



2018-2019

# Annual Report

Summary

[hbrc.govt.nz](http://hbrc.govt.nz)

  
**HAWKES BAY**  
REGIONAL COUNCIL

TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI



**You told us  
you want  
cleaner water  
and a better  
environment  
for future  
generations.**

# Accelerated Action ~

## 2018-2019 ANNUAL REPORT

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~ At the start of 2018-19 we proposed a step-change approach to fix some of the big issues in our environment. Thanks to your support through rates, the last twelve months have been a year of accelerated action for our region.

# Introduction

MESSAGE FROM THE CHAIR & CHIEF EXECUTIVE  
HE KUPU NĀ TE TOIHAU ME TE KAIWHAKAHAERE MATUA

## Accelerated Action

*“With climate change clearly in our sights, we’re on the right track to a healthy environment, a vibrant community and a prosperous economy.”*

Kia ora koutou

**At the start of 2018-19 we proposed a step-change approach to fix some of the big issues in our environment. Thanks to your support through rates, the last twelve months have been a year of accelerated action for our region.**

During the 2018-19 year, the Council and staff worked alongside Napier Port to secure funding for the **port’s new wharf and infrastructure**. This put the Regional Council in a strong position to approve Napier Port to then offer shares in 45% of the value of the Port. This active move on the part of the Council delivers on one of our 23 strategic goals and contributes to this region’s economic prosperity.

With **370,000 new plants** in the ground in the last year, we’re ramping up our plan to control erosion and reduce sediment loss from steep land and near waterways.

We also extended the Sustainable Homes programme across the region, and now offer improved access to insulation and venting, solar, double glazing, domestic water storage and septic tanks, and clean heating.

Behind the scenes, we’ve been working closely with the government on practical changes to **freshwater policy** – we were happy to offer this support as we anticipate it leading to simpler rules and policies for land users that also gives better protection to our environment.

This summary covers Hawke’s Bay Regional Council’s key achievements during the 2018-19 financial year – the first year of the 2018-28 Long Term Plan.

The full Annual Report and Long Term Plan are online: [hbrc.govt.nz](http://hbrc.govt.nz), search: **#AnnualReports**



*“It has been an energetic year of focused activity and positive change.”*

For the first time we are reporting against our 23 outcome targets.

This work and numerous other projects we are working on all contribute to protecting and enhancing our environment.

It has been an energetic year of focused activity and positive change. With climate change clearly in our sights, we’re on the right track to a healthy environment, a vibrant community and a prosperous economy.

Ngā mihi nui



**Rex Graham**  
Chair



**James Palmer**  
Chief Executive

## Partnerships with Māori

*“The Regional Council’s Māori Committee has been a great way of getting alongside the people who make the decisions, where both parties benefit from the discussions that take place.”*

**The focus of activity over the last year was about getting on with the job of improving land use, rivers and streams. I’ve said before that this is well-aligned with Māori aspirations.**

This report also sees my retirement from the role of Māori Committee Chair with the Regional Council, after 18 rewarding years at the table.

Gradual changes in attitude over that time have seen Councillors and senior staff recognise Tāngata Whenua not just as another interest group, but increasingly as Treaty partners.

After five years of lobbying alongside fellow Māori Committee members Marei Apatu, Mike Paku and Roger Maaka, I am delighted to see the Māori Partnerships Manager role created in the Council’s senior managers’ team, and Pieri Munro in this new role with two senior Māori staff. A high calibre of Māori staff at a senior level is appropriate for the Regional Council.

The Regional Council’s Māori Committee has been a great way of getting alongside the people who make the decisions, where both parties benefit from the discussions that take place. We can only move forward by communicating openly and with good honest intentions.

The Māori Committee members and the Māori staff on Council welcome your views and concerns at any time.

Nāku noa, nā



**Mike Mohi**  
Māori Committee Chair (2011-19)



# Our Performance Measures

This is a sample of our service measures.

Comprehensive results are available in the full Annual Report, [hbrc.govt.nz](http://hbrc.govt.nz), search: #AnnualReports.

KEY:  
 = TARGET NOT MET  
 = TARGET MET

## Strategic Planning



**12 submissions** were made by the Regional Council on *Resource Management*. TARGET: >6.3 3-YEAR AVG.

## Governance & Partnerships

 **GOOD VALUE**

**73.8%** of surveyed residents perceive 'acceptable to very good' value of services from Regional Council rates. TARGET: >75%

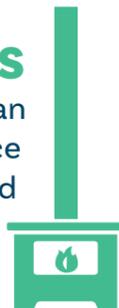
## Integrated Catchment Management



**ZERO** exceedances of PM10 in the Napier airshed. TARGET: <1

**4** exceedances of PM10 in the Hastings airshed. TARGET: <3

**more than 11,000 FIRES** replaced with clean heat systems since HeatSmart started in 2009. TARGET: 10,000 (801 REPLACED IN 2018-19)



**93%** of consent holders with water meters used telemetry or web/text systems. TARGET: >90%



**96%** of required land in Tukituki catchment operates under a Farm Environmental Management Plan. TARGET: 100%



**100%** of monitored *Possum Control Areas* had a 5% or less trap catch. TARGET: >90%



**13 NEW** priority sites: 6 wetland, 6 bush remnants and 1 estuary are under active management to secure and restore the endangered ecosystem. TARGET: 1-2



## Asset Management

**ZERO** out-of-channel flooding reported. TARGET: ZERO

**98.06%** of the time priority telemetered rainfall and river level sites were operational. TARGET: >98%

## Consents & Compliance

**105** maritime incidents were reported to Maritime New Zealand. TARGET: DECREASING TREND

**90.9%** of programmed inspections and reports were completed as per the adopted risk-based *Compliance Monitoring Strategy*. TARGET: 100%

## Transport

**344** fatal and injury crashes. TARGET: DECREASING TREND



**645,297** trips taken on Hawke's Bay bus services. TARGET: MAINTAIN OR INCREASING TREND

**90%** of Hastings/Napier residential and commercial businesses are within 500m of a bus stop. TARGET: HASTINGS 90%, NAPIER 75%



## Emergency Management

**72%** was the HB Emergency Management Group's score

in an independent Capability Assessment showing a general improvement from developing to advancing and maturing capability. TARGET: 80%



**84%** of residents have enough food for 3 days. TARGET: >90%



**62%** of residents have enough water for 3 days. TARGET: >75%



**82%** of residents have some way of cooking without electricity. TARGET: >90%



# Our Team

## Our Councillors



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## Our Leadership Team



**James Palmer**  
Chief Executive



**Jo Lawrence**  
Chief Exec & Chair  
Group Manager



**Liz Lambert**  
Regulation  
Group Manager



**Jessica Ellerm**  
Corporate Services  
Group Manager



**Iain Maxwell**  
Integrated Catchment  
Management  
Group Manager



**Tom Skerman**  
Strategic Planning  
Group Manager



**Pieri Munro**  
Te Pou Whakarae  
Māori Partnerships Group  
Manager



**Chris Dolley**  
Asset Management Group  
Manager



**Ian Macdonald**  
Hawke's Bay Civil Defence  
Emergency Management Group  
Manager/ Controller

## Our Aim

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*“Our community outcomes are a Healthy Environment, a Vibrant Community and a Prosperous Economy.”*

### Outcome measures

This report uses our 23 strategic goals as community outcome measures, the things that matter to the community. Typically, the Regional Council does not have full control over achieving these outcomes, but has a clear statutory role to achieve them. Where possible, outcomes align with national targets or an existing Hawke's Bay strategy or plan.

