



Our resilience-focused

Mahere ā-Tau

Annual Plan

2025-26



hbrc.govt.nz


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



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ISBN 978-0-947499-56-3

He Kupu nā te
Toihau me te
Kaiwhakahaere
Matua
**Message from the
Chair and Chief
Executive**

The Annual Plan 2025–26 is a pivotal step forward in building long-term resilience for Hawke’s Bay. This plan focuses on securing the region’s future by prioritising three critical areas: reducing flood risk and strengthening our flood protection infrastructure, advancing solutions for regional water security, and supporting sustainable land use that safeguards our environment and economy.

These priorities are essential to ensure Hawke’s Bay is prepared for the challenges of a changing climate, while enabling our communities to thrive.

We extend our sincere thanks to everyone who contributed feedback through our consultation process. Your voices have been instrumental in shaping this plan. It’s clear that affordability remains a key concern for many, and your feedback helped guide our decisions.

In response, the Regional Council has taken a disciplined and strategic approach—sharpening our focus and making some difficult but necessary trade-offs to limit the impact on ratepayers. We have successfully reduced the average rates increase to 9.9%, a significant drop from the originally forecast 18.3% for 2025–26.

Our team continues to focus on delivering improved regional resilience whilst reducing operating costs across the organisation. We are working closely with communities across the region to deliver major flood infrastructure in Wairoa, Whirinaki, Waiohiki, Pākōwhai, Ōhiti Road - Omāhu, and Pōrangahau.

This Annual Plan also includes rate funding for flood resilience work for Mangarau Stream in Havelock North being delivered by Hastings District Council.

Our flood resilience programme also includes region-wide improvements to existing schemes and installing more resilient telemetry. The programme is significant for Hawke’s Bay, and we need to complete the work at pace to secure the Crown’s co-funding. We thank the different communities for their continued involvement and acknowledge the challenging conversations.

As well as building resilience for too much water, we are preparing for not enough water. We are working on exploring options for water storage and aquifer recharge.

This Annual Plan reflects a balance between immediate action and long-term investment. While the costs of delivering critical services and resilience-building work continue to rise, we remain committed to prudent financial management and transparent decision-making.

Together, with your continued engagement, we can build a stronger, safer, and more climate-resilient Hawke’s Bay – not only for today, but for generations to come.



Ngā mihi nui

Hinewai Ormsby
Chair Hawke’s Bay
Regional Council

We continue to work with landowners to keep soil on our hills, manage pests, and enhance biodiversity.

We know that further investment is going to be needed to strengthen long-term water security and to manage the threat of flooding. We will be engaging with our community on these bigger conversations and costs.

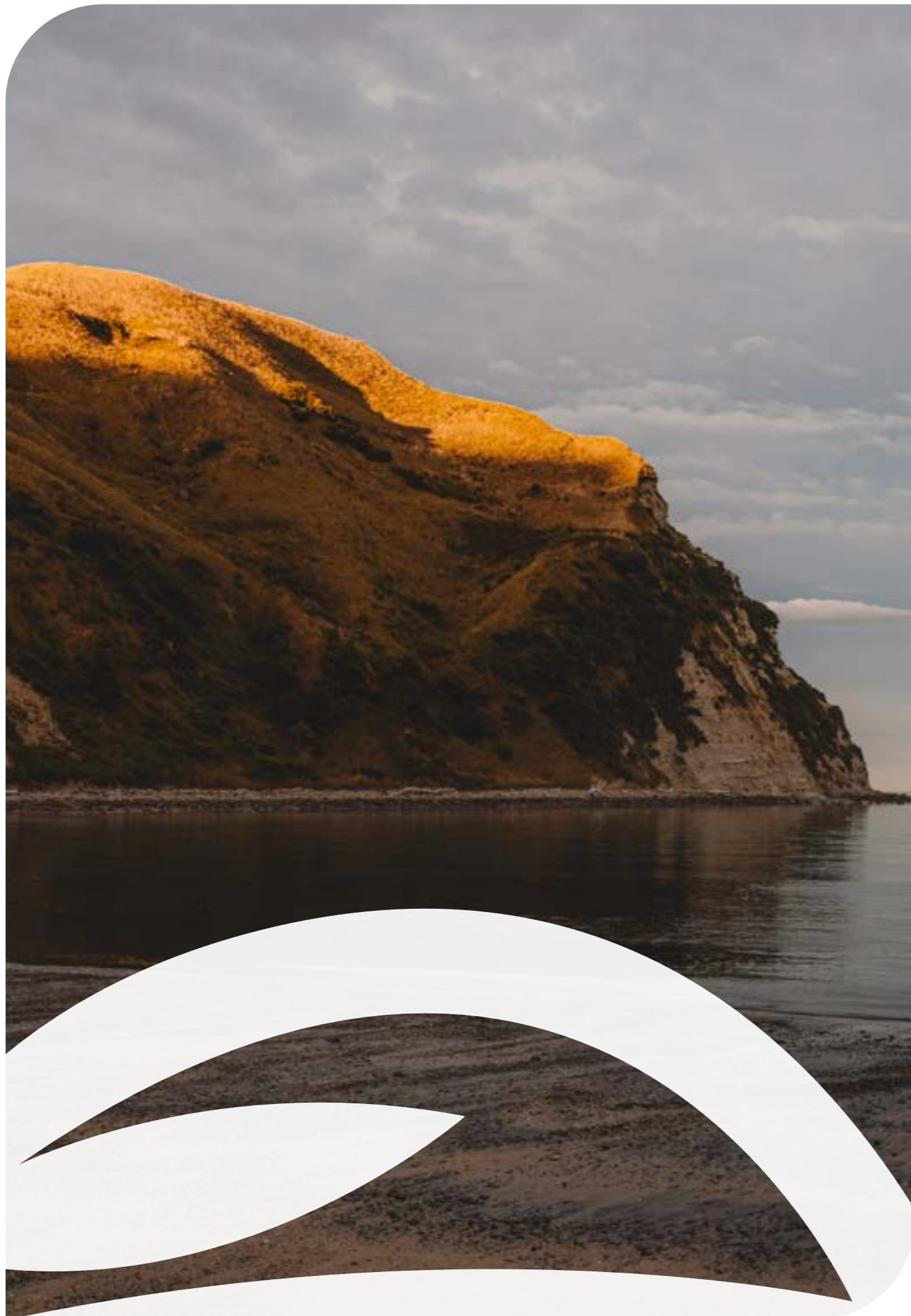
See our Engagement Hub on our website hbrc.govt.nz, search: **#engagementhub** for more information.

Your knowledge and ideas are critical to our planning.



Ngā mihi nui

Dr Nic Peet
Chief Executive
Hawke’s Bay
Regional Council



He kupu nā ngā Toihau Kōmiti Māori

Message from the Māori Committee Co-Chairs

*E ngā mana, e ngā reo, e ngā karangatanga
maha o Te Matau-a-Māui, tēnā koutou katoa.*

The 2024-25 year has been another significant chapter of rebuilding and renewal. Through every challenge, the strength, unity, and resilience of our iwi, hapū and marae have guided our rohe forward. We acknowledge the enduring mana of these communities and their leadership in ensuring recovery is measured not only in repaired assets but also in the restoring the mauri of te taiao.

The Council's Annual Plan responds directly to priorities voiced in our takiwā: stronger flood resilience, secure and equitable access to wai, and a ki uta ki tai catchment-management approach. Flood resilience mahi continues to advance in Wairoa, Whirinaki, Waiohiki, Pākōwhai, Ōhiti Road-Omāhu, and Pōrangahau and we acknowledge the enduring impacts both whenua and whānau carry. Improved flood-forecasting technology and a community-led review of the Heretaunga and Upper Tukituki schemes provide opportunities to recognise and embed local knowledge and mātauranga at place.

Throughout the year, the Māori Committee has ensured that Te Ao Māori and Mātauranga Māori continue to inform and strengthen outcomes. There has been a considered focus on the continued elevation of participation, and Māori voices in decision making through supporting the development of Te Kapehu – a guidance tool for

HBRC to engage appropriately and meaningfully with Mātauranga Māori, support for the retention of Māori Constituencies for the 2025 local elections, and keeping critical takiwā issues visible and acted upon.

Significant mahi lies ahead. Legislative reform, fiscal constraints, and the accelerating impacts of climate change will test our collective resolve. We recognise the differences in the whakaaro we bring, but acknowledge we are all here at the same table.

We continue to advocate for Te Tiriti o Waitangi, meaningful and authentic engagement with iwi, hapū, and marae, and decisions that honour both whenua and wai while safeguarding opportunities for our tamariki and mokopuna.

Ngā mihi nui



Mike Paku and Katarina Kawana

Ngā Toihau - Kōmiti Māori
Māori Committee Co-Chairs

Part 1 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 for 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 the following six groups of activities.



Planting day at Waitangi Regional Park

Governance & Partnerships

We support our elected members and tāngata whenua representatives in their governance roles and promote community sustainability through climate action, environmental education, and corporate sustainability. We also support regional development.

Policy & Regulation

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

Integrated Catchment Management

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

Asset Management

We carry out flood protection and control works, and flood assessment and warning. We also manage the Regional Water Security Programme and coastal hazards work.

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

Emergency Management

We are the administering authority for 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.

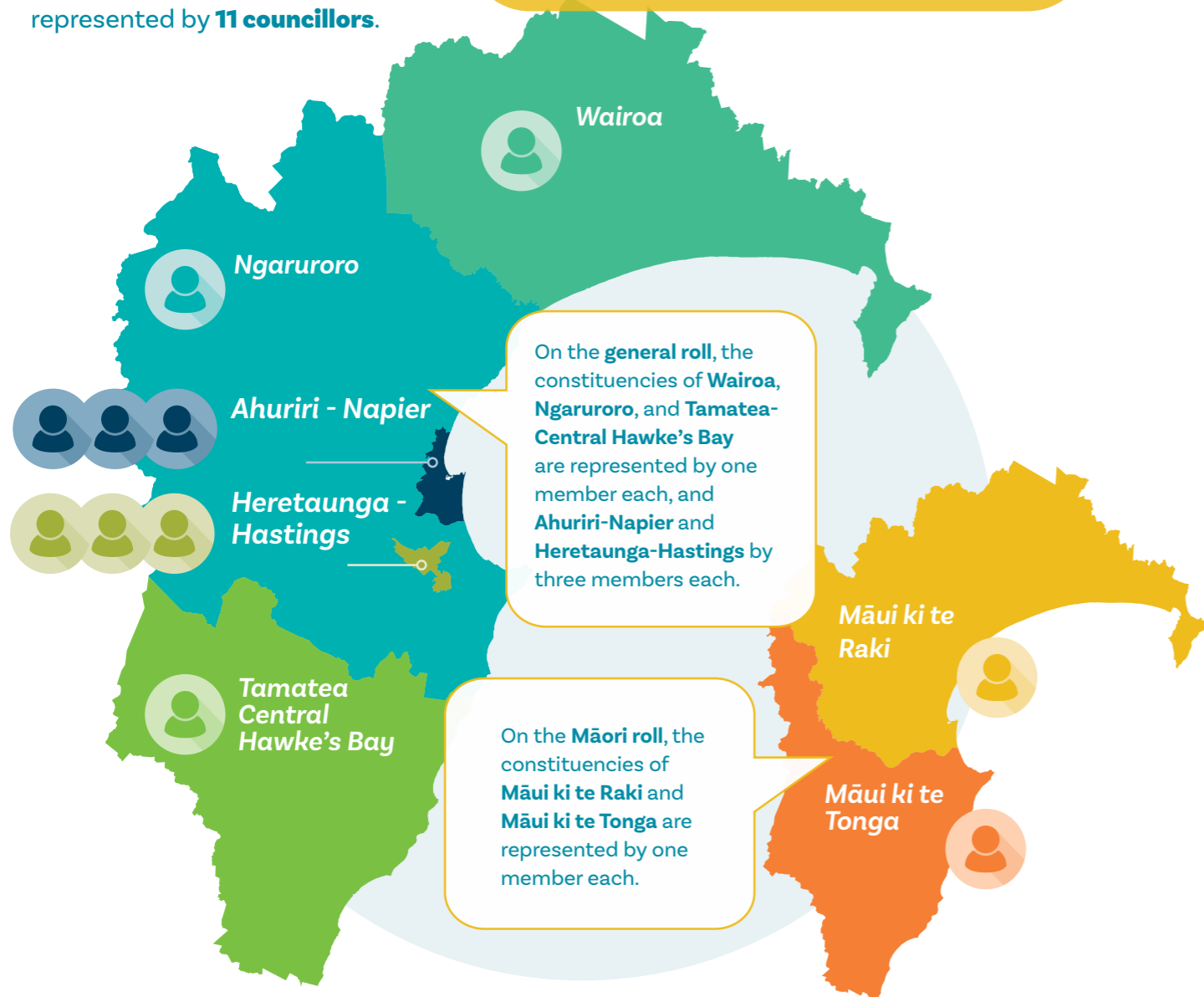
Transport

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

How is council made up?

