

## Strategic Planning

The Strategic Planning activities pull together Hawke’s Bay Regional Council’s (HBRC) strategic thinking initiatives, economic development, investments and resource management policy development. Together with State of the Environment reports, these provide information for further planning decisions.

There was no capital expenditure for on-site waste water disposal advances for the 2012/13 year. These are instigated by Territorial Local Authorities (TLAs) working directly with community groups and there were no applications for advances received from TLAs.

Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)
<b>EXPENDITURE</b>			
<b>Operating Expenditure</b>			
Economic Development	1,407	1,476	1,396
Venture Hawkes Bay	0	0	0
	<u>1,407</u>	<u>1,476</u>	<u>1,396</u>
Strategy & Planning	1,729	1,776	1,208
Policy Implementation	436	424	414
State of the Environment Monitoring	961	438	425
	<u>4,533</u>	<u>4,114</u>	<u>3,443</u>
<b>Total Operating Expenditure</b>			
<b>Capital Expenditure</b>			
On-Site Waste Water Disposal Advances	0	200	0
Rugby World Cup Advances	0	0	130
Venture Hawke's Bay Loan Repayments	56	75	59
	<u>56</u>	<u>275</u>	<u>189</u>
<b>Total Capital Expenditure</b>			
	<u>4,589</u>	<u>4,389</u>	<u>3,632</u>
<b>TOTAL EXPENDITURE</b>			
<b>REVENUE</b>			
<b>Activity Revenue</b>			
Direct Charges	228	-7	59
	<u>228</u>	<u>-7</u>	<u>59</u>
<b>Total Activity Revenue</b>			
<b>Other Revenue</b>			
Targeted Rates	1,395	1,320	1,252
Grants	611	165	320
On-Site Waste Water Disposal Loan Repayments	0	40	0
	<u>2,006</u>	<u>1,525</u>	<u>1,572</u>
<b>Total Other Revenue</b>			
	<u>2,234</u>	<u>1,518</u>	<u>1,631</u>
<b>TOTAL REVENUE</b>			
<b>TOTAL FUNDING REQUIREMENT</b>			
	<u>-2,355</u>	<u>-2,871</u>	<u>-2,001</u>
<b>Special Reserve Funding</b>			
Asset Replacement Reserves	0	0	130
Sale of Land (Other Initiatives) Reserve	0	160	7
	<u>0</u>	<u>160</u>	<u>137</u>
<b>Total Special Reserve Funding</b>			
	<u>-2,355</u>	<u>-2,711</u>	<u>-1,864</u>
<b>NET GENERAL FUNDING REQUIREMENT</b>			
<b>MET BY</b>			
General Funding Rates	435	411	221
Investment Income	1,910	2,178	858
Operating Reserves	10	122	785
	<u>2,355</u>	<u>2,711</u>	<u>1,864</u>

Activity 1 – Economic Development

Service Levels and Performance Targets			
Activity 1 – Economic Development			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p><i>Regional Economic Development Strategy</i> mission statement: “To make Hawke’s Bay the best location in which to visit, work, invest, live and grow”.</p>	<p>Comprehensive visitor strategy in place within an overall regional marketing plan.</p>	<p><b>2012-2014</b> – Quarterly reporting to Council on key performance indicators.</p>	<p>Achieved. Key performance indicators relate to operation of the Regional Tourism Organisation, Branding, Consumer marketing, Trade Marketing and Events.</p> <p>HB Tourism Ltd (HBT) has completed two years of operation and is well established. It provides a quarterly report to Council.</p> <p>Using the Regional Tourism indicators Index which benchmarks to 2008, Hawke’s Bay has seen a gradual increase in visitor spend from domestic tourism since 2008.</p> <p>Brand “Hawke’s Bay” and tagline “Get me to Hawke’s Bay” is now well established and its implementation also includes video content launched in April. The brand will continue to evolve.</p> <p>Approximately 1400 people attended F.A.W.C! Food and Wine Classic in November of which about 500 were from out of town. Initial analysis indicates that approximately half a million dollars was spent in and around the region during this event. This was followed up with a Winter F.A.W.C! which hosted just under 1000 people over 28 events.</p>
	<p>Long term Regional Economic Development Strategy.</p>	<p><b>2012-2015</b> – Annually review and progress the regional economic development strategy.</p>	<p>A review and refresh of the Regional Economic Development Strategy was completed in March 2013, with the next planned for early 2014.</p>
	<p>Investment for research and development and business development.</p>	<p><b>2012-2022</b> – At least \$800,000 per annum achieved for Research and Development investment.</p>	<p>Achieved.</p> <p>The Regional Business Partner programme has been extended for another 12 months to June 2014. The programme has been transferred from The Ministry for Science and Innovation to Callaghan Innovation under the Ministry for Business, Innovation and Employment.</p> <p>For the year to 30 June 2013 Callaghan Innovation Regional Partner has generated \$2,906,900 in grant funding into Hawke’s Bay working with 49 businesses.</p>