This is the first year of reporting using community outcome targets. In some cases we are still developing the methodology for data collection and reporting. More information, including current results and what we are doing to achieve the time-bound targets are included in the full Annual Report.

Te whakapakari  
tahi i tō tātau taiao.  
Enhancing our  
environment together.

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# Outcome Measures



**WATER**  
Water quality, safety and certainty

Community Outcome Target	Status
By 2025, plans for catchments where life-supporting capacity is compromised are in place and actively implemented.	Underway
By 2025, Tāngata Whenua values for all catchments are identified and embedded in the Regional Resource Management Plan.	Underway
By 2030, all aquifers, lakes and rivers will have community-agreed quantity and quality limits in force.	Underway
By 2030, cultural monitoring tools are in use in all catchments.	Underway
By 2030, all popular Hawke's Bay swimming sites will be swimmable 80% of the time, and 90% of the time by 2040 (source: NPS -FM updated Aug 2017).	On track
By 2050, there will be an improving trend in the life-supporting capacity of all of the region's degraded rivers and major streams.	Underway



**LAND**  
Smart and sustainable land use

Community Outcome Target	Status
By 2025, stock is excluded from all year-round flowing streams and rivers and at least 30% are fenced and planted to filter contaminants.	On track
By 2025, land use suitability information is available to all commercial land owners to inform smarter land use.	Underway
By 2030, all commercial farms, orchards and vineyards operate under a Farm Environment Management Plan or an independently audited industry best-practice framework.	On track <i>(for Tukituki)</i>
By 2030, all farms in priority sub-catchments will have phosphorus management plans being implemented, with at least 50% of highly erodible land treated with soil conservation plantings.	On track <i>(for Tukituki)</i>
By 2050, all highly erodible land will be under tree cover.	Underway
By 2030, there will be 20% less contaminants from urban and rural environments into receiving water bodies.	Underway
By 2050, there will be 50% less contaminant from urban and rural environments into receiving water bodies.	Underway



**BIODIVERSITY**  
Healthy and functioning biodiversity

Community Outcome Target	Status
By 2020, regional priority locations for ecosystem restoration - including in the coastal marine area - have been identified.	Completed <i>(for land)</i> Underway <i>(for coastal marine)</i>
By 2030, key (target) species and habitat (sites) are prioritised and under active restoration (HB Biodiversity Strategy 2015-2050 and Action Plan 2017-2020).	Underway
By 2050, a full range of indigenous habitats and ecosystems, and abundance and distributions of key species are maintained and increased in every catchment in Hawke's Bay (HB Biodiversity Strategy 2015-2050 and Action Plan 2017-2020).	Underway
By 2050, Hawke's Bay is predator free in line with NZ 2050 target.	Underway



**INFRASTRUCTURE & SERVICES**  
Sustainable services and infrastructure

Community Outcome Target	Status
By 2025, regional air quality consistently meets World Health Organisation guidelines.	On track
By 2025, coastal hazards are being managed to meet foreseeable climate change risks to coastal communities out to 2100.	On track
By 2025, the Napier Port is future-proofed with the addition of a new wharf with supporting land transport infrastructure.	On track
By 2030, flood risk is being managed to meet foreseeable climate change risks out to 2100.	Underway
By 2030, Hawke's Bay has environmentally sustainable, harvestable water identified and stored or plans to be stored if required.	Underway
By 2040, Hawke's Bay is carbon neutral.	Underway

# Groups of Activities

These pages contain selected highlights from the past year for each of our seven Groups of Activities.

Find out more in Part 2 of the full Annual Report. [hbrc.govt.nz](https://www.hbrc.govt.nz), search: #AnnualReports.



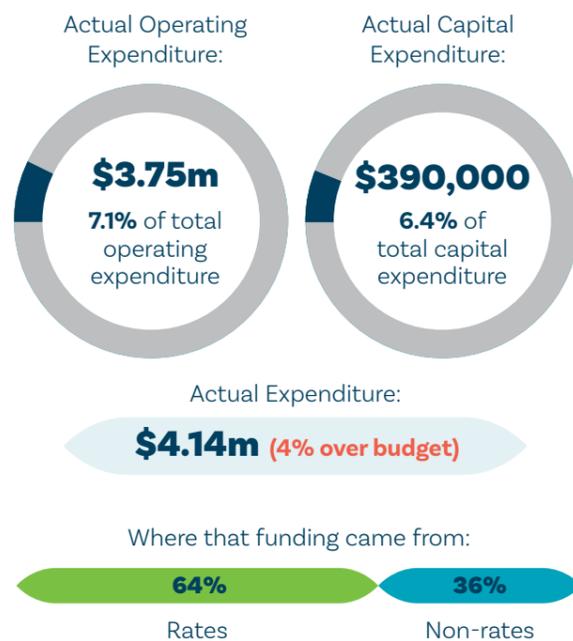
## Governance & Partnerships

### What we do

The two activities in the Governance and Partnerships group are Community Representation and Leadership, and Tāngata Whenua Partnerships and Community Engagement.

### Why we do it

This group primarily contributes to a Vibrant Community by giving Tāngata Whenua and the people of Hawke's Bay opportunities to have a meaningful say on the Council's activities in the region.



### Highlights

#### TE POU WHAKARAE

We formed a Māori Partnerships team, appointing a Te Pou Whakarae to the Executive, supported by a Senior Advisor Māori Partnerships and Māori Engagement Coordinator.

#### ENVIROSCHOOLS

60 kindergartens and schools now participate in the Enviroschools programme. Our Environmental Education resources help to connect schools to our environmental projects.

#### REFORESTATION

August 2018, the Regional Council and Ngāti Kahungunu Iwi Incorporated signed the Kahutia Accord – aiming to reforest 100,000 hectares of land across Hawke's Bay by 2030.

#### VOTE 2019

April 2019, the "Stand, Enrol, Vote" campaign was developed to promote the Vote2019 local elections, in partnership with the region's councils and the District Health Board.

### How did we do?

We measured six aspects of performance for this Group of Activities.



## Case study:

### Napier Port Share Offer

*Target: By 2025, Napier Port is future-proofed with a new wharf and supporting infrastructure*

In June 2019, the Regional Council instructed Napier Port to proceed with a 45% initial public offer (IPO) of shares in the Port, paving the way to deliver the funds needed to help the Port to grow.