The Hawke's Bay region has **seven constituencies** represented by **11 councillors**.

Elected members are responsible for setting the strategic direction and adopting all major policies to enable the Regional Council to achieve its vision for a healthy environment, and a resilient and prosperous community.



Every three years, you get the chance to vote for people you want to represent you and your community. The next local elections are being held from **9 September to 11 October 2025**. We are also required to hold a poll at the 2025 elections to ask voters whether or not they support keeping our Māori constituencies – Māui ki te Raki and Māui ke te Tonga. The results of this poll will come into force at the 2028 election.

Your councillors



Hinewai Ormsby
Chair
Ahuriri/Napier
Cr.Hinewai.Ormsby@hbrc.govt.nz



Will Foley
Deputy Chair - Tamatea/
Central Hawke's Bay
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For more information and contact details go to hbrc.govt.nz, search: **#councillors**



~ Vision, purpose and priorities

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.

Our key strategic priorities



Flood risk

- Rivers
- Surface
- Coastal



Water security

- Water conservation
- Water storage
- Aquifer recharge
- Water regulation



Land management

- Erosion control and soil conservation
- Biodiversity and biosecurity

Financial affordability and discipline



About this plan

This Annual Plan revises our plan for 2025-26, Year 2 in our Three-Year Plan 2024-2027. Our Three-Year Plan was adopted on 10 July 2024.

Community consultation

We undertook community consultation from 31 March to 2 May 2025 on this Annual Plan.

We are required to consult with our community if we are proposing significant or material differences in our annual plan from what we forecast in our long term plan (Three-Year Plan 2024-2027).

The key differences were a reduced average rates increase and setting up a new targeted rate for flood resilience work for Mangarau Stream, in Havelock North (more information on page 16).

We invited general feedback on the plan and sought feedback on options for the following:

- the timeframe to collect a new targeted rate for flood resilience work for Mangarau Stream
- the method for collecting two targeted rates:
 - Passenger Transport rate
 - Upper Tukituki Flood Resilience Scheme rate.

At the same time we consulted on the:

- Draft Regional Public Transport Plan 2025-2035
- Rates Remission and Postponement Policies
- Revenue and Financing Policy, including changes required to implement the new rate for Mangarau Stream and to amend how we rate for Passenger Transport and the Upper Tukituki Flood Resilience Scheme.

Your feedback

Annual Plan 2025-26

We received 99 submissions on the combined consultation. Of those, 64 provided specific feedback on the Annual Plan.

The Regional Council held deliberations on the Annual Plan on 28 May 2025. No submitters presented their views at a hearing.

In line with the majority of submissions, Council voted in favour of its preferred options for the Annual Plan questions, as outlined on the following pages. Council also decided to go ahead with proposed changes to the:

- Rates Remission and Postponement Policies
- Revenue and Financing Policy.

Key differences from our Three-Year Plan

Reduced average rates increase

This Annual Plan has an average rates increase of 9.9%. Our Three-Year Plan forecast an average rates increase of 18.3% for 2025-26.

Some Hastings district ratepayers will be paying an additional targeted rate for Mangarau Stream flood resilience (see the following page).

Council went through a thorough process to identify operational cost reductions and made some tough calls to reduce average rate increases.

See the Financial overview on page 19 for how we have been able to reduce costs.

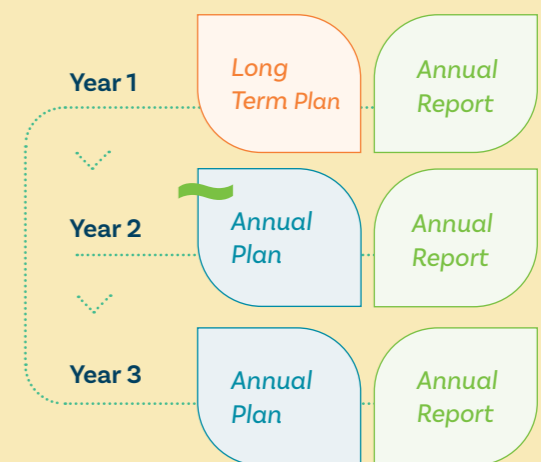
Our planning and reporting cycle

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

A long term plan describes the community outcomes we aim to achieve, the activities we're undertaking to achieve those, and the cost of doing that work.

A long term plan is usually 10-years, and we review it every three years. Our current long term plan is three years enabled by temporary legislation following Cyclone Gabrielle in 2023 for the worst affected councils. This reflects the high level of uncertainty following the cyclone.

Planning cycle



Our Three-Year Plan 2024-2027 is available online at hbrc.govt.nz, search: #3yearplan





Te Awa o Mokotūāraro (Clive River)

Key differences from our Three-Year Plan continued

A new targeted rate

We have set up a new targeted rate for three years to collect funding for flood resilience work for Mangarau Stream, in Havelock North, following Cyclone Gabrielle.

This impacts about 27,000 ratepayers in the Hastings district.

Why?

We are borrowing \$2.49 million to secure Crown funding of \$7.51 million for Hastings District Council (HDC) to undertake the work so that Category 2C properties bordering the Mangarau Stream can be recategorised to Category 1.

We do not have a rating scheme for this as Regional Council does not own or manage Mangarau Stream related assets so we need to set up a special targeted rate to repay this loan plus the interest incurred.

HDC owns the associated assets and is responsible for the management of streams in Havelock North. However, as the flood mitigation component of the Crowns' regional recovery package sits with the Regional Council we have agreed to collect the local portion and pass it on to them.

As it's HDC's asset, we will rate the same ratepayers HDC would rate; in line with HDC's Revenue and Financing Policy. HDC will rate for ongoing maintenance.

This resilience work is part of HDC's broader Havelock North dams and streams programme.

Amended two targeted rates

We have changed how we rate for Passenger Transport and the Upper Tukituki Flood Resilience Scheme.

Council consulted on the proposed amendments following some key changes made in February 2024 to how we set our rates. We received lots of feedback on some of those changes and when Council adopted its Three-Year Plan 2024-2027 in July 2024 it said it would revisit the Passenger Transport rate and the Upper Tukituki Flood Resilience Scheme rate.

We have changed the Passenger Transport rate by:

1. Splitting the rate to include an indirect rate of 10% for the Total Mobility Service to be charged to all ratepayers in Napier, Hastings, and Central Hawke's Bay.

This means ratepayers who have had access to the service, but haven't previously been rated, will now be rated. This will be calculated using capital value.

2. Adjusting how we collect the rest (90%) and rated as the direct rate.

We're introducing a fixed charge (for 72.5%) per SUIP* for non-commercial/industrial/utilities ratepayers (eg residential, lifestyle) to standardise the amount paid, reducing the range paid by these ratepayers for access to the same service. The remaining 17.5% is charged by capital value to commercial/industrial properties in the footprint.

*A SUIP is a separately used or inhabited part of a rating unit.

3. Removing five rating areas (valuation rolls) from paying the direct Passenger Transport rate.

Council decided that areas that were less developed and populated should be excluded. Areas will be rated once they reach 50% urbanisation.

We have changed the Upper Tukituki flood Resilience Scheme rate by:

1. Splitting the rate to include an indirect rate of 10%, to be charged to all ratepayers in Central Hawke's Bay, and parts of the Hastings district within the scheme's footprint.

This recognises that the whole Central Hawke's Bay district, plus parts of Hastings, benefit from this scheme.

2. Adjusting how we collect the rest (90%) and rated as the direct rate.

For a fairer allocation of costs, we are increasing the proportion we collect from properties in the low band* and adjusting the proportion for the Hastings district to match Central Hawke's Bay district for the same banding levels.

*Properties within the scheme are assessed as high, medium, or low to reflect the benefit they receive from the scheme.

Policy changes

As consulted on we have made some consequential changes to the Revenue and Financing Policy, and Rates Remission and Postponement Policies.

Revenue and Financing Policy – we have added a new targeted rate for the flood resilience work for Mangarau Stream and amended how we set the targeted rates for Passenger Transport and the Upper Tukituki Flood Resilience Scheme. We also amended wording related to the Uniform Annual General Charge (UAGC), and the Sustainable Land Management and Regional Economic Development activities to better reflect how we set rates now.

Rates Remission and Postponement Policies – we have removed two policies that are no longer needed and adjusted the wording for one to ensure it remains relevant over time.

Public bus stop in Hastings



Part 2
 Ngā kōrero pūtea
Financial information

Financial overview

Year 2 of our Three-Year Plan 2024-2027 forecast an average rates increase of 18.3%, which we have brought down to 9.9% (plus a new Mangarau Stream targeted rate for Hastings differential rating area one ratepayers).

While we continue to have significant increases in costs relating to past decisions, economic conditions, and impacts following Cyclone Gabrielle in 2023, we are able to make several cost reductions and fund some of our work differently to lessen the impact on ratepayers.

This year's rates includes \$3.6 million remaining impact of the deferred rates increase from when Council resolved to have a Covid-related, zero-rate increase in 2020-21 and a step-change in activity in our Long Term Plan 2021-2031.

Since adopting our Three-Year Plan on 10 July 2024, we have faced \$2.5 million in additional and increased costs through better information and new work. About \$1.7 million of this is for new flood resilience work including implementation of recommendations from independent reviews and engagement on reimagining flood resilience in our two major schemes, Heretaunga Plains and Upper Tukituki. We also face increased insurance and depreciation costs of around \$300,000 following the revaluation of our infrastructure assets.

We made \$4 million of rate savings through cutting operational costs and staff numbers, and an additional \$2.5 million of rate savings by funding some work through alternate sources of funding.

Operational cost reductions were made in corporate areas, including fleet, sponsorship, travel, and training, in Integrated Catchment Management including Biodiversity and Biosecurity, and in Public Transport to match co-funding from NZTA Waka Kotahi.