Service Levels and Performance Targets			
Activity 1 – Economic Development			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	Sustainable regional growth.	<b>2012-2015</b> Develop and initiate sustainable primary production programmes.	The Pan Sector group was officially formed at the beginning of 2012 in recognition of the need to work collaboratively to drive continued investment into research and development of regional initiatives around best practice and farm profitability. The Group includes regional and national representatives of the leading primary sector industry organisations and research agencies. The Group met three times during the 2012/13 period. The Pan Sector Group has had a significant contribution into the development of stock exclusion and nutrient management policies and rules proposed in Tukituki River Catchment Plan Change 6. The Group reviewed and provided feedback on the Ruataniwha Water Storage Scheme’s draft consent conditions, and farm planning templates. The Group has also agreed, in principle, to support a collective Memorandum of Understanding to promote industry good practice for phosphorus management in a general sense, but also with a Tukituki Catchment focus.

**Financial Variances Explained**

Economic Development was reforecast to reduce the consultancy budget by \$50,000. In doing so programmes relating to primary sector R&D and China were deferred until the 2013/14 year. This explains the under-spend against budget of \$69,000.

Activity 2 – Strategy and Planning

Service Levels and Performance Targets Activity 2 – Strategy and Planning			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will help the community prepare for the future.	Number of <i>Embracing Futures Thinking</i> events held.	<b>Each year</b> – Host 3 <i>Embracing Futures Thinking</i> events.	Not achieved. No events held, although a breakfast meeting was held as part of the Tukituki Choices engagement. Staff resources were diverted to regional plan change projects, particularly Plan Change 6 for the Tukituki River Catchment.
	Trends review completed.	<b>2013-14</b> – Refresh the Trends and Environmental Scan analysis.	Not in this period. Scheduled to commence in 2013/14.
	Agreement reached on Spatial Planning Framework.	<b>2014-15</b> – Reach agreement on regional and lower North Island spatial planning framework.	Not in this period. Scheduled to commence in 2014/15, although informal discussions occur as part of the Heretaunga Plains Urban Development Strategy implementation.
HBRC will integrate land and water and biodiversity management to deliver environmental, economic, social and cultural outcomes.	Action plans and monitoring reports prepared for: – Land and Water Management Strategy. – National Policy Statement for Freshwater Management.	<b>Each year</b> – Prepare action plans and monitoring reports for: 1. Land and Water Management Strategy. 2. National Policy Statement for Freshwater Management – Hold a Land and Water Symposium to engage the wider community.	Action plans and monitoring reports for the Hawke’s Bay Land and Water Management Strategy have yet to be initiated although much work is underway through resource management planning that implements elements of the Strategy.  The Implementation Programme for the National Policy Statement for Freshwater Management was adopted by Council in September 2012. The first annual reporting on the Programme for the period September 2012 to June 2013 was adopted by the Regional Planning Committee in August 2013 for inclusion in the Council’s 2012/13 Annual Report.  No Land and Water Symposium event was held although various stakeholder engagement initiatives continue as part of regional plan change projects.

Service Levels and Performance Targets			
Activity 2 – Strategy and Planning			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	Regional Biodiversity Strategy completed.	Develop a Regional Biodiversity Strategy as follows <b>2012- 13:</b> Finalise scope of strategy and begin preparation of the draft.	Scope of a Regional Biodiversity Strategy has been finalised and so the 2012/13 target has been achieved.  This project is well underway with the establishment of a Working Group that reports to a Regional Biodiversity Steering Group which is made up of representatives from a range of organisations and groups involved in Biodiversity work in Hawke’s Bay. One of the goals of the Steering Group is to raise the profile of Biodiversity in Hawke’s Bay. The Steering Group has agreed that upon completion of the Regional Biodiversity Strategy, a Regional Biodiversity Forum will be established to monitor the implementation of the Strategy. An Accord is to be prepared and signed by parties as a means of formalising the commitment to Strategy implementation.  The regional biodiversity inventory programme is underway with input from tangata whenua, key external agencies and stakeholders. A number of external expert workshops have been held
HBRC will establish and maintain clear and appropriate policy in a responsive and timely manner that will enable sustainable management of the region’s natural and physical resources.	<ul style="list-style-type: none"> <li>– Status of Resource Management Plans and Policy Statements.</li> <li>– No more than 2 years elapse from notification of a plan change to decisions on submissions being issued.</li> </ul>	<b>2012-13</b> <ul style="list-style-type: none"> <li>– Plan change for Tukituki River Catchment publicly notified (July 2012)</li> <li>– Plan change for Taharua /Upper Mohaka catchment publicly notified (Feb 2013)</li> <li>– Decisions on submissions on Plan Change 4 Built Environment adopted by Council.</li> </ul>	<b>Change 5 (Land and Freshwater Management)</b> No performance target stated. An additional change to the Regional Policy Statement was processed during the 2012-13 year, being Change 5 Land and Freshwater Management. Change 5 is a key mechanism for implementing key principles from the Hawke’s Bay Land and Water Management Strategy, and provides a framework for the other Plan Changes that are scheduled. Change 5 was notified in October 2012 receiving 29 submissions.