Hawke's Bay Regional Council has invested over 2.5 years in this process - much of this time spent thoroughly investigating all viable options to deliver the results the Council needed on behalf of the Hawke's Bay community.

The process focused on establishing the most appropriate capital structure for the Regional Council, particularly with Napier Port needing a new wharf investment, at a cost of up to \$190 million.

**After extensive community consultation, the Regional Council settled on a minority IPO for 45% of Napier Port. This was agreed to be the best solution for our Port and our region. It gives the funding the Port needs, protects ratepayers from the costs, diversifies the Council's income streams, and keeps majority Regional Council ownership and control of the Port.**

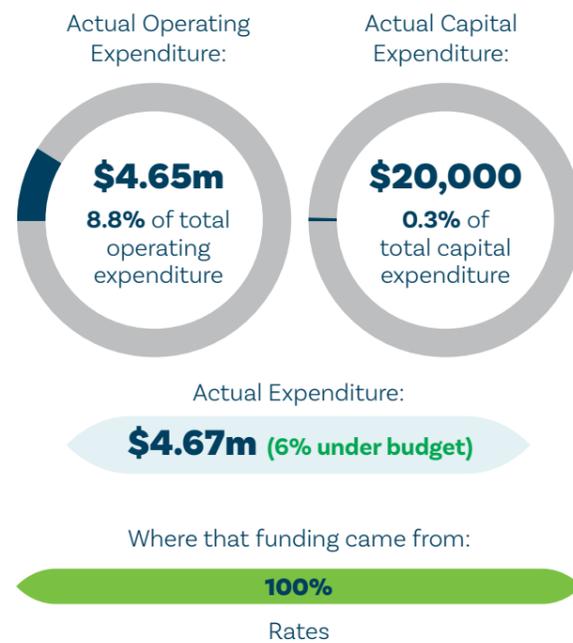
# Strategic Planning

## What we do

We provide Strategy, Planning and we support Sustainable Regional Development.

## Why we do it

This group is focused on maximising the economic and social benefits of the region's resources while minimising detrimental environmental impacts.



## Highlights

### FUTURE FARMING

Recruitment for nine trustees to the newly-established Future Farming Charitable Trust began in May 2019, including one Council appointee.

### FRESHWATER

A Senior Planner seconded to the Ministry for the Environment helped to review the Government's NPS-FM (National Policy Statement for Freshwater Management) ahead of the Essential Freshwater package. The Group Manager ICM and Chief Executive sat on a regional sector Freshwater Group to directly shape the national policy.

### TANK

January 2019, the draft TANK Plan for Greater Heretaunga and Ahuriri was released for pre-notification consultation. The draft, concerning the Tūtaekurī, Ahuriri, Ngaruroro and Karamū catchments, was sent to affected iwi and council authorities, and the Minister for the Environment for comment. In August 2018, after six years of pre-work, the draft Plan passed from the TANK collaborative stakeholder group to the Regional Planning Committee.

### OUTSTANDING WATER BODIES

May 2019, the draft Outstanding Water Bodies Plan Change was released for pre-notification consultation, following work with the Regional Planning Committee, Tāngata Whenua, council authorities, local experts and other key stakeholders.

### PROVINCIAL GROWTH FUND

June 2019, the Government's Provincial Growth Fund (PGF) announced \$64 million in funding to projects from Wairoa to Central Hawke's Bay to fast track new initiatives:

- \$2.15 million for a high-resolution, aerial electromagnetic survey of Hawke's Bay's aquifers
- \$450,000 for a regional freshwater assessment
- Focused areas of investigation relate to the Heretaunga and Ruataniwha plains.

### HB REGIONAL BUSINESSES

The Hawke's Bay Regional Business Partners team:

- supported over 247 businesses to achieve their business growth objectives
- issued \$327,300 in Capability Development funding for business training
- placed 49 Business Mentors into Hawke's Bay organisations
- linked 62 Hawke's Bay businesses into Callaghan Innovation resources for Research & Development.

### CLIMATE CHANGE

On 26 June 2019, Hawke's Bay Regional Council joined other councils around Aotearoa in declaring a climate emergency.

## How did we do?

We measured five aspects of performance for this Group of Activities.



## Case study:

### Implementing the NPS-FM

Following amendments to the National Policy Statement for Freshwater Management (NPS-FM) in August 2017, the Council adopted a third edition of its Progressive Implementation Plan NPS-FM on 31 October 2018.

Below is the status of each plan change under the progressive plan as at 30 June 2019:

Tukituki River Catchment Plan Change (PC6) (Operative from 1 October 2015)

Greater Heretaunga / Ahuriri Catchment Area (aka 'TANK' catchments) Plan Change (Plan Change in preparation. To be publicly notified in late 2019)

Outstanding Water Bodies Plan Change (To be publicly notified by 31 August 2019)

Plan Change 5 to Regional Resource Management Plan (RRMP) integrated land and freshwater management (Environment Court issued final decision 7 June 2019. Recommendation to Regional Planning Committee to approve Change 5 due in July 2019)

Plan Change for greater regulation of oil and gas exploration activities (Plan Change ceased, until further review of the RRMP and Regional Coastal Environment Plan (RCEP 2020-21)

Mohaka River Catchment Plan Change (Under preparation. Not yet publicly notified)

Rest of Region Plan Change (To commence in 2020-21)

Ngaruroro Water Conservation Order application (Hearings completed. Awaiting decision from Tribunal due second half of 2019).

**A progress summary on the extent to which the progressive plan has been implemented is included in the full 2018-19 Annual Report.**

# Integrated Catchment Management

## What we do and why we do it

We deliver Science and Information, Catchment Management, and Biodiversity and Biosecurity to contribute to a healthy environment.

Integrated catchment management activities are a mix of statutory requirements and non-regulatory methods.



## Highlights

### SCIENCE AND INFORMATION

Published **12 technical reports** to assist the TANK Plan Change. Seven Regional Council technical experts gave evidence to the Ngaruroro Water Conservation Order hearing, held in early 2019.

Completed a Land Science Regional **Wetland Inventory** to photograph and record wetlands. The size, type and location of these wetlands is now mapped, helping staff to prioritise sites as part of the Council's wetland monitoring programme.

Developed an online **'outdoor burning tool'** to reduce winter air pollution – currently under trial – to help orchardists to know the conditions to light fires.

Won a **Science New Zealand National Award** with Manaaki Whenua for the role in developing 'S-map' – a comprehensive online spatial soil database, which may become a national tool.

**Visited 98 properties** to give advice on water metering, telemetry and consent requirements. The Irrigation Check Up programme checked 60 irrigation systems for uniformity and application depth, with guidance on how to improve system application efficiency.

**Marine:** Worked with NIWA and Ministry of Primary Industries to map the Wairoa Hard and Clive Hard seafloors. This builds a better understanding of coastal habitats and effects from land, and feeds into a roadmap developed to address cumulative effects on coastal environments.