We are selling \$1.8 million of low-risk carbon credits for critical one-off work such as implementing the recommendations from the independent reviews on Cyclone Gabrielle and on general rate activities such as Biodiversity. Council believes it makes sense in the short term to use carbon credits gained through our forestry plantings to help mitigate the impact of climate change. The aim is to phase out the use of carbon credits to get back to full rate funding within two years. We will also use the \$700,000 carry-forward of the special dividend from our investment company HBRIC that was not used in 2024-25.

To check the rates for your individual property, go to hbrc.govt.nz, search: #findrates

2025-26 funding sources

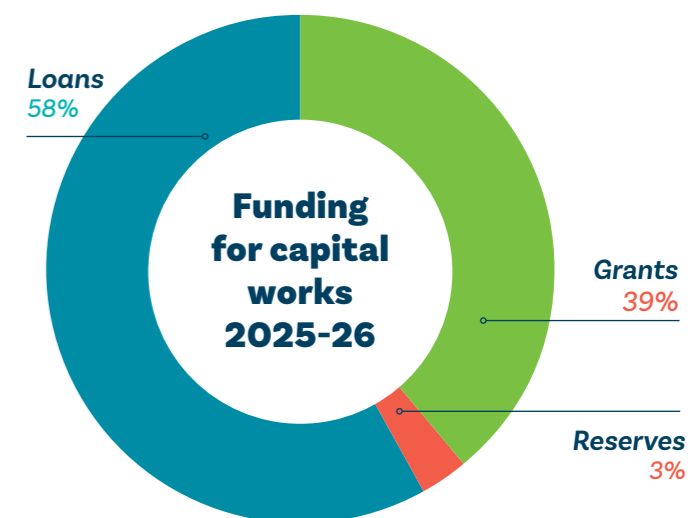
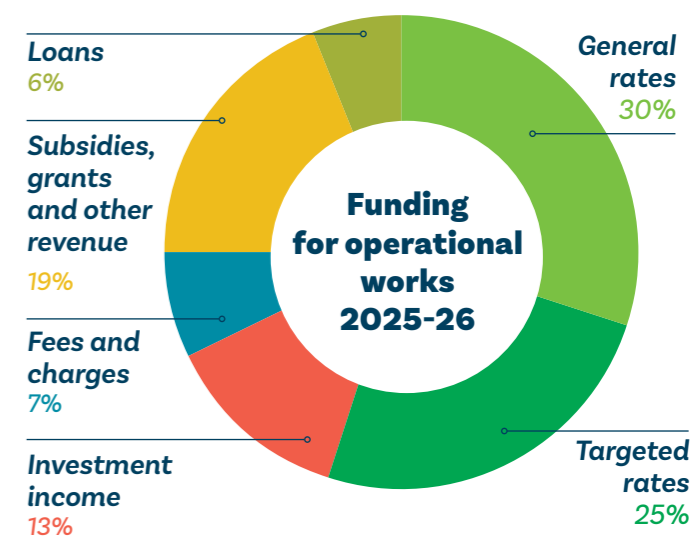
The graphs below show the various sources of funding the Regional Council will use in the upcoming year to deliver our activities.

Funding for operating expenditure generally comes from rates, investment returns, grants and subsidies, and fees and user charges.

Fees and user 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 zone-based water science charges.

The Fees and User Charges Schedule 2025-26 is available on our website hbrc.govt.nz, search: #annualplans

Our capital expenditure has significant funding from grants and loans because of the North Island Weather Event (NIWE) flood resilience programme.



2025-26 operating expenditure

The graph below reflects the planned operating spend for the 2025-26 financial year by group of activities, compared to the spend forecast in Year 2 of our Three-Year Plan (3YP). The groups of activities (outlined on page 9) are explained in detail in our 3YP, and the changes are in line with the consultation carried out earlier this year.

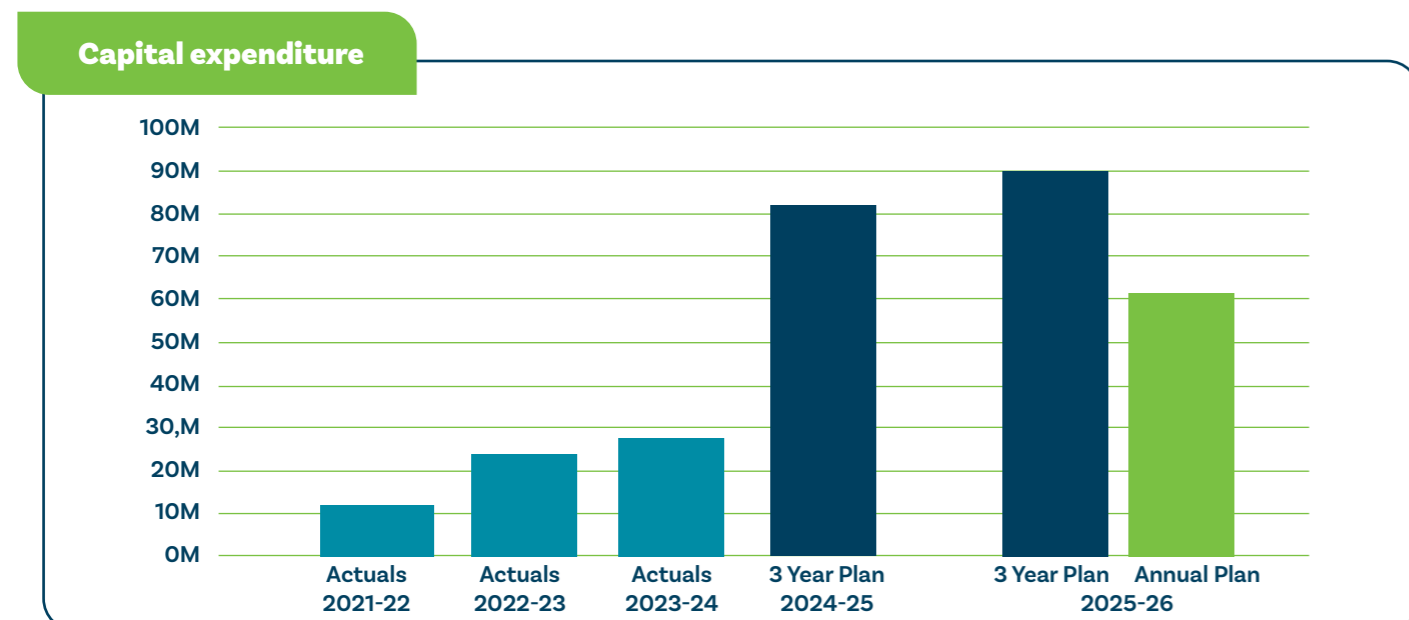
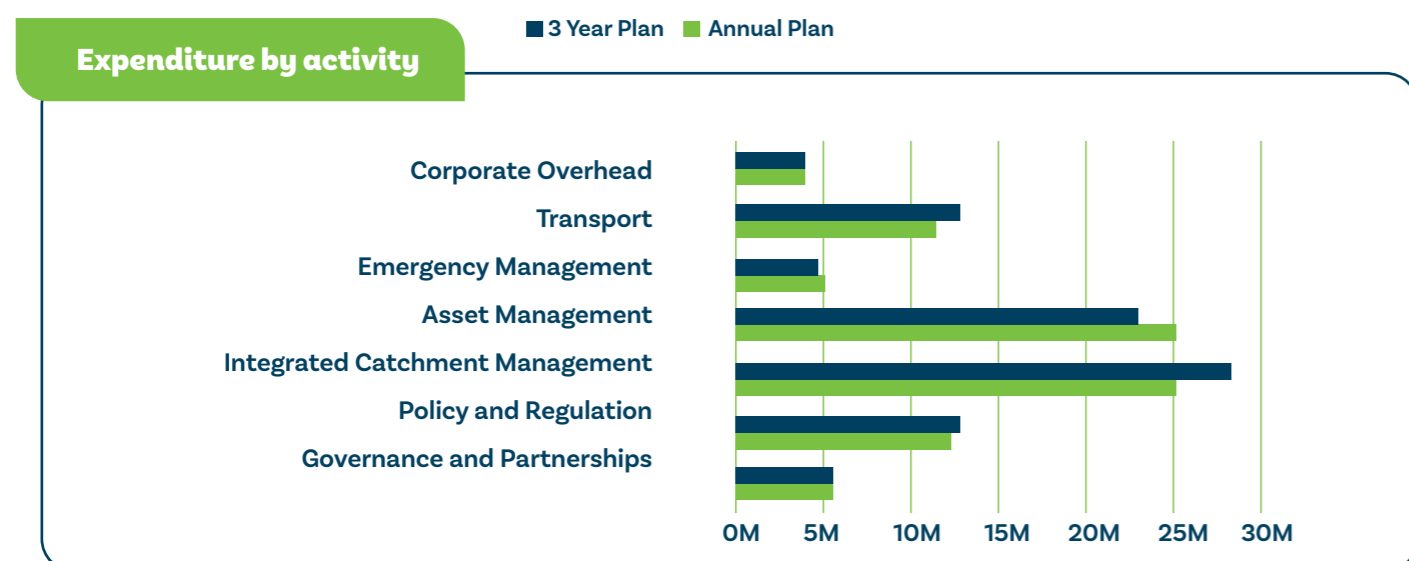
Corporate Overhead includes costs associated with managing investments and collecting rates which are already funded by the General Rate. Other corporate costs are allocated across the other groups of activities.

The key decreases from the 3YP are in the Integrated Catchment Management group of activities, principally Biosecurity and Biodiversity, Transport to reflect lower than requested co-funding from NZTA Waka Kotahi, and corporate costs that are allocated across all activities.

The main increase since the 3YP is in the Asset Management group of activities for new flood resilience work. This includes implementation of recommendations from independent reviews following Cyclone Gabrielle and other recent weather events, and engagement on reimagining flood resilience in our two major flood resilience schemes, Heretaunga Plains and Upper Tukituki.

2025-26 capital expenditure

Total capital expenditure for the year is lower than Year 2 of the 3YP as we firm up timing on the NIWE (North Island Weather Event) flood resilience programme. As can be seen in the bottom graph the amount of capital expenditure in the years following Cyclone Gabrielle is significant compared to earlier years. This is a comprehensive multi-year and multi-million-dollar construction programme, and the largest we have ever undertaken.



Prospective financial statements

Prospective statement of comprehensive revenue and expense

	Annual Report 2023-24	3YP Yr1 2024-25	3YP Yr2 2025-26	Annual Plan 2025-26
Note	\$000	\$000	\$000	\$000
REVENUE				
Revenue from activities	1	9,310	10,761	9,369
Rates revenue	2	40,982	47,497	53,121
Subsidies and grants	3	151,329	69,759	51,609
Other revenue	3	16,696	17,105	15,660
Fair value gains on investments	7	8,673	4,179	4,080
Total Operating Revenue		226,990	149,301	133,839
EXPENDITURE				
Expenditure on activities	1	(210,784)	(83,705)	(77,765)
Finance costs		(6,032)	(5,449)	(6,438)
Depreciation and amortisation expense	5	(4,667)	(4,450)	(3,905)
Fair value losses		(2,053)	-	-
Impairment		-	(20)	(20)
Total Operating Expenditure		(223,536)	(93,624)	(88,128)
OPERATING SURPLUS				
Operating Surplus / (Deficit) before Income Tax		3,454	55,677	45,711
OTHER COMPREHENSIVE REVENUE AND EXPENSE				
Other Comprehensive Revenue and Expense				
Gain/(loss) on other financial assets	7	4,069	1,434	1,224
Gain/(loss) on revalued intangible asset		2,144	-	-
Gain/(loss) on revalued property, plant and equipment assets		456	-	-
Gain/(loss) on revalued infrastructure assets		214,711	-	-
Total Other Comprehensive Revenue and Expense		221,380	1,434	1,224
TOTAL COMPREHENSIVE REVENUE AND EXPENSE		224,835	57,111	46,935

The accompanying notes form part of these prospective financial statements.