Service Levels and Performance Targets			
Activity 2 – Strategy and Planning			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
			<p>Hearings were held in April 2013 and Council’s decisions on submissions were issued on 5 June 2013. Four appeals have been lodged with the Environment Court against those decisions.</p> <p><b>Tukituki River Catchment proposal</b></p> <p>Target achieved. The Tukituki Plan Change (Regional Plan Change 6) and the Ruataniwha Water Storage Scheme are key elements of addressing water quantity and water quality issues in the Tukituki River Catchment. Following Councils decision in June 2012 to integrate these processes and to seek that both projects are determined by an Independent Board of Inquiry, stakeholder engagement included feedback on the Tukituki Choices discussion document in September 2012. This set out four land and water management scenarios, with and without storage, and the implications of those options. It was supported by a raft of technical reports. Three public meetings and two breakfast meetings were held. Council considered the 164 responses that were received and endorsed the key approach for the drafting of the policies and rules specific to the Tukituki River Catchment. A draft plan change was endorsed by Council in December 2012 and was finally adopted in April 2013 along with the s32 evaluation summary report. It was notified in May 2013 and called in by the Minister for the Environment and the Minister of Conservation in June 2013.</p> <p><b>Taharua/Upper Mohaka</b></p> <p>Target not achieved.</p> <p>During the year the Council broadened this plan change to cover the whole of the Mohaka River Catchment, rather than just the Tahaura River and Upper Mohaka catchment area.</p>

Service Levels and Performance Targets			
Activity 2 – Strategy and Planning			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	<p><b>Regional Coastal Environment Plan</b></p> <p>– At all times there is a regional plan in force for the HB coastal marine area.</p>	<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>– Regional Coastal Environment Plan (RCEP):                             <ul style="list-style-type: none"> <li>• Settlement of appeals.</li> <li>• Minister of Conservation approval of plan provisions relating to the coastal marine area.</li> </ul> </li> </ul>	<p>There has been close collaboration with the Taharua Stakeholder Group in the development of the strategy for Taharua specifically and Council has supported, in principle, the concept of a ‘catchment management plan’ being a key component of the Taharua plan change. The withdrawal of DCDs (a chemical component found in nitrogen inhibitor products such as ‘eco-N’) from the market has removed a significant mitigation option for the farmers in this catchment. As a consequence an extension of time by which to notify the plan change was adopted in the Annual Plan for 2013-14.</p> <p>For the wider Mohaka catchment, supporting science and stakeholder engagement commenced during the period.</p> <p><b>Change 4 (Managing the Built Environment)</b></p> <p>Target achieved. Submissions on Change 4 were heard by a Hearing Panel on 7 December 2012 and Council’s decisions on those submissions were released on 28 March 2013. One appeal against those decisions was lodged with the Environment Court by Transpower NZ.</p> <p><b>Greater Heretaunga/Ahuriri Catchment Area</b></p> <p>Target not in this 2012/13 period. Stakeholder engagement process has commenced in relation to regional plan change for the Greater Heretaunga / Ahuriri catchment area with seven meetings held in the 2012-13 period. This collaborative process is similar to that proposed in government’s freshwater reforms. An extension of target’s timeframe was adopted in the Council’s 2013 Annual Plan.</p> <p><b>Regional Coastal Environment Plan appeals</b></p> <p>Target partly achieved. All RCEP appeals have been settled without the need for formal Environment Court hearings. Council adopted the revised RCEP plus its associated Variations 1-3 on 31 October 2012 and has now referred the coastal marine area-related provisions of the RCEP to the Minister of Conservation for</p>