**Whakakī:** June 2019, the five-year project to revitalise Whakakī Lake, north-east of Wairoa, was granted \$1.38 million from the Government's Freshwater Improvement Fund. The total project investment of \$3 million aims to revitalise the taonga of Whakakī Lake, so tuna (eels) are fit for consumption, and people can access the lake and swim safely.

**Te Waiū o Tūtira:** Environmental Farm Plans have been completed for five properties covering 927 hectares. Nutrient budgets linked to these

Environmental Farm Plans have been carried out across 770 hectares. Related farm works include the retirement and planting of 4.8 hectares of wetland and riparian areas with around 5,900 native plants.

**Ahuriri:** Completed the aerial survey of Ahuriri Estuary to help assess the volume of invasive fanworm (*Ficopomatus enigmaticus*) currently in the estuary and the effectiveness of the mechanical removal programme. Completed fencing 4.1km of waterways, wetlands and estuary margin. Planted 14,936 native plants, and 240 poplar and willow poles.

**Lake Whatuma:** Key stakeholders and iwi agreed to work together to get a common vision and values for the lake. Discussions included possible opportunities around lake ownership and management approaches to long-term protection and enhancement.

### CATCHMENT MANAGEMENT

**Planted around 370,000 plants** as a result of initiatives with communities, Tāngata Whenua and private landowners.

Introduced the Erosion Control Scheme, with a 75% subsidy to landowners for fencing, planting and reversion. Staff worked with landowners to complete 69 erosion control plans – around \$2.3 million of works on the ground, \$1.7 million of this funded by the Council.

Early 2019, Te Uru Rākau (Forestry New Zealand) announced **\$5 million funding** through the Hill Country Erosion Fund over four years to protect erosion-prone hill country across the region.

### BIODIVERSITY AND BIOSECURITY

Successfully **identified priority ecosystems**, in partnership with the Hawke's Bay Biodiversity Foundation and Guardians. Thirteen sites are now under active management.

February 2019, the **Regional Pest Management Plan** (RPMP) now includes 11 new pest plants, feral goat, predator and possum eradication programmes, with tighter rules and a marine pest exclusion programme to stop invasive marine pests establishing in Hawke's Bay. Also the first RPMP in New Zealand to include large-scale possum eradication areas for farmland.

July 2018, **launched Predator Free Hawke's Bay** with \$1.6 million kick-start Government funding. Made significant progress in starting a \$4.86 million project in wide-scale predator control and ecological restoration at Whakatipu Mahia – the largest mainland possum eradication programme ever undertaken in Aotearoa.

October 2018, Mahia's Whangawehi Catchment Management Group won a prestigious **Asia Pacific International River Award**. This community-led group has helped landowners to fence their waterways, revegetate river margins, carry out pest control and better manage their soil through tree planting.

October 2018, HeatSmart programme relaunched as **Sustainable Homes** to include domestic solar heating, double glazing, water storage, septic tanks and ventilation, as well as clean heating and insulation. Eligible ratepayers across the region can borrow up to \$20,000 at 4% interest, repayable over ten years by way of a voluntary targeted rate.

## How did we do?

We measured eighteen aspects of performance for this Group of Activities.



# Asset Management

## What we do

We carry out Flood Protection and Control, Flood Risk Assessment and Warning. This group also manages Open Spaces and the Works Group, and coordinates the Coastal Hazards project.

## Why we do it

This group reduces the likelihood of damage from flooding on people, property, productive land and businesses, which provides long-term benefits to our economy.

The aim is also to contribute to a vibrant community with public access to Regional Council-managed waterways, the coast and open spaces for recreation and enjoyment, and where appropriate to enhance amenity values, protect sites of cultural significance, and identify and value them for public education and interest.

## Highlights

### FLOOD PROTECTION AND CONTROL WORKS

Completed planned maintenance of the flood protection and drainage schemes - the Regional Council administers 25 flood control and drainage schemes throughout the region.

Completed a Marae and Urupa review on the Wairoa River to investigate river erosion on these sites, where protective plantings have now been scheduled for locations on the Wairoa River.

Early 2019, started planning to dredge the lower Clive River, to remove sediment and increase water depth, channel capacity and enhancement for recreational use. Community engagement with residents and key stakeholders will occur and a resource consent gained before dredging, previously carried out 2009 and 1997.

### WORKS GROUP

Works Group completed a sheetpile retaining wall on the Wairoa River to protect a new playground facility, constructed by Wairoa District Council, from river erosion.

### OPEN SPACES

Hawea Historical Park Management Committee was formed, with representatives from Ngā hapu o Kohupatiki, Matahiwi, Ruahapia and Waipatu, along with Regional Council officers - an equal partnership to provide sustainable co-governance and co-management of the ownership and management of the park.

July 2018, a Twyford community planting event was held as part of a strategy to enhance a 20km length of the upper Raupare catchment and improve water quality.

Completed earthworks for a new wetland at Waitangi Regional Park followed by a community planting day in June. The new wetland is next to the horseshoe wetland created by the Regional Council in 2009, in the flood plain of the Tūtaekurī and Ngaruroro Rivers. The project was funded and constructed with Te Wai Mauri Trust, Ngāti Kahungunu Iwi Incorporated, Napier Port and the Regional Council which manages the project for the long term.

Started planning to harvest the Tūtira Forest and 95 hectares of the Tangoio Soil Conservation Reserve planted in the 1990s for the primary purpose of erosion control, and the secondary purpose of financial returns on harvest. Harvesting is expected to start in 2021, followed by replanting.



Credit: Tim Whittaker

## Case study:

### Coastal Hazards

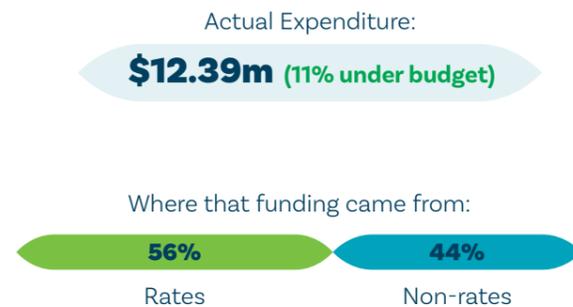
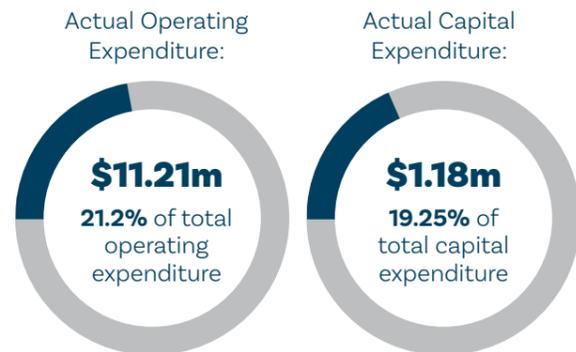
*Target: By 2025, Coastal Hazards are being managed to meet climate change risks.*

May 2019, the Coastal Hazards committee recommended to establish a coastal contributory fund to help the Napier, Hastings and Hawke's Bay Regional Councils to rate for the future costs of implementing actions such as groynes, shingle renourishment and sea walls. This is a big step toward funding the major infrastructure costs that will be part of the region's growing response to climate change.