Prospective statement of changes in net assets/equity

	Annual Report 2023-24	3YP Yr1 2024-25	3YP Yr2 2025-26	Annual Plan 2025-26
	\$000	\$000	\$000	\$000
Net Assets / Equity at the Start of the Year	682,662	676,351	730,558	961,047
Total comprehensive revenue and expenditure	224,835	57,111	72,031	46,935
Reserves	-	(2,905)	(2,975)	2,070
Net Assets / Equity at the End of the year	907,497	730,558	799,614	1,010,052

Prospective statement of financial position

	Annual Report	3YP Yr1	3YP Yr2	Annual Plan
	2023-24	2024-25	2025-26	2025-26
Note	\$000	\$000	\$000	\$000
ASSETS				
Non-Current Assets				
Property, plant and equipment	37,967	36,842	35,891	43,274
Infrastructure assets	435,885	302,622	389,100	558,017
Investment property	66,697	66,243	67,550	69,385
Intangible assets	10,868	11,473	11,156	13,207
Forestry assets	7(b) 11,318	12,070	12,403	10,259
Prepayments	168	42	-	168
Other financial assets	140,026	143,107	144,060	148,380
Investment in council-controlled organisations	351,869	335,948	337,172	374,211
Total Non-Current Assets	1,054,798	908,347	997,333	1,216,901
Current Assets				
Inventories	777	821	821	574
Trade & other receivables	23,961	18,968	18,984	62,543
Derivative financial instruments	1,909	2,243	2,234	2,234
Other financial assets	2,083	3,081	3,025	318
Cash and cash equivalents	62,276	26,185	22,831	9,244
Total Current Assets	91,006	51,298	47,896	74,913
TOTAL ASSETS	1,145,804	959,646	1,045,230	1,291,814
NET ASSETS / EQUITY				
Accumulated funds	271,287	317,607	387,900	369,777
Fair value reserves	506,415	286,739	288,210	508,513
Other reserves	8 129,794	126,212	123,503	130,538
TOTAL NET ASSETS / EQUITY	907,497	730,558	799,613	1,008,828
LIABILITIES				
Non-Current Liabilities				
Borrowings	4(a) 99,600	150,915	144,792	182,213
ACC leasehold financing liabilities	29,574	29,274	29,279	29,280
Provisions for other liabilities and charges	19	-	-	-
Employee benefit liabilities	433	426	431	433
Total Non-Current Liabilities	129,627	180,615	174,502	211,925
Current Liabilities				
Borrowings	4(a) 30,563	4,650	27,250	39,263
ACC Leasehold financing liabilities	3,421	1,500	1,630	1,752
Employee benefit liabilities	2,505	2,574	2,590	2,014
Trade and other payables	55,736	29,629	29,525	27,531
Funds held on behalf	16,456	10,120	10,120	500
Total Current Liabilities	108,682	48,472	71,115	71,060
TOTAL LIABILITIES	238,308	229,088	245,617	282,986
TOTAL NET ASSETS / EQUITY & LIABILITIES	1,145,804	959,646	1,045,230	1,291,814

The accompanying notes form part of these financial statements.

Prospective cash flow statement

	Annual Report	3YP Yr1	3YP Yr2	Annual Plan
	2023-24	2024-25	2025-26	2025-26
Note	\$000	\$000	\$000	\$000
CASH FLOW FROM OPERATING ACTIVITIES				
<i>Cash was provided from:</i>				
Receipts from customers	10,915	13,132	12,035	11,770
Rates received	40,701	47,518	56,218	53,141
Dividends received	7,206	10,505	8,625	8,625
Interest received	5,483	4,228	4,315	4,315
Grants received	150,668	69,407	75,797	8,224
Other revenue	4,845	352	47	366
Total	219,817	145,142	157,037	86,442
<i>Cash was applied to:</i>				
Payments to suppliers	207,849	85,612	43,101	38,077
Payments to and on behalf of employees	36,096	40,525	41,626	40,892
Interest expense	6,032	4,771	5,385	5,670
Funds held on behalf	3,164	-	-	-
Total	253,141	130,908	90,112	84,639
Net Cash Flows from Operating Activities	(33,323)	14,234	66,926	1,803
CASH FLOWS FROM INVESTING ACTIVITIES				
<i>Cash was provided from:</i>				
Disposal of property, plant and equipment	808	-	-	-
Disposal of investment properties	2,494	-	-	-
Disposal of financial assets	2,360	2,597	2,711	4,488
Total	5,662	2,597	2,711	4,488
<i>Cash was applied to:</i>				
Purchase of property, plant & equipment	4,513	2,214	1,795	6,287
Construction of infrastructure assets	23,583	79,863	87,672	83,884
Community lending	3,682	-	-	-
Forestry assets development	128	-	-	-
Leasehold liability	998	-	-	-
Total	32,904	82,077	89,467	90,171
Net Cash Flows from Investing Activities	(27,242)	(79,480)	(86,756)	(85,683)
CASH FLOWS FROM FINANCING ACTIVITIES				
<i>Cash was provided from:</i>				
Loans drawn	123,870	55,998	21,128	91,379
<i>Cash was applied to:</i>				
Loans repaid	95,200	(30,563)	(4,650)	9,474
Net Cash Flows from Financing Activities	28,670	86,561	25,778	81,905
Net Increase / (Decrease) in Cash & Cash Equivalents	(31,895)	21,315	5,947	(1,976)
Opening cash & cash equivalents	94,171	65,996	87,311	11,220
Closing Cash & Cash Equivalents	62,275	87,311	93,258	9,244

Notes to the financials

Note 1: Activity revenue and expenditure

	Annual Report 2023-24	3YP Yr1 2024-25	3YP Yr2 2025-26	Annual Plan 2025-26
Note	\$000	\$000	\$000	\$000
REVENUE				
Groups of activity				
Governance and Partnerships	(205)	-	-	-
Policy and Regulation	2,145	3,299	3,360	3,356
Integrated Catchment Management	3,203	2,589	2,637	2,411
Asset Management	1,819	4,245	2,808	2,802
Emergency Management	1,469	120	121	(0)
Transport	478	350	500	492
Corporate Overhead	402	159	162	308
TOTAL REVENUE FROM ACTIVITIES	9,310	10,761	9,587	9,369
EXPENDITURE				
Groups of activity				
Governance and Partnerships	7,396	7,275	5,418	5,594
Policy and Regulation	89,020	12,259	12,743	12,302
Integrated Catchment Management	29,718	26,801	28,286	25,159
Asset Management	28,966	27,034	22,860	24,517
Emergency Management	7,522	5,414	4,750	5,059
Regional Recovery Agency	43,385	-	-	-
Transport	10,045	10,965	12,642	11,436
Corporate Overhead	5,431	3,875	3,837	4,061
TOTAL EXPENDITURE BY ACTIVITIES	221,483	93,623	90,536	88,128
Less finance costs - interest on borrowings	5,071	4,771	5,385	5,760
Less finance costs - fees associated with the transfer of Napier leasehold cashflows to ACC	961	678	678	678
Total Finance Costs	6,032	5,449	6,063	6,438
Less depreciation and amortisation expense	5	4,450	4,255	3,905
Less impairment expense	-	20	-	20
TOTAL EXPENDITURE ON ACTIVITIES	210,784	83,705	80,218	77,765

Note 2: Rates revenue

	Annual Report 2023-24	3YP Yr1 2024-25	3YP Yr2 2025-26	Annual Plan 2025-26
	\$000	\$000	\$000	\$000
General funding rates				
Uniform Annual General Charge	4,337	7,035	8,750	6,327
General Rate	8,612	18,691	23,327	22,398
Total General Funding Rates	12,949	25,726	32,077	28,725
Targeted rates				
Coastal Hazards	180	222	222	224
CDEM Emergency Management	2,892	3,496	3,864	3,666
Subsidised Public Transport	3,091	4,576	5,355	4,926
Sustainable Homes - Clean Heat	624	584	608	608
Regional Economic Development	2,334	1,431	666	675
Regional Cyclone Recovery	4,937	-	-	-
Primary Production Pests	2,687	714	726	769
Sustainable Land Management Strategy	1,000	963	1,022	1,109
Water Quality	-	635	689	584
Land Monitoring, Research, and Investigations Science	162	295	260	371
Heretaunga Plains Flood Control Scheme	4,041	3,853	4,660	4,515
Maraetotara Flood Maintenance Scheme	16	16	17	17
Upper Makara Stream Catchment Scheme	140	113	117	112
Upper Tukituki Flood Control Scheme	1,017	1,206	1,273	1,214
Whirinaki Industrial & Other	22	6	30	109
Drainage & Pumping Schemes	4,730	4,537	4,288	4,296
Mangarau Stream	-	-	-	922
Total Targeted Rates	27,872	22,647	23,797	24,117
Rates Remissions	(420)	(1,205)	(5)	(200)
Penalties	581	330	330	480
TOTAL RATES REVENUE	40,982	47,497	56,198	53,121

Note 3: Other revenue

	Annual Report 2023-24	3YP Yr1 2024-25	3YP Yr2 2025-26	Annual Plan 2025-26
	\$000	\$000	\$000	\$000
Subsidies and grants				
Grants	107,881	14,291	9,747	20,152
Grants - Flood Resilience Programme	-	55,468	66,097	31,457
New Zealand Government - Sediment & Debris	42,787	-	-	-
National Emergency Management Agency - Welfare	661	-	-	-
TOTAL SUBSIDIES AND GRANTS	151,329	69,759	75,844	51,609
Other revenue				
Dividend revenue	8,081	10,505	8,625	8,625
Leasehold rents	2,588	2,366	2,441	2,544
Interest revenue	6,149	4,228	4,315	4,315
Other income	417	5	5	176
Forestry income	390	-	-	-
TOTAL OTHER REVENUE	16,696	17,105	15,387	15,660

Note 4(a) - External debt and interest expense

	Annual Report 2023-24 \$000	3YP Yr1 2024-25 \$000	3YP Yr2 2025-26 \$000	Annual Plan 2025-26 \$000
Loan Requirements				
Opening Balance	101,493	130,130	155,565	139,571
New Borrowing	123,870	55,998	21,127	109,155
Repayments	(95,200)	(30,563)	(4,650)	(27,250)
TOTAL LOAN BALANCES	130,163	155,565	172,042	221,476
Interest Expense	5,071	4,771	5,385	5,670