Service Levels and Performance Targets			
Activity 2 – Strategy and Planning			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	<p>– New Zealand Coastal Policy Statement (NZCPS) put into action in accordance with statutory requirements.</p>	<ul style="list-style-type: none"> <li>• Variation 1 (Rivermouth Hazard Areas) – Decisions issued on submissions.</li> <li>• Preliminary assessment of how RCEP gives effect to 2010 NZ Coastal Policy Statement.</li> </ul>	<p>his approval. As at 30 June 2013, Minister’s approval was still pending. The RMA requires Ministerial approval of regional coastal plans before those plans can be made operative.</p> <p><b>Variation 1</b></p> <p>Decisions on Variation 1 were issued on 6 June 2012. No appeals were lodged against those decisions and so Variation 1 was merged into the RCEP which was adopted by Council and has been referred to the Minister of Conservation for his approval.</p> <p><b>RCEP and NZ Coastal Policy Statement 2010 assessment</b></p> <p>Target not achieved. Gap analysis of RCEP against 2010 NZCPS is yet to be undertaken. Staff resources have been redirected to other projects. Meanwhile, Department of Conservation is preparing material to guide an assist implementation of 2010 NZCPS.</p>

**Financial Variances Explained**

There were no significant variances from budget are in this activity.

Activity 3 – Policy Implementation

Service Levels and Performance Targets			
Activity 3 – Policy Implementation			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will promote integrated management by proactively communicating its policies and responsibilities through dialogue and submissions on district plans, consent applications and central government initiatives.	Lodging of submissions on district plans, district planning applications and central government initiatives where there are relevant regional council policies.	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Submissions made on district plans, district planning applications and central government initiatives reported to HBRC’s Environment and Services Committee.</li> <li>– Staff of HBRC and territorial local authorities to meet at least twice a year to discuss integration issues and steps to improve the regional and district plan are identified and acted upon.</li> </ul>	<p><b>Submissions on local and national resource management proposals</b></p> <p>Target achieved. Regular reports have been presented to the Environment and Services Committee and Maori Committee on submissions/ comments made under Statutory Advocacy project. Comments and submissions express the Regional Council’s interests in land use and resource management decisions being made by other councils and agencies. Notable submissions made during the period included comments on draft versions of Hastings District Plan and Napier City Council’s Plan Change 10.</p> <p>Early 2013 saw a flurry of resource management-related proposals from central government. These included the 2012 Resource Management Reform Bill, the proposals for resource management reform 2013 discussion document and the ‘Freshwater Reform 2013 and beyond’ proposals.</p> <p>A notable amount of staff time involvement continues regarding dealing with implementation issues arising from the National Policy Statement for Freshwater Management and re-drafting of the proposed National Environmental Standard for Plantation Forestry.</p> <p><b>Hawke’s Bay Council Planners Forum</b></p> <p>Target partly achieved. The forum has met once during the 2012/13 period. HBRC staff convene this Forum comprising key resource management policy managers and advisors from each of the Hawke’s Bay councils. Principal focus of Forum’s discussion during 2012/13 period has been agreeing a process to implement Regional Natural Hazards and Land Use Planning Strategy. The Joint Strategy’s Implementation Plan was considered by CDEM Group CEG on 30 November 2012 and referred back to each of the Hawke’s Bay councils.</p>

Service Levels and Performance Targets			
Activity 3 – Policy Implementation			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will help communities without sewers improve the management of domestic wastewater.	Number of interest free loans approved.	<ul style="list-style-type: none"> <li>– Provide a fund to help the territorial authority-led upgrading of community wastewater systems in communities without sewers (\$200,000pa contributions capped at \$1,000,000)</li> <li>– Non-regulatory initiatives developed and implemented to complement regional plan policy development that implements National Policy Statements and/or National Environmental Standards.</li> </ul>	<p>Target achieved insofar as a fund is provided for community wastewater system upgrades, but during 2012/13 period, no party applied to access the funding available.</p> <p>A range of non-regulatory initiatives have been assessed and are being implemented as part of land and water management strategies to complement catchment based changes to regional plans (e.g. Plan Change 6 for the Tukituki River Catchment).</p>
HBRC will investigate and manage contaminated sites to ensure public health and safety and environmental protection.	Number of top priority (Category 1) contaminated sites investigated Maintain a database of potentially and confirmed contaminated sites	<b>2012-22</b> <ul style="list-style-type: none"> <li>– To administer and maintain the database, including checking of record details, site visits to GPS areas of contamination, transfers to Territorial Local Authorities (TLA) as per agreed protocol and advising landowners of the contaminated sites status of their property.</li> </ul>	<p>Target achieved – ongoing. Investigations for all Category 1 contaminated sites (13 of them) were completed by December 2012. Environmental Activities Database completed and access given to Territorial Local Authorities to enable test runs of database. Meetings held with Hastings District and Napier City councils to progress transfer of information protocols. Checking of information on database continues, with the emphasis currently being on transferring information from the Pattle Delamore Partners (PDP) investigation reports on the residential sites over the former Onekawa landfill onto the database. The majority of the residential sites sampled by PDP have been classified as “partially investigated” but those sites not sampled will remain as “not investigated”. HBRC continues to receive requests from residents as to the status of their land.</p>

### Financial Variances Explained

There were no significant variances from budget are in this activity.