Details associated with the coastal hazards contributory fund will be the focus of public consultation in 2020, with remaining matters to be resolved after 2021, including specific designs for each priority coastal area, the prioritisation of works and the triggers for action.

The Clifton to Tangoio Coastal Hazards Strategy 2120 is a joined-up approach between Hawke's Bay Regional Council, Napier City Council, Hastings District Council and iwi groups Mana Ahuriri, He Toa Takitini and Maungaharuru-Tangitū Trust with a focus on long-term workable solutions.

**More information is at [hbcoast.co.nz](http://hbcoast.co.nz).**



## How did we do?

We measured eight aspects of performance for this Group of Activities.



# Consents & Compliance

## What we do

The Consents and Compliance group carries out the activities of Consenting, Compliance and Pollution Response, and Maritime Safety.

## Why we do it

This group includes processing resource consents, and advice and education on resource management matters. This activity also involves consent monitoring and enforcement of non-compliance, acting on environmental complaints, incidents and breaches.

The Marine Safety activity monitors and enforces the Navigation and Safety Bylaw, helping to ensure navigable waters are safe for use. The Harbourmaster advises and educates commercial and recreational users and the community on water safety and safe boating.

## Highlights

Implemented a replacement regulatory management system, IRIS (Integrated Regional Information System) for consents, compliance, incidents and enforcement management.

### CONSENTS

**455 resource consents processed**,

compared with 438 in the previous year – 100% processed in statutory timeframes.

Issued notified consents for the PanPac Forest Products Ltd coastal outfall at Whirinaki and construction of a new wharf at Napier Port with associated channel dredging and sediment disposal. No appeals were received on the Napier Port consent.

Continued work on consent applications for Wairoa's wastewater discharge, Ruataniwha Tranche 2 groundwater, Te Mata Mushrooms' alternative site, Silver Fern Farms, and about 220 expired/ replacement water take applications in the unconfined aquifer area of Heretaunga Plains.

Increased consent activity in the Tukituki Catchment, due to the Tukituki Plan in full effect from June 2020. Over 300 land use consent applications will be lodged ahead of this date.

Preparatory work has included establishing procedural guidelines, application forms and guidance, sub-catchment science reports, sub-catchment meetings, Farm Environment Management Plan data management and audits.

Received 128 notices, 24 consent applications and 104 permitted activity advices under the National Environmental Standard for Plantation Forestry (NES-PF) which came into effect in May 2018. Site visits found generally very good systems in place to control forestry environmental risks. An aerial survey of forestry activities showed no significant non-compliance.

### COMPLIANCE AND POLLUTION RESPONSE

**3,198 resource consents monitored** (90.9% out of 3,519, 94% in prior year)

**1,116 calls to the Pollution Hotline** (1,095 calls in year prior)

**40 abatement notices** issued (46 in year prior)

**101 infringement notices** issued (92 in year prior)

**Four prosecutions** (five in year prior)

A focus on the enforcement of annual winter outdoor burning restrictions.

December 2018, recognised Hawke's Bay dairy farmers who consistently achieved full compliance with their resource consents at the dairy Compliance Awards. 34 Gold farms with full compliance for at least five consecutive years. 13 Silver farms with four years consecutive compliance and 7 Bronze farms with three years compliance.

May 2019, the Regional Council found no detectable levels of PFAS (per- and poly-fluoroalkyl substances) in drinking and ground water surrounding the Hastings Fire Station, when investigating to see if historical use and storage of firefighting foam had impacted the

underlying aquifer. PFAS are man-made chemicals used since the 1950s to produce heat-resistant products, including specialised firefighting foam. They were identified as substances of environmental concern in the late 1990s.

Performed two oil spill exercises, both centred on a vessel spilling oil either in the Napier Port or near to the Port which required different clean-up methods, with emphasis on the response team being familiar with the response equipment under different scenarios.

July 2019, aerial monitoring of farming operations checked for over-stocking and that winter grazing practices met land use rules. All properties complied. There were 16 resource consents for feedlots; 15 of these active and one inactive.

### MARITIME SAFETY

Steel piles were installed to the seabed 200 metres off beaches at Mahia and Onepoto (Taylor's Bay). These withstand weather extremes better than buoys and improve safety for swimmer, with fewer calls of boats speeding too close to land.

September 2018, the updated Navigation and Safety Bylaw came into force, with a rule for all jet skis to be registered with the Regional Council or another council before use in Hawke's Bay waters.

## How did we do?

We measured eight aspects of performance for this Group of Activities.



Actual Operating Expenditure:



Actual Expenditure:

**\$4.06m (6% under budget)**

Where that funding came from:



# Emergency Management

## What we do

The Emergency Management group includes the activities of the Hawke's Bay Civil Defence Emergency Management (HBCDEM) Group and Emergency Management for Hawke's Bay Regional Council.

## Why we do it

This group aims to improve community resilience and reduce the impact of emergency events on people, property, businesses and the economy. The activities relate to identifying potential hazards, reducing their impact, preparing the community for potential civil defence emergencies, and assisting with the response to and recovery from any emergencies that occur.

The Hawke's Bay CDEM Group operates as a shared service across councils. All civil defence staff work in the same organisation to improve regional capability to respond and bounce back from a disaster.

Hawke's Bay Regional Council administers the HBCDEM Group and maintains its own emergency response capability to support the Group. It does this by training staff to coordinate a response, including the management of flood protection and control assets and ensuring essential business continues despite any disaster.

*"This group aims to improve community resilience and reduce the impact of emergency events on people, property, businesses and the economy."*

Actual Operating Expenditure:



Actual Expenditure:

**\$1.92m (20% under budget)**

Where that funding came from:



## Highlights

### HBCDEM GROUP CONSOLIDATION

Introduced a single regional rate for civil defence to complete the consolidation of the HBCDEM Group as a shared service across all councils in Hawke's Bay. The focus is on strengthening civil defence capability with more emphasis on public education before and public information during an event. A dedicated Public Information Manager was appointed in November 2018.

### HIKURANGI RESPONSE PLAN

July 2018, commenced the Hikurangi Response Plan project to develop an inter-agency initial response plan for a credible and realistic Hikurangi subduction zone earthquake and tsunami scenario. Hikurangi subduction zone, where the Pacific and Australian tectonic plates collide, is Aotearoa's largest fault from the Kaikoura coast up past Hawke's Bay to East Cape. Hikurangi Response Plan is a collaborative East Coast LAB (Life at the Boundary) three year project between five lower-North Island CDEM Groups led by the HBCDEM Group and funded by the Ministry of Civil Defence & Emergency Management Resilience Fund.

### ON-CALL EMERGENCY

#### ADVISOR SYSTEM

December 2018, established a duty on-call emergency advisor system to ensure continuing support to the HBCDEM Group and initial response activities for national watches and warnings. The HBCDEM Group issued 109 watches and warnings to regional response agencies over the year.