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 2023-24 \$000	3YP Yr1 2024-25 \$000	3YP Yr2 2025-26 \$000	Annual Plan 2025-26 \$000
LOAN REQUIREMENTS				
New Borrowings				
Governance and Partnerships	3,655	100	100	100
Policy and Regulation	-	840	840	840
Integrated Catchment Management	4,666	2,179	2,636	2,133
Asset Management	9,260	24,107	19,847	14,704
Emergency Management	-	-	-	631
Transport	-	-	-	-
Corporate Overhead	10,442	5,045	1,604	1,170
Total New Borrowings	28,024	32,270	25,027	19,578
Principal Repayments				
Governance and Partnerships	3,376	5,618	4,867	3,576
Policy and Regulation	20	20	168	84
Integrated Catchment Management	1,530	3,527	3,816	1,944
Asset Management	287	948	4,502	2,363
Emergency Management	482	1,373	1,373	765
Transport	14	27	27	14
Corporate Overhead	841	2,156	2,348	729
Total Principal Repayments	6,550	13,669	17,101	9,474
Total Loan Movement	21,474	18,601	7,926	10,105
Loan Balances				
Governance and Partnerships	24,003	20,192	15,425	16,716
Policy and Regulation	10	830	1,502	1,586
Integrated Catchment Management	17,218	15,770	14,590	15,959
Asset Management	11,231	29,323	44,671	41,664
Emergency Management	9,156	11,878	10,505	11,745
Transport	64	37	10	23
Corporate Overhead	28,402	31,926	31,180	32,367
Loan Balances	90,083	109,956	117,883	120,060
Loan Interest Expense				
Governance and Partnerships	1,219	1,165	1,045	938
Policy and Regulation	1	19	57	57
Integrated Catchment Management	764	819	846	845
Asset Management	157	761	1,361	1,756
Emergency Management	495	596	565	646
Transport	4	3	2	2
Corporate Overhead	1,143	1,408	1,508	1,425
Total Loan Interest Expense	3,784	4,771	5,385	5,670

Note 5 - Depreciation and amortisation

	Annual Report 2023-24 \$000	3YP Yr1 2024-25 \$000	3YP Yr2 2025-26 \$000	Annual Plan 2025-26 \$000
Capital Additions and Disposals of Property, Plant & Equipment				
Land and Buildings	460	-	-	303
Vehicles, Plant and Equipment	-	1,958	1,845	2,448
Hydrology Equipment	962	387	391	3,838
Intangible Assets	-	305	-	(1,065)
Total Capital Expenditure on Property, Plant & Equipment	1,421	2,650	2,236	5,525
Depreciation on Property, Plant and Equipment				
Land and Buildings	543	685	697	628
Vehicles, Plant and Equipment	2,024	1,915	1,894	1,708
Hydrology Equipment	566	533	596	399
Intangible Assets	575	601	316	210
Property, Plant & Equipment Asset Depreciation	3,707	3,734	3,503	2,945
Depreciation on Infrastructure Assets				
Infrastructure Assets	960	716	752	960
Infrastructure Asset Depreciation	960	716	752	960
Total Depreciation & Amortisation	4,667	4,450	4,254	3,905

Note 6 - Reserve movements

	Annual Report 2023-24 \$000	3YP Yr1 2024-25 \$000	3YP Yr2 2025-26 \$000	Annual Plan 2025-26 \$000
Funding from Reserves				
Project Scheme Reserves	1,193	2,663	1,476	295
Tangoio Soil Conservation Forestry Reserve	(143)	718	(110)	(109)
Asset Replacement Reserve	1,302	(2,939)	(2,763)	(321)
Infrastructure Asset Depreciation Reserve	99	(728)	(915)	(947)
Future Investment Fund	1,561	(1,637)	(1,677)	1,677
Long-Term Investment Fund	236	(1,778)	(1,671)	805
Council Disaster Damage Reserves	68	(541)	-	-
Scheme Disaster Damage Reserves	(3,374)	(621)	(542)	(543)
Other Reserves	703	(10)	(10)	(11)
Total Net Funding from Reserves	1,645	(4,873)	(6,213)	846

Note 7a - Fair Value Gains From Investments

	Annual Report 2023-24 \$000	3YP Yr1 2024-25 \$000	3YP Yr2 2025-26 \$000	Annual Plan 2025-26 \$000
Investment Property at beginning of year	67,195	64,755	66,243	68,078
Movement during the year	(298)	-	-	-
Fair value gains	(199)	1,488	1,307	1,307
Investment Property at end of year	66,697	66,243	67,550	69,385

Note 7b - Fair Value Gains from Forestry Assets

	Annual Report 2023-24 \$000	3YP Yr1 2024-25 \$000	3YP Yr2 2025-26 \$000	Annual Plan 2025-26 \$000
Forestry Assets at beginning of year	11,745	11,745	12,070	9,926
Additions	129	(325)	-	-
Movement during the year	129	(325)	-	-
Fair value gains	(556)	325	333	333
Forestry Assets at end of year	11,318	12,070	12,403	10,259
Other fair value gains	7,375	3,800	3,910	3,663
Total Fair value gains and losses (included in statement of comprehensive revenue and expense)	6,620	5,613	5,550	5,303

Note 8 - Council reserve funds annual plan 2025 to 2026

Note Number	Infrastructure Asset Renewal	Wairoa Rivers & Streams	Special Schemes	Asset Replacement	Regional Disaster Damage	Scheme Disaster Damage	Te Awa o Mokotūāraro (Clive River) Dredging Reserve	Tangoio Soil Conservation Reserve	Maungaharuru Tangitū	Long Term Investment Fund
	1	2	3	4	5	6	7	8	9	10
At 1 July 2025	3,570	1,102	(1,056)	7,779	(5,392)	363	1,797	2,295	551	51,475
Deposits in year	959	-	1,149	2,735	-	43	346	-	-	1,300
Withdrawals in year	(2,253)	-	(854)	(3,056)	-	(586)	-	(109)	(1)	(495)
Net Movement	(1,294)	-	295	(321)	-	(543)	346	(109)	(1)	805
At 30 June 2026	2,277	1,102	(760)	7,458	(5,392)	(180)	2,143	2,186	550	52,280

The 2025-2026 forecast opening positions are based on the best information available at the time of compilation.
The Clive River was officially renamed Te Awa o Mokotūāraro in June 2023.

Purpose of reserve funds

1. Infrastructure asset renewal - a reserve established to fund the renewal of scheme infrastructure assets as required by the Local Government Act 2002.
2. Wairoa rivers and streams - a reserve established to fund flood mitigation and recovery work within the Wairoa district.
3. Special flood and drainage scheme - 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.
4. Asset replacement - a reserve established to fund the replacement of operating property, plant and equipment which are not scheme based.
5. Regional disaster damage - a reserve established to provide funding for the cost of responding to and managing an event; cost of reinstatement of any uninsured assets (e.g., pathways on top of stopbanks); any difference between the deductible and the threshold for eligibility for central government assistance (government covers 60% of the loss in the event of a disaster); to fund the policy excess of \$1.5 million included in the policy with private insurers to cover 40% of the loss up to \$24 million in the event of a disaster; and the possibility of the cost of reinstating the level of service provided by the asset being considerably more than the optimised replacement value.
6. Scheme disaster damage - 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.
7. Te Awa o Mokotūāraro (Clive river) dredging - a reserve established to meet the expenditure of dredging requirements on Te Awa o Mokotūāraro (Clive River).
8. Tangoio soil conservation - a reserve established to separate the revenues and expenses associated with the Tangoio Soil Conservation Reserve as this reserve is managed and overseen by the Regional Council on behalf of the Crown.
9. Maungaharuru Tangitū - a reserve established as a catchments fund in accordance with the Maungaharuru-Tangitū Claims Settlement Act.
10. Long-term Investment Fund - a reserve established to hold the proceeds of endowment leasehold land sales to be reinvested in accordance with HBRC's policy on 'Evaluation of Investment Opportunities' approved on 30 April 2008. Formerly the Sale of Land Investment Fund.
11. Sale of land non-investment fund - a reserve established to hold transfers from the Long-term Investment Fund to be invested in accordance with HBRC's policy on 'Open Space Investment' approved on 25 June 2008 and HBRC's Investment Policy set out in the 2009/19 10-Year Plan.
12. Rabbit - a reserve established to fund costs expected to be incurred with growing rabbit populations.
13. Ngāti Pāhauwera - a reserve established to ring-fence funding for Ngāti Pāhauwera rivers initiatives. For the clean up of the Mohaka, Waikari and Waihua Rivers and their catchments.
14. Port IPO Future Investment Fund - a reserve established to hold the proceeds of the Napier Port IPO.
15. Enforcement Revenue Reserve Fund - a reserve established to hold enforcement revenue for future environmental protection and restoration activities, and managing diversion scheme funds.

Sale of Land Non-Investment Fund	Rabbit	Ngāti Pāhauwera Initiatives	Port IPO Future Investment Fund	Enforcement Revenue Reserve Fund	Total Other Reserves	Fair Value Reserves
11	12	13	14	15		
813	151	83	65,666	494	129,692	507,289
-	-	-	1,677	-	8,210	1,224
-	(10)	-	-	-	(7,363)	-
-	(10)	-	1,677	-	846	1,224
813	141	83	67,344	494	130,538	508,513

Prospective Funding Impact Statement

Prospective funding impact statement: whole of council

	Annual Report 2023-24 \$000	3YP Yr1 2024-25 \$000	3YP Yr2 2025-26 \$000	Annual Plan 2025-26 \$000
Sources of operating funding				
General rates & uniform annual general charges	13,110	24,851	32,402	29,005
Targeted rates	27,872	22,647	23,797	24,117
Subsidies & grants for operating purposes	138,448	11,084	9,747	8,758
Fees & charges	10,235	10,761	9,587	9,369
Fines, infringement fees & other receipts	2,858	2,371	2,447	2,720
Interest and dividends from investments	13,749	14,733	12,940	12,940
Total operating funding	206,273	86,447	90,920	86,908
Applications of operating funding				
Payments to staff & suppliers	210,871	87,378	83,193	81,309
Finance costs	5,071	5,449	6,741	6,348
Internal charges & overheads applied	181	(3,673)	(3,673)	(3,454)
Total applications of operating funding	216,123	89,154	86,260	84,203
Surplus / (deficit) of operating funding	(9,850)	(2,707)	4,660	2,705
Sources of capital funding				
Subsidies & grants for Capital Expenditure	12,220	58,675	66,097	42,851
Increase / (decrease) in debt	28,670	25,435	16,476	81,905
Gross proceeds from sale of assets	808	-	-	-
Total sources of capital funding	41,698	84,110	82,573	124,757
Applications of capital funding				
Capital expenditure:				
- to improve the level of service	25,167	79,508	85,360	128,768
- to replace existing assets	2,603	2,569	4,106	4,742
Increase / (decrease) in reserves	4078	1,506	63	(1,976)
Increase / (decrease) of investments	-	(2,180)	(2,296)	(4,072)
Total application of capital funding	31,848	81,403	87,233	127,462
Surplus / (deficit) of capital funding	9,850	2,707	(4,660)	(2,705)
Funding balance	-	-	-	-

Annual Plan Disclosure Statement

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 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 2025/26	Achieved
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Rates Affordability Benchmark

Total rates revenue will not exceed 60% of total revenue	39.69%	YES
Annual rate increase will not exceed 8% of operating expenditure	6.38%	YES

For this benchmark, -

- the Council's planned rates income for the year must not exceed 60% of total income, and
- the Council's planned rates increase for the year must not exceed 8% of operating expenditure

Debt Affordability Benchmark

Debt / Total revenue not exceed 175%	165.48%	YES
Interest / Annual rates income not exceed 20%	10.67%	YES

For this benchmark, the Council's planned borrowing is compared with debt to total revenue ratio not exceeding 150% and total interest expense on external public debt not exceeding 20% of total annual rates income

Balanced Budget Benchmark

Equal or greater than 100%	147.24%	YES
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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%	8663.32%	YES
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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. Capital expenditure post Cyclone Gabrielle is significantly higher than normal and hence we have a very high Essential Services Benchmark

Debt Servicing Benchmark

Equal or less than 10%	4.24%	YES
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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.