Activity 4 – State of the Environment Monitoring

Service Levels and Performance Targets			
Activity 4 –State of the Environment Reporting			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will monitor and provide accurate information to the community so that it understands the State of the Environment (SOE) for Hawke’s Bay.	Data quality as assessed against HBRC’s quality assurance system.	<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>– Apply for International Organisation for Standardisation (ISO) accreditation.</li> </ul>	<p>The Environmental Science Section was accredited in terms of Joint Australian/New Zealand Standard ISO9001:2008 following a Stage 2 audit on 27 and 28 November 2012.</p>
	Amount of State of the Environment monitoring data available through HBRC’s website.	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Maintain the current level of SOE data on HBRC’s website.</li> <li>– Continue to make information from the following monitoring sites available through HBRC’s website:                             <ul style="list-style-type: none"> <li>• All telemetered river flow sites</li> <li>• All telemetered rainfall sites</li> <li>• All telemetered climate stations</li> <li>• All data collected, processed, analysed and stored in accordance with ISO requirements.</li> <li>• Maintain ISO accreditation.</li> </ul> </li> </ul>	<p>Existing levels of data availability have been maintained.</p> <p>Telemetered river, rainfall and climate data are available through HBRC’s website as required.</p> <p>Data were collected in compliance with ISO 9001:2008 and in conformance with the performance standards defined in the Environmental Science Quality Management System documentations.</p> <p>ISO accreditation was maintained following a third external audit.</p>
	State of the Environment Monitoring Report.	<p><b>2012-22</b></p> <p>Annual Update State of the Environment Reports available by June each year.</p>	<p>An annual report was completed to draft stage owing to delays in delivery of a new Microsoft Word report template.</p>

Financial Variances Explained

Additional costs associated with the development of Change 6 and the Ruataniwha Water Storage project were put into this project area. The costs were offset by external income from the Irrigation Acceleration Fund.

## Land Drainage and River Control

Land drainage and river control activities focus on the management of the region's rivers, streams and drainage network to reduce the effects of flooding in areas where there is significant risk to people and property. Much of this work relates to the maintenance of the flood control and drainage schemes which have been developed over many years. They now have a replacement value of more than \$140 million.

Land drainage and river control covers the following inter-related programmes:

- Flood protection and drainage schemes
- Investigations and enquiries
- Sundry works.

The empowering legislation for this function of the Hawke's Bay Regional Council (HBRC), is the Soil Conservation and Rivers Control Act 1941, the Land Drainage Act 1908, the Local Government Act 2002 and the Civil Defence Emergency Act 2002.

	Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)
<b>EXPENDITURE</b>				
<b>Operating Expenditure</b>				
	1	5,598	5,749	5,517
	2	390	428	217
	3	214	218	234
		749	412	624
		963	630	858
		6,951	6,807	6,592
<b>Total Operating Expenditure</b>				
<b>Capital Expenditure</b>				
		1,082	1,062	1,344
		105	105	105
		785	785	774
		1,972	1,952	2,223
		8,923	8,759	8,815
<b>TOTAL EXPENDITURE</b>				
<b>REVENUE</b>				
<b>Activity Revenue</b>				
		258	167	189
		846	516	811
		1,104	683	1,000
<b>Total Activity Revenue</b>				
<b>Other Revenue</b>				
		5,736	5,723	5,515
		15	0	40
		150	171	156
		0	0	250
		5,900	5,894	5,961
		7,004	6,577	6,961
		-1,919	-2,182	-1,854
<b>TOTAL FUNDING REQUIREMENT</b>				
<b>Special Reserve Funding</b>				
		400	763	525
		332	77	114
		41	0	0
		773	840	639
		-1,146	-1,342	-1,215
<b>NET GENERAL FUNDING REQUIREMENT</b>				
<b>MET BY</b>				
		176	170	219
		770	900	847
		200	272	149
		1,146	1,342	1,215