### HBCDEM GROUP

HBCDEM Group scored 72.2% (an increase of more than 20% since 2009-10) from an independent Capability Assessment Report, highlighting confidence in the new group structure and the work already carried out under these changes.

### DEVELOPMENT OF COMMUNITY RESILIENCE PROGRAMME 2019 - 2026

The HBCDEM Group worked with several rural coastal communities to develop resilience plans: Porangahau, Ocean Beach, Iwitea, Whakakī, Nuhaka and greater Mahia, building on the current Clive and Cape Coast community resilience plans. 540 people received training and 148 took part in exercises, as part of an extensive exercise and training programme.

### HBCDEM GROUP WELFARE PLAN

HBCDEM Group adopted the Welfare Plan during the year.

### HBCDEM REBUILD

Began a rebuild of the HBCDEM building in Lyndon Street, Hastings to serve as the Group Emergency Coordination Centre for the Hawke's Bay Region.

## How did we do?

We measured nine aspects of performance for this Group of Activities.



- Achieved
- Partially achieved
- Not achieved
- Not measured

# Transport

## What we do

The Transport group includes the activities of Transport Planning and Road Safety, Passenger Transport and Regional Cycling.

## Why we do it

The driving force is the Regional Land Transport Plan and the Regional Public Transport Plan prepared by the Regional Transport Committee and the Regional Council.

A major part of the Council's transport role is to contract bus and Total Mobility taxi services that give the community access to work, education, social and recreational activities.

The Regional Council also has an important role in the coordination of cycling activities through the Regional Cycling Governance Group and the Regional Cycling Plan.

Actual Operating Expenditure:



Actual Expenditure:

**\$5.06m (4% over budget)**

Where that funding came from:



## Highlights

### KEY ROUTES

A number of major roadworks on key routes around Hawke's Bay were under construction, including the completion of Te Ara Kahikatea (the new link from Whakatu), the Pākōwhai Links Roundabout, the Watchman Road Roundabout and the new entrance to the Hawke's Bay Airport. These works are a result of the strategic plan developed by the Regional Transport Committee to improve safety and efficiency across the region's strategic routes.

### SMARTCARD SYSTEM

The project to implement a new bus ticketing and smartcard system for nine regional councils progressed. Initial testing was carried out but the project has been delayed due to further development and testing requirements. The new system will provide faster boarding, online smartcard top-ups and other benefits for passengers.

### WEB UPGRADES

December 2018, goBay.co.nz went live. Feedback was very positive.

### TRAFFIC STUDY

Early 2019, terms of reference were prepared for a joint transport study to evaluate traffic patterns in Hawke's Bay, predict future demand and programme any necessary improvements to the transport network and services. The study will be overseen by the Regional Transport Committee with technical support from the Transport Technical Advisory Group.



### HB TRAILS

April 2019, it was announced that the Hawke's Bay Trails network would receive \$1.3 million from the Government's New Zealand Cycle Trail Enhancement and Extension Fund. Hawke's Bay Trails is one of the Great Rides of Ngā Haerenga - the New Zealand Cycle Trail. The funding will be used on three projects costing an estimated \$3.6 million and creating an extra 34.5 kilometres of trails around Napier and Hastings. The costs will be split between the Ministry of Business, Innovation and Employment (MBIE) and local councils, up to 2022, with close collaboration with New Zealand Transport Agency and the local community.

### NAPER-WAIROA RAIL

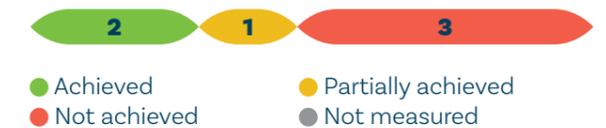
June 2019, the Napier-Wairoa rail line was officially reopened. This follows years of discussions and advocacy led by the Regional Council. As Chairman of the Regional Transport Committee, Councillor Alan Dick was instrumental in getting the rail line reinstated. Discussions began with KiwiRail over a decade ago around the future of the rail line and continued after it was closed in 2012 due to a washout.

### REGIONAL PUBLIC TRANSPORT PLAN 2019 - 2029

June 2019, the Regional Public Transport Plan 2019 - 2029 was adopted following public consultation. The Plan sets out how the Regional Council manages the goBay bus and Total Mobility services. Priority actions from the Plan include improving bus service reliability between Napier and Hastings, and investigating transport needs in Central Hawke's Bay and Wairoa.

### How did we do?

We measured six aspects of performance for this Group of Activities.



# Financials

## Summary Consolidated Financial Statements of Hawke's Bay Regional Council and its Subsidiaries (Group)

The summary financial statements for the year ended 30 June 2019 were authorised for issue by the Chief Executive of the Regional Council on 15 November 2019.

The disclosures included in the summary financial statements have been extracted from the full financial statements of the Group and comply with PBE FRS-43, with the exception of the contents of the qualified audit opinion issued by the auditors, the full financial statements were prepared in accordance with NZ GAAP and Tier 1 PBE accounting standards and were authorised for issue by the Regional Council on 16 October 2019.

The full financial statements received a qualified audit opinion. This is due to the exceptional circumstances this year of Napier Port Holdings Limited listing on the New Zealand Stock Exchange between the Hawke's Bay Regional Investment (HBRIC) Limited balance date and adoption of the Annual Report. The Regional Council is not disclosing or adjusting for significant events to 30 June 2019.

The Regional Council's group financial statements are based on Port of Napier Limited's full year financial statements for year ended 31 March 2019.

Port of Napier Limited is unable to provide interim financial statements (through to 30 June 2019) as doing so would provoke a necessity to publicly disclose financials for the same period to all shareholders and investors driven by post-balance date transaction of Council's 45% ownership of Port of Napier Limited listed on the New Zealand Stock Exchange (NZX). Consequently, the Regional Council's group financial statements include Port of Napier Limited's financial statements for the 12 months ending 31 March 2019.

### Events after Balance Sheet Date (Parent & Group)

HBRIC Ltd parent company divested 45% of its shareholding in Napier Port via an Initial Public Offering listing on the New Zealand Stock Exchange, with listing on 20 August 2019. Additionally, in excess of \$100 million of funds have been released to HBRIC Ltd following the dilution of HBRIC Ltd's shares in Napier Port from 100% to 55%. Subsequent to this transaction, HBRIC Ltd parent company repaid the \$6.5million loan to its shareholder on 13 September 2019.

Summary financial statements cannot be expected to provide as complete an understanding as provided by the full financial statements. Copies of both the full and summary financial statements can be obtained from the Regional Council's offices at **159 Dalton Street, Napier** or online at **hbrc.govt.nz**.