Part 3

Te tauākī
pāpātanga
ā-pūtea
penapena tāke
kaunihera

**Rates
funding
impact
statement**

Your rates explained

This Rates 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 and how they will pay for the cost of those activities. The policy follows guiding principles which include being clear and fair, administratively efficient, consistent, and flexible.

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

The Rates Funding Impact Statement specifies the level of rates that apply to each group of beneficiaries within each of HBRC activities funded, either fully or partially, by rates.

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

Due dates for payment of rates

The rates for the 2025-26 financial year are due and payable on 20 September 2025. Pursuant to Section 57 of the Local Government (Rating) Act 2002, a penalty charge of 10% will be imposed on any outstanding current rates at 21 September 2025. A further 10% will be charged on total rates, including penalties outstanding on 1 July 2026.

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 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. Units in a rest home, retail shops in a shopping complex, and additional farmhouses are considered individual SUIPs and are therefore 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. HBRC's intention is that this mix of rating basis 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 and 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 HBRC for the budgeted year. The rates making up this category amount to 26.4% of HBRC's total rates in 2025-26 and are therefore within the limits prescribed by the Act.

Inspection and objection to HBRC's Rating Information Database

The Rating Information Database (RID) is available for inspection at **HBRC 159 Dalton Street, Napier** and on HBRC's website [hbrc.govt.nz](https://www.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.

Sample rates

Comparison of rates on specific urban properties (GST inclusive)

Description of rates	Rating basis	Napier Hill		Napier South		Taradale		Havelock North	
		2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26
Details for comparison									
Capital Value	CV	890,000	890,000	620,000	620,000	670,000	670,000	1,350,000	1,350,000
Land Value	LV	520,000	520,000	380,000	380,000	360,000	360,000	600,000	600,000
Area (Hectares)	Area	0.075	0.075	0.062	0.062	0.046	0.046	0.035	0.035
Rates	Basis	\$	\$	\$	\$	\$	\$	\$	\$
General Rate	CV	208.97	296.55	145.58	206.58	157.32	223.24	311.31	424.98
Uniform Annual General Charge	Fixed	125.95	94.36	125.95	94.36	125.95	94.36	125.95	94.36
General funded rates		334.92	390.91	271.53	300.94	283.27	317.60	437.26	519.34
Coastal Hazards	Fixed	3.98	3.99	3.98	3.99	3.98	3.99	3.98	3.99
CDEM Emergency Management	Fixed	52.62	54.71	52.62	54.71	52.62	54.71	52.62	54.71
Subsidised Public Transport Direct	[CV] Fixed	93.98	82.69	65.47	82.69	70.75	82.69	140.00	82.69
Subsidised Public Transport Indirect	CV	-	6.76	-	4.71	-	5.09	-	9.72
Sustainable Homes - Clean Heat	LV	13.57	14.61	9.92	10.68	9.40	10.12	15.48	15.54
Regional Economic Development	Fixed	7.68	3.59	7.68	3.59	7.68	3.59	7.68	3.59
HPFCS Direct	CV	-	-	54.06	60.33	58.42	65.19	-	-
HPFCS Indirect	CV	19.05	21.18	13.27	14.76	14.34	15.95	28.35	30.38
Mangarau Streams	LV	-	-	-	-	-	-	-	34.62
Karamū & Tributaries	CV	-	-	-	-	-	-	91.80	88.29
Napier Meeanee Puketapu	CV	-	-	52.27	49.23	56.48	53.20	-	-
Targeted Rates		190.88	187.53	259.27	284.67	273.67	294.52	339.91	323.52
TOTAL RATES		525.80	578.44	530.80	585.62	556.94	612.12	777.17	842.86
Dollar increase/(decrease)			\$52.64		\$54.82		\$55.18		\$65.69
Percentage increase/(decrease)			10.01%		10.33%		9.91%		8.45%

Comparison of rates on specific urban properties (GST inclusive)

Description of rates	Rating basis	Flaxmere		Hastings		Wairoa		Central HB	
		2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26
Details for comparison									
Capital Value	CV	520,000	520,000	810,000	810,000	385,000	385,000	640,000	590,000
Land Value	LV	285,000	285,000	470,000	470,000	145,000	109,000	210,000	180,000
Area (Hectares)	Area	0.089	0.089	0.076	0.076	0.114	0.114	0.264	0.264
Rates	Basis	\$	\$	\$	\$	\$	\$	\$	\$
General Rate	CV	119.91	163.70	186.79	254.99	92.17	132.94	166.34	201.19
Uniform Annual General Charge	Fixed	125.95	94.36	125.95	94.36	125.95	94.36	125.95	94.36
General funded rates		245.86	258.06	312.74	349.35	218.12	227.30	292.29	295.55
Coastal Hazards	Fixed	3.98	3.99	3.98	3.99	-	-	-	-
CDEM Emergency Management	Fixed	52.62	54.71	52.62	54.71	52.62	54.71	52.62	54.71
Subsidised Public Transport Direct	[CV] Fixed	53.92	82.69	84.00	82.69	-	-	-	-
Subsidised Public Transport Indirect	CV	-	3.74	-	5.83	-	-	-	4.60
Sustainable Homes - Clean Heat	LV	7.35	7.38	12.13	12.17	-	-	-	-
Regional Economic Development	Fixed	7.68	3.59	7.68	3.59	7.68	3.59	7.68	3.59
HPFCS Direct	CV	44.56	47.79	69.42	74.44	-	-	-	-
HPFCS Indirect	CV	10.92	11.70	17.01	18.23	-	-	-	-
Mangarau Streams	LV	-	16.44	-	27.12	-	-	-	-
UTTFCS Direct	CV	-	-	-	-	-	-	10.30	63.90
UTTFCS Indirect	CV	-	-	-	-	-	-	-	9.09
Karamū & Tributaries	CV	35.36	34.01	55.08	52.97	-	-	-	-
Targeted Rates		216.39	266.03	301.92	335.73	60.30	58.30	70.6	135.89
TOTAL RATES		462.25	524.09	614.66	685.08	278.42	285.60	362.89	431.44
Dollar increase/(decrease)			\$61.84		\$70.42		\$7.18		\$68.55
Percentage increase/(decrease)			13.38%		11.46%		2.58%		18.89%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on property values and, in the case of properties in the Central Hawkes Bay and Wairoa Districts, the amount of the increase in property values following the 2024 revaluation, relative to other properties.

Note: [] indicates 2024-25 rating basis which has changed due to the Revenue and Financing Policy Review.

Comparison of rates on specific commercial / industrial properties (GST inclusive)

Description of rates	Rating basis	Hastings Retail		Hastings Industrial		Napier Retail		CHB		Wairoa	
		2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26	2024-25	2025-26
Details for comparison											
Capital Value	CV	2,760,000	2,760,000	3,720,000	3,720,000	1,180,000	1,180,000	690,000	590,000	445,000	385,000
Land Value	LV	580,000	580,000	1,200,000	1,200,000	660,000	660,000	405,000	405,000	175,000	155,000
Area (Hectares)	Area	0.101	0.101	0.431	0.431	0.067	0.067	0.581	0.581	0.110	0.110
Rates	Basis	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
General Rate	CV	636.46	868.85	857.83	1,171.06	277.06	393.18	179.33	201.19	106.53	132.94
Uniform Annual General Charge	Fixed	251.90	188.72	125.95	94.36	377.85	283.08	125.95	94.36	125.95	94.36
General funded rates		888.36	1,057.57	983.78	1,265.42	654.91	676.26	305.28	295.55	232.48	227.30
Coastal Hazards	Fixed	7.97	7.98	3.98	3.99	11.95	11.97	-	-	-	-
CDEM Emergency Management	Fixed	105.23	109.41	52.62	54.71	157.85	164.12	52.62	54.71	52.62	54.71
Subsidised Public Transport Direct	CV	286.21	323.20	385.76	435.61	124.61	146.20	-	-	-	-
Subsidised Public Transport Indirect	CV	-	19.87	-	26.78	-	8.97	-	4.60	-	-
Sustainable Homes - Clean Heat	LV	14.96	15.02	30.96	31.08	17.23	18.55	-	-	-	-
Regional Economic Development	CV	264.41	119.78	356.38	161.45	115.05	54.16	74.45	27.73	44.23	18.33
HPFCS Direct	CV	236.53	253.64	318.80	341.87	102.90	114.81	-	-	-	-
HPFCS Indirect	CV	57.96	62.10	78.12	83.70	25.25	28.08	-	-	-	-
Mangarau Streams	LV	-	100.34	-	190.32	-	-	-	-	-	-
UTTFCS Direct	CV	-	-	-	-	-	-	470.93	217.24	-	-
UTTFCS Indirect	CV	-	-	-	-	-	-	-	9.09	-	-
Karamū & Tributaries	CV	187.68	180.50	252.96	243.29	-	-	-	-	-	-
Napier, Meeanee, Puketapu	CV	-	-	-	-	398.01	374.89	-	-	-	-
Targeted rates		1,160.95	1,191.84	1,479.58	1,572.80	952.85	921.75	598.00	313.37	96.85	73.04
TOTAL RATES		2,049.31	2,249.41	2,463.36	2,838.22	1,607.76	1,598.01	903.28	608.92	329.33	300.34
Dollar increase/(decrease)			\$200.10		\$374.86		(\$9.75)		(\$294.36)		(\$28.99)
Percentage increase/(decrease)			9.76%		15.22%		(0.61%)		(32.59%)		(8.80%)

Comparison of rural rates in three districts (GST inclusive)

Description of rates	Rating basis	Hastings		CHB		Wairoa	
		2024-25	2025-26	2024-25	2025-26	2024-25	2025-26
Details for comparison							
Capital Value	CV	1,530,000	1,170,000	1,370,000	1,230,000	810,000	725,000
Land Value	LV	930,000	930,000	1,320,000	1,180,000	480,000	360,000
Area (Hectares)	Area	5.264	5.264	44.317	44.317	20.145	20.145
Rates	Basis	\$	\$	\$	\$	\$	\$
General Rate	CV	352.82	368.32	356.06	419.43	193.91	250.34
Uniform Annual General Charge	Fixed	125.95	94.36	125.95	94.36	125.95	94.36
General funded rates		478.77	462.68	482.01	513.79	319.86	344.70
Coastal Hazards	Fixed	3.98	3.99	-	-	-	-
CDEM Emergency Management	Fixed	52.62	54.71	52.62	54.71	52.62	54.71
Regional Economic Development	CV	22.49	8.54	22.74	9.72	12.39	5.80
Subsidised Public Transport Indirect	CV	-	8.42	-	9.59	-	-
Primary Production Pest	LV	34.69	38.87	56.63	55.58	18.91	17.32
Sustainable Land Management	LV	46.87	56.08	76.43	80.24	25.49	24.98
Water Quality	LV	30.88	29.48	50.42	42.24	16.80	13.14
Land Research and Science Monitoring	LV	14.32	18.79	23.36	26.90	7.82	8.35
HPFCS Direct	CV	131.12	107.52	-	-	-	-
HPFCS Indirect	CV	32.13	26.33	-	-	-	-
UTTFCS Direct	CV	-	-	1,124.79	586.50	-	-
UTTFCS Indirect	CV	-	-	-	18.94	-	-
Tūtaekurī-Waimate Moteo	CV	692.63	489.18	-	-	-	-
Paeroa	CV	-	-	-	-	100.29	119.95
Targeted rates		1,061.73	841.90	1,406.99	884.42	234.32	244.25
TOTAL RATES		1,540.50	1,304.58	1,889.00	1,398.21	554.18	588.95
Dollar increase/(decrease)			(\$235.92)		(\$490.79)		\$34.77
Percentage increase/(decrease)			(15.31%)		(25.98%)		6.27%

Note: The above rates are indicative based on the values of sample properties chosen. The change in rates will vary between properties based on property values and, in the case of properties in the Central Hawkes Bay and Wairoa Districts, the amount of the increase in property values following the 2024 revaluation, relative to other properties.

