/NZTA co-funding requirements and support full funding claims.</p>

Corporate Services and Executive Advisory activities (non-financial)

Information and Communications Technology (ICT)

Status	Commentary
●	All ICT projects tracked well this quarter. The Rates Management project remains on track, with the system scheduled to go live in late February. The Contract Management system is being rolled out across the organisation to support consistent processes, while new Health & Safety and Human Resources initiatives are starting. IRIS Next Generation and related data programmes continue to progress, with growing stakeholder engagement as planning and delivery mature. The shared infrastructure and networking initiative with Hastings District Council advanced, with network equipment purchased and rollout planning underway. Preparation for the technical components of the Hazard Portal upgrade was also completed.

Human Resources

Status	Commentary
●	The Organisational Values refresh was successfully rolled out, supported by the second phase of the leadership development programme to strengthen our culture. The new HR Strategy is being drafted and remains on track for implementation next quarter. Recruitment activity has slowed, with turnover lower than last quarter, reflecting workforce stability. The HR team played a key role in supporting the CDEM transformation and restructure, helping to reposition the function for its next phase. Across the organisation, HR Advisors continue to coach and support leaders and teams to ensure consistent people practices and alignment with our refreshed values. <i>Updates on staffing, turnover and recruitment are on page 7 of this report.</i>

Finance and Treasury

Status	Commentary
●	The Finance team, including Rates and Payroll, had a busy quarter. Work continued on the rates system upgrade, with extensive user testing underway. The Payroll project progressed to preparing a Request for Proposal for a new system. Significant effort also went into developing a top-down proposed budget for the 2026/27 Annual Plan. As part of the Fit for the Future programme, improved financial training was delivered to many staff, and an induction session was completed for new councillors.

Legal, Compliance, Risk and Procurement

Status	Commentary
●	A new shared services Risk, Controls and Assurance team commenced in November 2025. An initial discovery phase informed the team’s work programme for 2026 onwards. A 12-month assurance plan is being prepared and will be presented to the Finance, Audit, Risk and Emergency Committee in February 2026, setting out the priority focus areas. Work is underway to maintain the current risk management framework, with some changes to the risk reporting expected. Follow-up on previous recommendations continues and is being improved. The Procurement team continues to transition contracts into the new Contract Management System. Work is also starting to align and consolidate procurement and project management documentation. The Legal team continued to support the Coronial Inquiry and several active litigation files and led engagement with the Ombudsman across multiple matters. Work is underway to develop an enhanced suite of privacy policies and to create an organisation-wide delegations manual. <i>The business-as-usual work of our Health, Safety and Wellbeing team can be viewed on page 8.</i>

Corporate Support

Status	Commentary
●	The quarter began with high Customer Experience contact volumes following the October rates penalty letters mailout. Activity levels normalised in November and December. Our Facilities team managed ongoing repairs and maintenance across council sites, including blocked drains in Wairoa, a water leak in Waipukurau, and rodent issues at Guppy building affecting air conditioning. The team processed vehicle repair quotes and insurance claims, supported the Transport team's bus route launch, and worked with Procurement on supplier reviews and contract establishment.

Māori Partnerships and Executive Advisory (non-financial)

Communications and Engagement

Status	Commentary
●	<p>This quarter saw increased media activity driven by the Coronial Inquiry. The team responded quickly to two major inaccuracies, securing prompt corrections and reducing reputational risk. Media interest also increased around the Wairoa class action, local government reforms, including rates capping and the Resource Management Act.</p> <p>The Heretaunga Plains and Upper Tukituki Stakeholder Reference Groups held their first meetings, and Coastal Hazards engagement sessions in Westshore and Haumoana drew strong attendance. North Island Weather Events (NIWE) project launches at Ōhiti and Whirinaki generated four positive stories, while announcements on funding for the Wairoa Flood Mitigation project and a new Wairoa River mouth management approach produced nine positive stories.</p> <p>Website work included adding seven new webcam pages, expanding the Community Conversations Hub, rebuilding the GoBay site ahead of the January route launch, and updating Coastal Hazards, the Pest Hub, and official information consents pages. Preparation for the new bus network required significant design and digital team capacity.</p> <p><i>Updates on digital and social media, and communications are on pages 10-11 of this report.</i></p>

Māori Partnerships

Status	Commentary
●	<p>The Māori Partnerships team continued to support meaningful Māori participation and engagement with tāngata whenua partners on legislative and policy reform, including local government reform, Resource Management Act reform, and rates capping proposals.</p> <p>One Mana Whakahono ā Rohe progressed to finalise its negotiating framework, while others continue to develop via working groups. Progress continued on the Whatumā Accord with Tamatea Pōkai Whenua Trust, and the Paritua–Karewarewa Taiao Roopu collaboration established the extreme dry protocol and a 2026 work programme to strengthen place-based kaitiakitanga partnerships.</p> <p>The team supported the local government election, reshaped the mana whenua engagement approach within the Infrastructure Programme Management Office (IPMO), delivered protocols to guide the use of mana whenua planning documents across Council work programmes, and continued to strengthen partnership approaches with mana whenua.</p>