## Summary Consolidated Financial Statements Hawke's Bay Regional Council and its Subsidiaries (Group)

	Regional Council		Group *		
	Actual 18/19	Budget 18/19	Actual 17/18	Actual 18/19	Actual 17/18
<b>SUMMARY STATEMENT OF FINANCIAL POSITION</b>					
Non-current assets	661,625	592,409	550,561	637,215	582,130
Current assets	49,222	33,656	94,616	63,349	108,761
<b>Total assets</b>	<b>710,847</b>	<b>626,065</b>	<b>645,177</b>	<b>700,564</b>	<b>690,891</b>
Non-current liabilities	29,486	38,377	33,796	132,035	145,550
Current liabilities	16,008	16,511	15,635	30,818	32,856
<b>Total liabilities</b>	<b>45,494</b>	<b>54,888</b>	<b>49,431</b>	<b>162,852</b>	<b>178,406</b>
<b>Equity</b>	<b>665,355</b>	<b>571,177</b>	<b>595,746</b>	<b>537,711</b>	<b>513,191</b>
<b>SUMMARY STATEMENT OF COMPREHENSIVE REVENUE AND EXPENSE</b>					
Operating revenue	50,081	51,424	46,885	135,821	126,565
Fair value gains (net)	5,802	3,195	3,697	6,487	4,171
Operating expenditure	(26,369)	(24,593)	(23,818)	(58,442)	(49,792)
Personnel costs	(20,394)	(19,738)	(17,499)	(47,759)	(43,436)
Finance costs	(2,489)	(2,447)	(2,803)	(6,542)	(7,384)
Depreciation & amortisation expense	(3,081)	(2,925)	(2,905)	(14,330)	(14,836)
Other expenditure	(475)	-	(965)	(1,359)	(1,206)
Impairment expenditure	-	-	-	-	(7,755)
Taxation expense	-	-	-	(2,034)	(5,402)
<b>Surplus before other comprehensive revenue and expense</b>	<b>3,075</b>	<b>5,832</b>	<b>2,593</b>	<b>11,842</b>	<b>926</b>
Gain/(loss) in other financial assets	58,879	1,000	48,394	1,356	(394)
Gain/(loss) on revalued intangible asset	1,290	-	283	1,290	9,778
Gain/(loss) on revalued property, plant and equipment assets	6,364	1,436	-	10,738	-
<b>Other comprehensive revenue and expense</b>	<b>66,533</b>	<b>2,436</b>	<b>48,677</b>	<b>13,384</b>	<b>9,384</b>
<b>Surplus after other comprehensive revenue and expense</b>	<b>69,609</b>	<b>8,268</b>	<b>51,270</b>	<b>25,225</b>	<b>10,310</b>
<b>SUMMARY STATEMENT OF CHANGES IN EQUITY</b>					
Total comprehensive income for period	69,609	8,268	51,270	25,225	10,310
Effect on consolidation	-	-	-	-	(1,615)
<b>Total changes in equity</b>	<b>69,609</b>	<b>8,268</b>	<b>51,270</b>	<b>25,225</b>	<b>8,695</b>
Equity at the start of the year	595,746	562,909	544,476	512,486	503,791
<b>Equity at the end of the year</b>	<b>665,355</b>	<b>571,177</b>	<b>595,746</b>	<b>537,711</b>	<b>512,486</b>
<b>Equity at the end of the year comprises of:</b>					
Accumulated Funds	358,003	325,116	305,237	326,711	260,924
Fair value reserves	275,976	174,963	209,443	179,625	171,201
Other reserves	31,375	71,098	81,066	31,375	81,066
<b>Equity at the end of the year</b>	<b>665,355</b>	<b>571,177</b>	<b>595,746</b>	<b>537,711</b>	<b>513,191</b>
<b>SUMMARY STATEMENT OF CASH FLOWS</b>					
Net cash inflows from operating activities	1,308	5,764	1,205	22,356	16,514
Net cash outflows (used in) / from investing activities	4,858	(19,658)	20,533	(5,692)	(593)
Net cash inflows from / (used in) financing activities	(5,039)	1,639	(4,690)	(12,139)	1,010
<b>Total net cash flow</b>	<b>1,127</b>	<b>(12,255)</b>	<b>17,048</b>	<b>4,524</b>	<b>16,932</b>
<b>Opening cash &amp; cash equivalents</b>	<b>27,309</b>	<b>16,155</b>	<b>10,261</b>	<b>27,574</b>	<b>10,642</b>
<b>Closing cash &amp; cash equivalents</b>	<b>28,436</b>	<b>3,900</b>	<b>27,309</b>	<b>32,098</b>	<b>27,574</b>

\*Group figures include consolidated results for HBRC and HBRIC Ltd. HBRIC Ltd holds the investment in Port of Napier Ltd.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars: (\$000)

# Financial Overview

*The Financial Strategy in the 2018-28 Long Term Plan started in the 2018-19 year.*

**Year one of the 2018-28 Long Term Plan signalled a step change in activity - particularly in the areas of land and water.**

**This effectively means we have accelerated and scaled up our activities to influence land and water use practices and to achieve a greater impact sooner.**

## OPERATING EXPENDITURE

Operating expenditure in 2018-19 was \$53 million, an increase of \$5.1 million or 10% compared to the previous year. External operating expenditure increased by \$2.5 million and personnel costs increased by \$2.8 million or 16%. This demonstrates the significant increase in capacity and capability which has been required to carry out an ambitious, up-scaled programme of work.

## CAPITAL EXPENDITURE

Total capital expenditure was budgeted at \$11.7 million for the year. However, \$3.2 million of this has been carried forward to 2019-20. Despite an increase in staffing numbers and cost, many vacancies were difficult to fill and were vacant for part or all of the year, particularly Asset Management where a lack of resource and capability meant an underspend in Infrastructure Asset Construction of \$2.2 million.

## IT TRANSFORMATION

Another \$1 million of capital carried forward relates to Information Technology (IT) projects or spend. Following a full review of the approach to IT transformation, greater priority has now been given to ensure the organisation is appropriately set up to benefit from system implementation before work begins.

## NEW INITIATIVES

The set-up and implementation of some new initiatives took longer than anticipated, such as the Integrated Catchment Management team's Erosion Control Scheme where \$600,000 has been carried forward. Approximately \$1 million of budgeted operating expenditure has been carried forward to the 2019-20 year for various work streams, due to resourcing challenges, difficulty gaining access to land, reliance on partnership or external funding or where reserve balances are being carried over.

Overall, operating expenditure exceeds budget due to the reallocation or prioritisation of internal work streams over debt fund capital projects which have been delayed or deferred to the new financial year.

## THE INCREASED LEVEL OF ACTIVITY IN 2018-19 WAS FUNDED THROUGH:

### Rates:

Rates revenue makes up 50% or less of annual revenue. An average 19% increase in rates (including 5.3% related to the regional collection of Civil Defence Emergency Management).

Rates revenue for the year was \$23.2 million, an increase of \$3.7 million from 2017-18.

### Recovery of user charges via fees and charges:

Fees and charges provide around 20% of the Regional Council's annual funding requirements. A greater 'user pays' approach - Consents and Compliance were 80% chargeable to consent holders (up from 60% and 70% respectively in previous years).