Activity 1 – Flood Protection and Drainage Schemes

Service Levels and Performance Targets			
Activity 1a – Flood Protection & Drainage Schemes: Heretaunga Plains Scheme			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will maintain an effective flood control network that provides protection from frequent river flooding to communities and productive land within the Heretaunga Plains Scheme.</p> <p>The level of protection in technical terms is to convey a flood discharge with a 1% probability of being exceeded in any one year (1%AEP) safely to the sea.</p>	<p>A full assessment of the capacity and integrity of flood control works is completed every twelve years by a chartered professional engineer with interim audits undertaken annually.</p>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>Review of the current level of service (LOS) provided by the Heretaunga Plains Scheme to determine whether they are still appropriate or should be increased.</li> </ul>	<p>The report to Council in August 2011 outlined the economic analysis and options. Consultation with the public over the preferred option with cost implications was included in the LTP 2012-22. Work on the LOS review is proceeding with construction proposed to begin 2015-2016.</p> <p>There is 111.2 km of stopbank in the HP Scheme. Currently the design Level of Service (LOS) (1%AEP capacity) is provided. There is 192.7 km of river berm edge protection. Current assessment is that the scheme is back to 100% effectiveness and is at no more than a low risk of failure.</p>
	<p>The level of service will be reported as:</p> <ul style="list-style-type: none"> <li>Kilometres and percentage of floodway that provide the design level of service.</li> </ul>	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>Tutaekuri, Ngaruroro &amp; Lower Tukituki Audits: No change.</li> </ul>	
<p>HBRC will maintain an effective drainage network that provides protection from frequent flooding from smaller watercourses to communities and productive land within the Heretaunga Plains Scheme.</p>	<p>A full assessment of the capacity and integrity of the drainage network within each drainage catchment is completed every twelve years by a chartered professional engineer with interim audits undertaken annually.</p>	<p><b>2013-14 and 2014-15</b></p> <ul style="list-style-type: none"> <li>Review the current level of service provided by the scheme and determine new level of service measures and targets.</li> </ul>	<p>The Level of Service (LOS) review for the drainage network is programmed to begin once the bulk of the review for the rivers is complete, and will be reprogrammed to commence in the 2013/14 financial year.</p>
<p>HBRC will protect and enhance the scheme’s riparian land and associated waterways administered by the Regional Council for public enjoyment and increased biodiversity.</p>	<p>The level of service will be reported as the length of scheme riparian land enhanced. (Each side of a waterway measured separately and includes new planting and inter-planting).</p> <ul style="list-style-type: none"> <li>Tutaekuri; Tukituki; Ngaruroro</li> </ul>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>0.5km of riparian land enhanced a year (on average).</li> </ul> <p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>Complete Tutaekuri Ecological Management Plan and implement ecological management plans (EMP’s) on Heretaunga Plains Rivers.</li> </ul>	<p>13,000 plants were planted during the year covering approx 1km of riparian land.</p> <p>The Tutaekuri Ecological Management is substantially complete following field investigation. Implementation of EMP’s is ongoing. Gravel extractors are required to manage sites to allow for nesting birds, native planting ongoing.</p>

Service Levels and Performance Targets			
Activity 1b – Flood Protection & Drainage Schemes: Upper Tukituki Scheme			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will maintain an effective flood control network that provides protection from frequent river flooding to communities and productive land within the Upper Tukituki Scheme.</p> <p>The level of protection in technical terms is to convey a flood discharge with a 1% probability of being exceeded in any one year (1%AEP) safely to the sea.</p>	<p>A full assessment of the capacity and integrity of flood control works is completed every twelve years by a chartered professional engineer with interim audits undertaken annually.</p>	<p><b>Full Scheme Reviews:</b></p> <ul style="list-style-type: none"> <li>– Upper Tukituki: Start Date 2013/14; completion date 2014/15.</li> <li>– Waipawa: Start Date 2015/16; completion date 2015/17</li> <li>– Tukipo: Start Date 2017/18</li> <li>– Makaretu: Start Date 2018/19</li> <li>– Manga-o-nuku: Start Date 2019/20</li> <li>– Minor Streams: Start Date 2020/21</li> </ul>	<p>Annual maintenance of flood control scheme ongoing and managed through the annual contracts process.</p> <p>Reviews not due to begin this financial year.</p> <p>– There is 76.8 km of stopbank in the Upper Tukituki Scheme. Currently 95% the current design LOS (1%AEP capacity) is provided.</p> <p>– Some reaches remain with reduced free board (distance between design flood level and the top of the stopbank) and they will be addressed in the LOS review.</p> <p>– There is 212.2 km of river berm edge protection. Current assessment is that 95% are at no more than a low risk of failure. The rivers in the Upper Tukituki Scheme suffer some flood damage from time to time or are under repair with young vegetation; hence the downgrading.</p>
	<p>The level of service will be reported as:</p> <ul style="list-style-type: none"> <li>– Kilometres and percentage of floodway that provide the design level of service.</li> </ul>	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Upper Tukituki Increasing to 98%.</li> </ul> <p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Waipawa increasing to 100%.</li> </ul>	
<p>HBRC will protect and enhance its scheme riparian land and associated waterways for public enjoyment and increased biodiversity.</p>	<p>The length of Scheme riparian land enhanced by inter-planting with alternative native and exotic species (each side of a waterway measured separately).</p>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– 0.5km of riparian land enhanced a year (on average).</li> </ul>	<p>2,000 plants were planted during the year covering approx 0.5km of riparian land.</p>