Details of rates calculated within each district and city

General Rates and Uniform Annual General Rates

Rate type	Districts	Rates set on	Units of charge	Calculation factor	Estimated rates revenue	Rates revenue
					2025-26	2024-25
General Rate					Cents in \$	
	Napier City	Capital Value		0.03332	8,090,878	5,631,341
	Hastings District	Capital Value		0.03148	13,728,742	9,905,938
	Central HB District	Capital Value		0.03410	2,989,799	2,406,461
	Wairoa District	Capital Value		0.03453	1,225,460	969,812
	Taupō District	Capital Value		0.02914	36,206	29,666
	Rangitikei District	Capital Value		0.03177	7,833	4,801
					26,078,918	18,948,020
Uniform Annual General Charge					SUIPs Per SUIP \$	
	Napier City	Fixed Amount	29,132	94.36	2,748,988	3,634,268
	Hastings District	Fixed Amount	35,537	94.36	3,353,465	4,421,024
	Central HB District	Fixed Amount	7,319	94.36	690,609	910,189
	Wairoa District	Fixed Amount	5,069	94.36	478,303	658,097
	Taupō District	Fixed Amount	54	94.36	5,096	6,801
	Rangitikei District	Fixed Amount	1	94.36	94	126
					77,111	7,276,554

Details of rates calculated within each district and city

Rate type	Districts	Rates set on	Units of charge	Calculation factor	Estimated rates revenue	Rates revenue
					2025-26	2024-25
Coastal Hazards					SUIPs Per SUIP \$	
	Napier City	Fixed Amount	29,132	3.99	116,199	114,948
	Hastings District	Fixed Amount	35,537	3.99	141,750	139,832
					64,669	254,780
CDEM Emergency Management					SUIPs Per SUIP \$	
	Napier City	Fixed Amount	29,132	54.71	1,593,650	1,518,206
	Hastings District	Fixed Amount	35,537	54.71	1,944,079	1,846,819
	Wairoa District	Fixed Amount	5,069	54.71	277,283	274,918
	Central HB District	Fixed Amount	7,319	54.71	400,361	380,229
					77,056	4,215,373
Subsidised Public Transport - Direct					Cents in \$	
Commercial / Industrial	Napier City	Capital Value		0.01239	462,553	N/A
	Hastings District	Capital Value		0.01171	528,900	N/A
					991,454	-
All Others - excluding utilities	Napier City	Fixed Amount	25,318	82.69	2,093,500	N/A
	Hastings District	Fixed Amount	24,356	82.69	2,013,952	N/A
					49,673	4,107,452
	24/25 Rate	Capital Value				5,262,465

Details of rates calculated within each district and city (continued)

Rate type	Districts	Rates set on	Units of charge	Calculation factor	Estimated rates revenue	Rates revenue
					2025-26	2024-25
Subsidised Public Transport - Indirect					Cents in \$	
Indirect Charge	Napier City	Capital Value		0.00076	184,756	N/A
	Hastings District	Capital Value		0.00072	313,517	N/A
	Central HB District	Capital Value		0.00078	68,272	N/A
					566,545	-
Sustainable Homes - Clean Heat					Cents in \$	
	Napier City	Land Value		0.00281	303,601	280,802
	Hastings District	Land Value		0.00259	395,024	390,913
					698,625	671,715
Regional Economic Development					Cents in \$	
Residential / Lifestyle Properties	Napier City	Fixed Amount	25,826	3.59	92,724	196,982
	Hastings District	Fixed Amount	29,213	3.59	104,885	222,456
	Wairoa District	Fixed Amount	3,985	3.59	14,309	30,667
	Central HB District	Fixed Amount	5,792	3.59	20,795	43,703
	Taupō District	Fixed Amount	4	3.59	14	31
	Rangitikei District	Fixed Amount	0	3.59	-	-
					64,820	232,728
Commercial / Industrial Properties	Napier City	Capital Value		0.00459	173,506	365,006
	Hastings District	Capital Value		0.00434	217,666	464,801
	Wairoa District	Capital Value		0.00476	4,085	9,001
	Central HB District	Capital Value		0.00470	11,988	25,348
	Taupō District	Capital Value		0.00468	30	61
	Rangitikei District	Capital Value		0.00000	-	-
					407,274	864,217
All Other Properties - excluding utilities					Cents in \$	
	Napier City	Capital Value		0.00077	3,829	7,760
	Hastings District	Capital Value		0.00073	80,828	161,966
	Wairoa District	Capital Value		0.00080	13,885	34,344
	Central HB District	Capital Value		0.00079	36,168	82,016
	Taupō District	Capital Value		0.00079	855	1,618
	Rangitikei District	Capital Value		0.00079	194	369
					135,758	288,072
Primary Production Pests					Cents in \$	
	Napier City	Land Value		0.00453	29,244	24,497
	Hastings District	Land Value		0.00418	525,540	464,585
	Wairoa District	Land Value		0.00481	100,605	104,480
	Central HB District	Land Value		0.00471	223,666	223,349
	Taupō District	Land Value		0.00475	4,027	3,192
	Rangitikei District	Land Value		0.00475	974	772
					884,056	820,875

Details of rates calculated within each district and city (continued)

Rate type	Districts	Rates set on	Units of charge	Calculation factor	Estimated rates revenue	
					2025-26	2024-25
					Rates revenue	
Sustainable Land Management Strategy				Cents in \$		
	Napier City	Land Value		0.00653	42,204	33,053
	Hastings District	Land Value		0.00603	758,431	626,850
	Wairoa District	Land Value		0.00694	145,188	140,972
	Central HB District	Land Value		0.00680	322,784	301,358
	Taupō District	Land Value		0.00685	5,811	4,306
	Rangitikei District	Land Value		0.00685	1,405	1,042
					1,275,823	1,107,579
Water Quality				Cents in \$		
	Napier City	Land Value		0.00344	22,213	21,790
	Hastings District	Land Value		0.00317	399,187	413,245
	Wairoa District	Land Value		0.00365	76,417	92,934
	Central HB District	Land Value		0.00358	169,891	198,667
	Taupō District	Land Value		0.00361	3,059	2,839
	Rangitikei District	Land Value		0.00361	740	687
					671,506	730,161
Land Monitoring, Research, and Investigations Science				Cents in \$		
	Napier City	Land Value		0.00219	14,129	10,116
	Hastings District	Land Value		0.00202	253,906	191,845
	Wairoa District	Land Value		0.00232	48,606	43,144
	Central HB District	Land Value		0.00228	108,061	92,230
	Taupō District	Land Value		0.00229	1,945	1,318
	Rangitikei District	Land Value		0.00229	470	319
					427,117	338,971
Flood control schemes						
Heretaunga Plains Flood Control Scheme				Cents in \$		
	Napier City	Capital Value	Direct	0.00973	1,609,242	1,432,089
	Napier City	Capital Value	Indirect	0.00238	577,668	512,171
	Hastings District	Capital Value	Direct	0.00919	2,025,244	1,865,057
	Hastings District	Capital Value	Indirect	0.00225	979,969	900,891
					5,192,122	4,710,208
Maraetotara Flood Maintenance Scheme				Cents in \$		
	Hastings District	Capital Value		0.00495	19,557	18,689
Mangarau Stream				Cents in \$		
	Hastings District	Land Value	Residential	0.00577	533,268	N/A
	Hastings District	Land Value	Residential Clive	0.00467	13,080	N/A
	Hastings District	Land Value	Res Non Urban	0.00438	71,444	N/A
	Hastings District	Land Value	Hort/Farming	0.00392	147,489	N/A
	Hastings District	Land Value	Comm CBD	0.01730	120,302	N/A
	Hastings District	Land Value	Comm Other	0.01586	98,529	N/A
	Hastings District	Land Value	Comm Non Urban	0.01355	75,636	N/A
					1,059,749	-

Details of rates calculated within each district and city (continued)

Rate type	Districts	Rates set on	Units of charge	Calculation factor	Estimated rates revenue	
					2025-26	2024-25
					Rates revenue	
Upper Makara Stream Catchment Scheme				Cents in \$		
	Central HB District	Capital Value	High	0.63511	90,878	92,215
	Central HB District	Capital Value	Medium	0.10369	24,035	24,095
	Central HB District	Capital Value	Low	0.00518	5,379	5,426
	Hastings	Capital Value	Medium	0.09575	7,901	7,568
	Hastings	Capital Value	Low	0.00479	142	136
					128,335	129,440
Upper Tukituki Flood Control Scheme - Direct				Cents in \$		
	Central HB District	Capital Value	High	0.09747	247,261	539,263
	Central HB District	Capital Value	Medium	0.03682	400,513	752,405
Direct	Central HB District	Capital Value	Low	0.01083	589,607	93,690
	Hastings District	Capital Value	Medium	0.03400	2,040	427
	Hastings District	Capital Value	Low	0.01000	16,749	1,183
					1,256,169	1,386,968
Upper Tukituki Flood Control Scheme - Indirect				Cents in \$		
Indirect	Central HB District	Capital Value		0.00154	135,002	N/A
	Hastings District	Capital Value		0.00142	4,573	N/A
					139,574	-
Whirinaki Industrial				Cents in \$		
	Hastings District	Capital Value		0.22542	125,851	6,750
Drainage schemes						
Brookfields Awatoto				Cents in \$		
	Napier City	Capital Value		0.08583	236,432	202,051
Clive & Muddy Creek				Cents in \$		
	Hastings District	Capital Value		0.02512	356,712	318,136
Haumoana				Cents in \$		
	Hastings District	Capital Value		0.02894	186,031	178,392
Karamū Drainage & Enhancement				Cents in \$		
	Hastings District	Capital Value		0.00654	1,592,939	1,605,657
Napier, Meeanee, Puketapu				Cents in \$		
	Napier City	Capital Value	Urban	0.00794	1,152,568	1,211,800
	Napier City	Capital Value	Industrial	0.03177	305,223	318,970
	Hastings District	Capital Value	Rural	0.00750	18,470	21,104
					1,476,261	1,551,875
Ohuia Whakaki Drainage Scheme				Cents in \$		
	Wairoa District	Capital Value	A	0.98303	125,967	102,960
	Wairoa District	Capital Value	B	0.31695	3,896	3,184
					129,862	106,145

Details of rates calculated within each district and city (continued)