\$1.9 million total revenue collected from direct charges – an increase of \$520,000 from 2017-18, however \$600,000 less than budget due to more time than anticipated spent responding to important but non-recoverable activities, such as the Pollution Hotline.

**Investment income:**

Total Investment income including \$10 million in dividends was \$14.5 million.

Included leasehold income of \$2.8 million, forestry income of \$23,000, returns from managed funds and cash on term deposit of \$1.8 million.

**INVESTMENT**

Our investment strategy aims to maintain and grow investments to generate income, which allows general rates to continue being subsidised by investment income.

In 2018-19, the Regional Council received \$10 million in dividends from the 100% ownership of Napier Port via Hawke's Bay Regional Investment Company Ltd (HBRIC Ltd). Following the balance date of this Annual Report, the ownership in this asset has been diluted to 55% via an Initial Public Offering. Full details are outlined in the full Annual Report at [hbrc.govt.nz](http://hbrc.govt.nz), search: #AnnualReports. This post balance date event has already had a significant impact on the valuation of the asset. The Regional Council's valuation of assets has increased by over \$66 million in 2018-19 including a revaluation of HBRIC Ltd.

Overall investment income was \$1.5 million less than budget due to returns from managed funds being unrealised (they are balance sheet gains) and a delay in expected forestry income, to be recognised when the forests are harvested. During the course of 2018-19, \$40 million of funds were placed into diversified investment portfolios managed by two separate fund

managers. Appointment of the fund managers and subsequent establishment of the funds took longer administratively than anticipated which has an impact on the timing of the placement of funds (planned July 18, allocated in November 2018), however, the \$40 million placed achieved overall gains of \$1.9 million or 4.7% including adjustment for inflation. Forecast returns were 4.5% net of inflation which has resulted in a shortfall of investment income for 2019-20. Gain on invested funds is recognised in the financial statements as an unrealised gain as the returns were not divested in the year, due to favourable cashflow position.

**DEBT**

The 2018-28 Long Term Plan outlines a preference for funding intergenerational projects through debt. In 2018-19 the Regional Council borrowed \$2.5 million to fund regional infrastructure projects, work on regional parks and open spaces, and research and development projects.

**EXTERNAL GRANT FUNDING**

Government grants were received from the New Zealand Transport Agency for bus services and road safety projects, New Zealand Trade and Enterprise for regional development projects, Ministry of Justice and the Ministry of the Environment for iwi initiatives, and the Ministry of Primary Industries for afforestation, environmental and water initiative projects.

**CLOSING FINANCIAL POSITION**

The closing financial position for the year is an operating surplus of \$3.1 million compared to a budgeted surplus of \$5.8 million. The total comprehensive revenue and expense position is \$69.6 million compared to the budgeted \$8.3 million. This significant increase is due to unrealised revaluation gains across all asset classes, most specifically a \$57 million increase in the valuation of HBRIC Ltd (reflecting the value of ownership of Napier Port).



# Independent Auditor's Report

To the readers of the Hawke's Bay Regional Council's summary of the annual report for the year ended 30 June 2019

The summary of the annual report was derived from the annual report of the Hawke's Bay Regional Council (the Regional Council) for the year ended 30 June 2019.

The summary of the annual report comprises the following summary statements on pages 8 to 9 and 14 to 31:

- the summary statement of financial position as at 30 June 2019;
- the summaries of the statement of comprehensive revenue and expense, statement of changes in equity and statement of cash flows for the year ended 30 June 2019;
- the explanatory information to the summary financial statements; and
- the summary information on performance measures, outcome measures and groups of activities.

## Opinion

In our opinion:

- the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the annual report; and
- the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

However, the Group financial information in the summary financial statements includes a limitation in scope to the equivalent extent as the full audited financial statements in relation to the inclusion of the financial statements of one of the Regional Council's subsidiaries, Port of Napier Limited. The limitation of scope of the full audited financial statements is described in our qualified audit opinion dated 16 October 2019 and is explained below in *The full annual report and our audit report thereon* section.

## Summary of the annual report

The summary of the annual report does not contain all the disclosures required by generally accepted accounting practice in New Zealand. Reading the summary of the annual report and the auditor's report thereon, therefore, is not a substitute for reading the full annual report and the auditor's report thereon.

The summary of the annual report does not reflect the effects of events that occurred subsequent to the date of our auditor's report on the full annual report.

## The full annual report and our audit report thereon

We expressed a qualified audit opinion on the Regional Council and group's full audited financial statements and an unmodified audit opinion on the Regional Council and group's other audited information in the full annual report for the year ended 30 June 2019 in our report dated 16 October 2019. The basis for the qualified audit opinion on the financial statements is explained below.

The group financial statements include the financial statements of one of the Regional Council's subsidiaries, Port of Napier Limited, for the year ended 31 March 2019 rather than for the year ended 30 June 2019.

When the end of the reporting period of the parent is different from that of a subsidiary, Generally Accepted Accounting Practice requires the subsidiary to prepare, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so. If it is impracticable to do so, the parent is required to consolidate the financial information

of the subsidiary using the most recent financial statements of the subsidiary adjusted for the effects of significant transactions or events that occur between the date of those financial statements and the date of the consolidated financial statements.

Port of Napier Limited has not provided the Regional Council with either additional financial information as at 30 June 2019 or sufficient information to enable the Council to assess whether significant transactions or events have occurred between 31 March 2019 and 30 June 2019 that should result in adjustments to the subsidiary's 31 March financial information for consolidation. Consequently, we have not been able to obtain sufficient evidence to determine whether the group financial statements are fairly presented in all material respects.

Information about this matter is also disclosed on page 30 of the Regional Council's summary annual report.

## Council's responsibility for the summary of the annual report

The Council is responsible for preparing the summary of the annual report which includes preparing summary statements, in accordance with PBE FRS 43: *Summary Financial Statements*.

## Auditor's responsibility

Our responsibility is to express an opinion on whether the summary of the annual report represents, fairly and consistently, the information regarding the major matters dealt with in the full annual report and whether the summary statements comply with PBE FRS 43: *Summary Financial Statements*.

Our opinion on the summary of the annual report is based on our procedures, which were carried out in accordance with the Auditor-General's Auditing Standards, which incorporate the Professional and Ethical Standards and the International Standards on Auditing (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board.

In addition to our audit and our report on the disclosure requirements, we have audited an Amendment of the Regional Council's Long Term Plan 2018-28, performed a limited assurance engagement related to the Regional Council's debenture trust deed and performed an agreed upon procedures assignment relating to a contract between the Regional Council and the Accident Compensation Corporation. Other than these engagements, we have no relationship with or interests in the Regional Council or its subsidiaries and controlled entities.



**S B Lucy**  
**Audit New Zealand**  
**On behalf of the Auditor-General**  
**Wellington, New Zealand**  
**14 November 2019**

Te whakapakari  
tahi i tō tātau taiao.  
Enhancing our  
**environment together.**

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# Accelerated Action ~



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Te whakapakari  
tahi i tō tātau  
**taiao.**



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