Service Levels and Performance Targets			
Activity 1c – Flood Protection & Drainage Schemes: Other Schemes			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will maintain an effective flood control and drainage network that provides protection from frequent flooding to communities and productive land within designated Scheme areas. These Schemes include:</p> <ul style="list-style-type: none"> <li>– Makara Flood Control</li> <li>– Paeroa Drainage</li> <li>– Porangahau Flood Control</li> <li>– Ohuia – Whakaki Drainage</li> <li>– Esk River</li> <li>– Whirinaki Drainage</li> <li>– Maraetotara</li> <li>– Te Ngarue</li> <li>– Kopuawhara Flood Control</li> <li>– Poukawa Drainage</li> <li>– Kairakau (proposed)</li> <li>– Waimarama (proposed)</li> </ul>	<p>A full assessment of the capacity and integrity of flood control works is completed every twelve years by a chartered professional engineer with interim audits undertaken annually.</p> <p>The level of service will be reported as:</p> <ul style="list-style-type: none"> <li>– Percentage of assets that provide the design level of service.</li> </ul>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Kairakau and Waimarama Flood Protection Schemes accepted by community and operation phase begun.</li> <li>– No change to other schemes.</li> </ul>	<p>Current Levels of Service are being achieved across most the smaller schemes. Levels of Service vary across the schemes, depending on their purpose. Estimated to be operating at 95% or higher after allowing for periodic flood damage.</p> <p>A sinkhole was discovered in the Makara No1 dam in May 2012. It is believed to have commenced forming during a flood in April 2011. Community consultation has been carried out, a hearing held over proposed the repair and design is currently being completed for the repair proposal to take place this summer.</p> <p>Kopuawhara suffered damage in the April 2011 floods and significant repair work is required to bring the scheme back to pre-flood protection standard. Council agreed in November how this work would be funded. Further discussion is required with scheme ratepayers as there no obvious options that are affordable. The main Ohuia pump and pump station requires urgent replacement and temporary work has been carried out to allow further design considerations. Discussions with the Ohuia ratepayers have taken place and the electrical supply improved. A scheme is now in place for Kairakau.</p> <p>A Waimarama scheme has yet to be discussed with the wider community.</p>

### Financial Variances Explained

Total costs for the operation and maintenance of flood control and drainage Schemes was approx \$150,000 less than budget. This is mainly due to a refund being paid to the Schemes from HBRC operations Group surpluses earned from Scheme work (\$165,000 refund).

Activity 2 – Investigations & Enquiries

Service Levels and Performance Targets			
Activity 2 – Investigations and Enquiries			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will be available to provide expert advice on drainage, flooding, and coastal erosion issues.	All queries are dealt with by appropriate qualified and experienced staff.	<b>Ongoing</b> – No Change.	82 flood, drainage and coastal queries requiring written response were handled by appropriately qualified engineering staff.
HBRC will provide up to a 30% subsidy for river control and flood protection where the criteria set out in the Regional Council’s guidelines for technical and financial assistance are met.	Value of subsidies provided annually.	<b>Ongoing</b> – \$42,000 plus inflation of subsidy money is provided each year at a subsidy rate of 30%.	\$39,313 of subsidy money was taken up on 11 subsidised projects.
HBRC will provide a consultancy service for drainage, flooding, and coastal erosion issues according to individual project agreements on a full cost recovery basis.	Cost recovery. Satisfaction with Service.	<b>Ongoing</b> – Full costs of any consultation work are recovered. – Major clients are satisfied with service provided.	Consultancy work is ongoing for Gisborne District Council, Hastings District Council and Napier City Council. Work has been well received by these councils.  Demand for consultancy work for developers has continued but pressure on resources has meant this work has been turned down.

Financial Variances Explained

Recoveries from consultancy work of \$258,000 compared to a budget of \$167,000. This is a result of increased demand for HBRC engineering staff expertise mainly from Gisborne and Hastings District councils and Napier City Council.

Activity 3 – Sundry Works

Service Levels and Performance Targets			
Activity 3 – Sundry Works			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will ensure that the beach at Westshore has erosion checked to 1986 erosion line.</p> <p><i>(The 1986 line was the extent of erosion before beach renourishment began. This line is identified on a series of posts along the foreshore)</i></p>	<p>The comparison of annual beach cross section surveys to the 1986 erosion line.</p>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>- Erosion does not extend landward of the 1986 line.</li> </ul>	<p>The annual nourishment project is successful in holding the Westshore coastline seaward of the 1986 measurements. The 2012/13 renourishment work has been completed.</p>
<p>HBRC will maintain river mouths so that they do not flood private land above a specified contour subject to suitable river, sea and weather conditions that will allow a safe and successful opening to be made.</p>	<p>Incidences of flooding of private land above levels as specified in the River Opening Protocol.</p>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>- Private land above a specified contour is not flooded as a result of a river mouth being closed.</li> </ul>	<p>There have been no reported incidences of private land flooded as a result of a river mouth being closed.</p>

Financial Variances Explained

There were no significant variances from budget are in this activity.