Strategy and Governance

Status	Commentary
●	<p>Strategy and Governance teams spent much of the quarter implementing a comprehensive induction/orientation programme for the new councillors and implementing a new software system to manage agenda, reports, minutes and actions.</p> <p>The Governance team serviced 7 meetings, workshops, briefings using the new system and administered consistently high LGOIMA requests. It concluded tasks related to the local election.</p> <p>The Strategy & Performance team were focused on finalising the Annual Report and developing the Annual Plan with the Finance team, and the Q1 Organisational Performance Report. The Strategy & Climate Action Senior Advisor was on secondment to MfE until mid-December. The Fit for the Future Programme Manager leading organisational transformation joined the team (see below).</p> <p><i>Updates on official information requests are detailed on page 11 of this report.</i></p>

Fit for Future

Status	Commentary
●	<p>A Programme Manager was appointed in October to oversee delivery of the 2025–2027 Fit for the Future Programme.</p> <p>Eleven of the initial 13 projects are underway. Two ICT projects were merged due to overlap, and one project is on hold pending clarity on recent government proposals.</p> <p>Three critical projects have been prioritised: Our Strategy, Adjusting Levels of Service, and Next Gen Land Management. Key progress includes developing a new strategy, proposing a new operating model for land management, completing an improved councillor induction, establishing a Digital Governance Board, delivering financial literacy training, and rolling out a contracts management system.</p> <p>Project delivery continues alongside business-as-usual work, creating capacity pressures in an already stretched organisation. A Fit for the Future Network has been established to strengthen cross-organisational alignment and manage interdependencies.</p>

Other HBRC (financials)

Expenditure	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
Corporate support	-	-	-	199	392	193
ICT	540	672	132	289	932	643
Investment Income	400	346	(53)	-	-	-
Rates Management	1,368	1,817	450	-	-	-
Treasury	232	-	(232)	-	-	-
TOTAL	2,540	2,835	296	488	1,324	836

Funded by	Operating			Capital		
	Actual \$000	Budget \$000	Variance \$000	Actual \$000	Budget \$000	Variance \$000
General funds	(4,923)	(5,602)	679	-	-	-
Targeted rates	-	-	-	-	-	-
Fees and user charges	25	-	25	-	-	-
Other income	7,438	7,240	197	70	35	35
Loan	593	1,497	(904)	-	21	(21)
Reserves	139	139	-	284	1,268	(984)
TOTAL	3,272	3,274	(2)	354	1,324	(970)

Surplus/(deficit)	732	439	293	(134)	-	(134)
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Status	Financial commentary
●	<p>ICT is under budget so far this year. This is expected to be fully used later in the financial year as project work increases.</p> <p>Treasury is over budget due to unplanned interest earned on higher bank balances resulting from project timing delays.</p> <p>General funds are under budget due to lower-than-expected rates remissions and higher-than-expected penalty income.</p> <p>Other income is ahead of budget due to unplanned interest earned on higher bank balances resulting from project timing delays.</p> <p>Loan funding is under budget due to the timing of ICT project spend.</p>

How Metrics are Calculated



Employee count (p 6) is the total count of all permanent staff employed by HBRC. This is calculated as at the end of the quarter.

Full time equivalents (FTE) (p 6) are the total permanent FTEs as at the end of the quarter.

Turnover (p 6) is calculated by averaging the staff count (previous end of quarter staff + current end of quarter staff divided by 2). This is then divided by the number of resignations. Only resignations or retirements of permanent staff and fixed term staff (before their contract end date) are included in this figure.

Note: HR metrics are provided by the HR Team Leader using information from TechOne.

Health and Safety Incidents (p 7) are all the incidents reported in HBRC's health & safety software Hasmate.

Contacts handled (p 8) tracks the volume of calls, emails, walk-ins, website visits, and payments. The data is sourced from Zendesk.

Response time to enquiries (p 8) tracks how quickly customer enquiries are resolved. Each enquiry is logged and the target to respond is by 5 working days. This data is sourced from Zendesk.

Customer satisfaction (p 8) tracks the customer satisfaction rating of how their emailed enquiry was handled. This data is sourced from Zendesk.

Engagement topics (p 9) metric counts reach from the organic or paid distribution of Facebook content, including posts, stories and ads. It also includes reach from other sources, such as tags, check-ins and page or profile visits. Reach is only counted once if it occurs from both organic and paid distribution.

Website and social media (p 9) data is sourced from Google (HBRC website visits) and Facebook analytics (total viewers).

Media enquiries and media releases (p 10) counts the number of enquiries and media releases. This data is sourced from the internal Comms Log in SharePoint.

Official information requests (p 10) are all the LGOIMA requests that are registered in our LGOIMA register in SharePoint.

Vehicle numbers and fuel usage (p 11) data is provided by our internal systems and our fuel suppliers. Trailers are not included in the fleet count as they are not motorised. Fuel data does not cover our contractors' usage.

Air Travel (p 11) data is provided to HBRC by our travel agent.

Budget in financial commentary (p 17-30) is based on our internal management budget, which is in our Three-Year Plan or current Annual Plan, adjusted for carry forwards and new external funding agreements.