Rate type	Districts	Rates set on	Units of charge	Calculation factor	Estimated rates revenue	
					2025-26	2024-25
Opoho Drainage Scheme				Per Suip \$		
	Wairoa District	Fixed Amount	A	24,686.45	24,686	37,128
	Wairoa District	Fixed Amount	B	9,205.75	9,206	13,845
	Wairoa District	Fixed Amount	C	3,682.30	3,682	5,538
					37,575	56,512
Pākōwhai				Cents in \$		
	Hastings District	Capital Value		0.06212	216,457	198,326
Paeroa Drainage Scheme Special Rating Area				Cents in \$		
	Wairoa District	Capital Value	A	0.07143	25,940	24,287
	Wairoa District	Capital Value	B	0.01361	4,757	4,993
					30,697	29,279
Poukawa Drainage Special				Cents in \$		
	Hastings District	Capital Value		0.06295	26,238	28,363
Puninga				Cents in \$		
	Hastings District	Capital Value		0.10878	180,175	160,593
Raupare Enhancement				Cents per Hectares		
	Hastings District	Area	1,239	1118.58818	13,856	13,718
Raupare Twyford				Cents in \$		
	Hastings District	Capital Value		0.00964	181,406	190,935
Tūtaekurī Waimate Moteo				Cents in \$		
	Hastings District	Capital Value		0.04181	276,325	298,706
Sustainable Homes Financial Assistance						
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		\$10	\$10 per \$100	
Erosion Control Financial Assistance						
Voluntary targeted rate to repay financial assistance to fund erosion control		\$10 per \$100		\$10	\$10 per \$100	

Explanation of rating methods

General Rates	Activities Funded	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Government (Rating) Act (2002, schedule 3))
General Rate	General rate funds the remaining cost of the council activities, excluding that portion funded by targeted rates and the UAGC.	All rateable rating units within the region.	Capital Value
Uniform Annual General Charge (UAGC)	The UAGC is set on a fixed cost per separately used or inhabited part of a rating unit (SUIP). This is calculated as a percentage of the total rates up to a maximum of 30%.	All rateable rating units within the region.	UAGC (refer to note 1)
Targeted Rates	Activities Funded	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Government (Rating) Act (2002, schedule 3))
Coastal Hazards	To fund development of the Clifton to Tangoio Coastal Hazards Strategy.	All rateable units within Napier and Hastings.	UTR (refer to note 1)
Hawke's Bay Civil Defence Emergency Management (CDEM)	Funding of the CDEM Group Office to manage the provision of effective CDEM consistent with the CDEM Act 2002.	All rating units in the region except for Rangitīkei and Taupō districts.	UTR (refer to note 1)
Erosion Control - Financial Assistance	Repayment of financial assistance to ratepayers to fund riparian fencing, plating, 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
Subsidised Public Transport Direct	Public passenger transport, including Total Mobility.	The direct commercial and Industrial rating units based within a designated valuation roll footprint. The direct portion for all other rateable units, excluding utilities, based within a designated valuation roll footprint. Council considers QV codes in determining categorisation. Yearly review of map footprint for direct to be completed for >50% urbanisation.	Capital Value UTR (refer to note 1)
Subsidised Public Transport Indirect	Public passenger transport, including Total Mobility.	This indirect rate is calculated on all rateable units in Napier, Hastings, and Central Hawke's Bay districts to reflect the availability of the Total Mobility Scheme.	Capital Value
Sustainable Homes - Clean Heat	Management of the scheme to encourage the replacement of open fire or wood burners with more efficient forms of heating, and where necessary, the installing of insulation.	Rating units in Napier and Hastings within a designated valuation roll footprint.	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 voluntary targeted differential rate.	Extent of provision of any service to the rating unit
Regional Economic Development	To fund regional economic development in the Hawke's Bay region.	Residential and Lifestyle rating units based as a fixed amount per SUIP. All other rateable units, excluding utilities, based on a variable capital value calculation. Council considers QV codes in determining categorisation.	Differential UTR by usage category (refer to note 1) Capital Value
Primary Production Pests	Pest management – rabbits, rook, and primary production pest plants. Rated on all rateable rural land in the region.	Non-urban properties by valuation roll	Land value
Sustainable Land Management	Rural partnerships and water efficiency. All productive rateable rural land in the region.	Non-urban properties by valuation roll	Land Value
Water Quality	Water Quality - Fresh Water Science. Rated on all rateable rural land in the region.	Non-urban properties by valuation roll	Land Value
Land Monitoring, Research, and Investigations Science	State of the Environment monitoring and investigation for healthy ecosystems and sustaining land for productive use. Rated on all rateable rural land in the region.	Non-urban properties by valuation roll	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, license, 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.

Explanation of rating methods - types of rates / activities funded

Flood Protection and Control Schemes			
Flood Protection and Control Schemes	Rating Factor	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Government (Rating) Act (2002, schedule 3))
Heretaunga Plains Flood Control Scheme (HPFCS)			
Napier City & Hastings District	Direct	Properties receive direct benefit from reduced risk of flooding and rivers changing their course. Rating units receiving direct benefit within Napier City and Hastings District from flood control measures.	Capital Value
Napier City & Hastings District	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. All rating units within Napier City and Hastings District.	Capital Value
Mangarau Stream			
Hastings District		Flood resilience work for Mangarau Stream completed by Hastings District Council. Hastings District Council rating area 1 utilising differential categories based on land use and location.	Land Value
Maraetotara Flood Maintenance Scheme			
Hastings District		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 54 hectares. 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 stopbanks to the river.	Capital Value
Upper Makara Streams Catchment Scheme			
Central Hawke's Bay District	High	This scheme in Central Hawke's Bay reduces number of floods impacting the road network in the Makara valley and community assets around Elsthorpe. Direct Benefit - valley floor in the upstream, flood plains of the Makara Stream, Makara flats, and Makara flats downstream of Kokatewai Road	Capital Value
Central Hawke's Bay District and Hastings District	Medium	This scheme in Central Hawke's Bay reduces number of floods impacting the road network in the Makara valley and community assets around Elsthorpe. Direct Benefit - the flood plain of the Makara Stream from the Elsthorpe township to the outlet of the catchment, floodplain of the Silver Range Stream from the Makara Stream, to the bridge on the Kahurānaki Road, and Makara floodplain northward and follows a soil and topography boundary on the eastern side of the Kahurānaki Road.	Capital Value
Central Hawke's Bay District and Hastings District	Low	This scheme in Central Hawke's Bay reduces number of floods impacting the road network in the Makara valley and community assets around Elsthorpe. An area not in the classes above but receiving indirect benefit from all the works carried out on the scheme through the protection of communication assets including roads, 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.	Capital Value
Upper Tukituki Flood Control Scheme (UTTFC) Direct			
Central Hawke's Bay District	High	Land adjacent to stopbanked reaches, and lower land at risk of inundation adjacent to non stopbanked reaches, of Tukituki and Waipawa rivers and receiving a high direct benefit from reduced risk of flooding and rivers changing their course as a result of stopbanks and river control works.	Capital Value
Hastings District & Central Hawke's Bay District	Medium	Land 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.	Capital Value
Hastings District & Central Hawke's Bay District	Low	Land receiving a lower level of direct benefit from reduced risk of flooding and rivers changing their course as a result of stopbanks and river control works.	Capital Value

Explanation of rating methods - types of rates / activities funded

Flood Protection and Control Schemes			
Targeted rates	Rating Factor	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Government (Rating) Act (2002, schedule 3))
Upper Tukituki Flood Control Scheme (UTTFC) Indirect			
Hastings District & Central Hawke's Bay District	Indirect	An indirect rate for all rating units within Central Hawke's Bay and those in Hastings District within the direct UTTFC designated flood scheme area.	Capital Value
Whirinaki Industrial			
Hastings District		Land receiving a lower level of direct benefit from reduced risk of flooding and rivers changing their course as a result of stopbanks and river control works.	Capital Value
Drainage and Pumping Schemes			
Targeted Rates	Rating Factor	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Government (Rating) Act (2002, schedule 3))
Brookfields Awatoto			
Napier City	D7	Rateable land situated in Napier within the Brookfields Awatoto drainage area which the council considers receives direct benefit of drain and stream maintenance works.	Capital Value
Clive & Muddy Creek			
Hastings District	D8	Rateable land situated in the Hastings District within the Clive Muddy Creek drainage area which the council considers receives benefit of drain and stream maintenance works.	Capital Value
Haumoana			
Hastings District	D4	Rateable land situated in the Hastings District within the Haumoana drainage area which the council considers receives direct benefit of drain and stream maintenance works.	Capital Value
Karamū Drainage & Enhancement			
Hastings District		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. The scheme involves maintenance of the completed enhancement works in the Karamū Stream.	Capital Value
Napier, Meeanee, Puketapu			
Hastings District	D1	Rateable land situated in the Hastings District which the 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.	Capital Value
Napier City	D1	Rateable land situated in Napier City on the right back of the Tūtaekurī River within the drain catchment area of Ōmarunui, which the 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.	Capital Value
Napier City	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.	Capital Value
Ohuia Whakaki Drainage Scheme			
Wairoa District	A	This scheme is located only a few kilometres east of Wairoa where it drains a 3,410-hectare catchment to Hawke's 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 1,038 hectares based on the location. Land that without drainage could be inundated up to 12 months of the year. Primary rate payer.	Capital Value
Wairoa District	B	This scheme is located only a few kilometres east of Wairoa where it drains a 3,410-hectare catchment to Hawke's 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 1,038 hectares based on the location. Land that without drainage could be inundated up to 12 months of the year. All other ratepayers.	Capital Value

Explanation of rating methods - types of rates / activities funded

Drainage and pumping stations			
Targeted rates	Rating Factor	Types of land to be rated (Local Government (Rating) Act, schedule 2)	Basis of rating (Local Government (Rating) Act (2002, schedule 3)
Opoho Drainage Scheme			
Wairoa District	A, B, C	This scheme drains approximately 200ha of low lying, productive land to the east of the Opoho Stream near Nuhaka. The Opoho scheme involves three neighbouring farms situated approximately halfway between Wairoa and Nuhaka. The relativities between the three properties in the scheme were determined by the 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.	UTR (refer to note 1)
Paeroa Drainage Scheme Special Rating Area			
Wairoa District	A	Rateable property situated in the Wairoa District on the lower lying land in the valley of the Waikoko Stream, the sloping land in the Clydebank Road area and on the valley floors in the middle reaches of the Awatere and Waikiki Streams which the Council considers receives both direct and indirect benefit of the drain and stream maintenance works.	Capital Value
Wairoa District	B	Rateable property situated in the Wairoa District which the council considers receives direct and indirect benefit.	Capital Value
Pākōwhai			
Hastings District	D6	Rateable land situated in the Hastings District within the Pākōwhai, Pūniga drainage area which the council considers receives direct benefit of drain and stream maintenance works.	Capital Value
Poukawa Drainage Special			
Hastings District	A	Rateable properties situated in the Hastings District which the council considers receives both direct and indirect benefit of the maintenance of the drainage scheme.	Capital Value
Pūniga			
Hastings District	D9	Rateable land situated in the Hastings District within the Clive Muddy Creek drainage area which the council considers receives benefit of drain and stream maintenance works.	Capital Value
Raupare Enhancement			
Hastings District	DA3	Selected properties in the Raupare catchment (1,179 hectares) which have agreed to contribute to the enhancement of specific steams and drains in the Raupare Catchment.	Area
Raupare Twyford			
Hastings District	D3	Rateable land situated in the Hastings District within the Twyford Raupare drainage area which the council considers receives direct benefit of drain and stream maintenance works.	Capital Value
Tūtaekurī Waimate Moteo			
Hastings District	D5	Rateable land situated in the Hastings District within the Tūtaekurī-Waimate, Moteo drainage area which the council considers receives direct benefit of drain and stream maintenance works.	Capital Value

All rates' figures are GST inclusive



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HAWKES BAY
REGIONAL COUNCIL

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