## Regional Resources

Regional Resources covers the region’s public shared resources (air, water, coast, gravel), its land resource (in private ownership) and Hawke’s Bay Regional Council (HBRC) owned property managed as a regional resource.

In relation to public shared resources, these activities include the gathering of information about them to improve their sustainable management, and efficient use.

In relation to the land resource, HBRC promotes sustainable land management and enhanced economic and environmental performance. HBRC also leverages government funding to support these initiatives.

In relation to Council-owned land, all activities aim to improve public access to these areas.

Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)	
<b>EXPENDITURE</b>				
<b>Operating Expenditure</b>				
Land Management	1	3,174	3,224	2,402
Air Management	2	1,496	869	927
Water Management	3	3,160	3,323	2,950
Coastal Management	4	542	603	431
Gravel Management	5	510	475	435
Open Spaces	6	1,195	1,177	1,570
<b>Total Operating Expenditure</b>		<b>10,077</b>	<b>9,671</b>	<b>8,715</b>
<b>Capital Expenditure</b>				
Clean Heat Advances		2,624	2,634	1,556
Council Owned Wetlands		0	0	81
Tangoio Soil Conservation Reserve Forestry		81	146	14
Soil Conservation Nursery		0	0	0
Lake Tutira Country Park Forestry		0	0	38
Regional Park Reserves		1,368	3,200	2,652
Loan Repayments		753	370	372
<b>Total Capital Expenditure</b>		<b>4,826</b>	<b>6,350</b>	<b>4,713</b>
<b>TOTAL EXPENDITURE</b>		<b>14,903</b>	<b>16,021</b>	<b>13,428</b>
<b>REVENUE</b>				
<b>Activity Revenue</b>				
Direct Charges		1,319	3,091	1,936
<b>Total Activity Revenue</b>		<b>1,319</b>	<b>3,091</b>	<b>1,936</b>
<b>Other Revenue</b>				
Targeted Rates		601	583	595
Capital Works Income		1,408	288	1,611
Clean Heat Advance Repayments		0	0	159
Interest on Scheme Reserves		228	145	190
Grants		1,342	1,426	534
Loans Drawn Down		2,475	3,855	2,350
<b>Total Other Revenue</b>		<b>6,055</b>	<b>6,297</b>	<b>5,439</b>
<b>TOTAL REVENUE</b>		<b>7,374</b>	<b>9,388</b>	<b>7,375</b>
<b>TOTAL GENERAL FUNDING REQUIREMENT</b>		<b>-7,529</b>	<b>-6,633</b>	<b>-6,053</b>
<b>Special Reserve Funding</b>				
Specific Scheme Reserves		159	81	255
Other Reserve Funding		1,000	0	0
Sale of Land (Non-investment) Reserve		766	1,138	1,009
<b>Total Special Reserve Funding</b>		<b>1,925</b>	<b>1,219</b>	<b>1,264</b>
<b>NET GENERAL FUNDING REQUIREMENT</b>		<b>-5,604</b>	<b>-5,414</b>	<b>-4,789</b>
<b>MET BY</b>				
General Funding Rates		1,028	830	388
Investment Income		4,507	4,391	1,504
Operating Reserves		69	193	2,897
		<b>5,604</b>	<b>5,414</b>	<b>4,789</b>

Activity 1 – Land Management

Service Levels and Performance Targets			
Activity 1 – Land Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
Viable and resilient farming systems are being achieved through sustainable land use.	Annually reporting on research project outputs and how they have contributed to sustainable land management outcomes.	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>• 2012-13 Develop a Research Strategy.</li> <li>• Continue a programme of research and extension to investigate and field trial issues relevant to sustainable land management in Hawke’s Bay.</li> <li>• Actively seek collaboration with primary product organisations undertaking research relevant to HB.</li> </ul>	<ul style="list-style-type: none"> <li>• The development of a research strategy is on hold while staff resources are engaged in the Ruataniwha Water Storage Scheme (RWSS) and Plan changes processes.</li> <li>• Coastal Hill Country ‘Group Recovering from April Adverse Storm’ project initiated in collaboration with MPI.</li> <li>• The Huatokitoki water harvesting, drainage project has been completed. The novel crops have had limited success due to the initial weed control undertaken. The earthworm studies were presented on Rural delivery TV programme. There are four farmers in the catchment that have trials of anecic (deep burrowing) earthworms in areas on their properties. These will be monitored over the next 5 years.</li> <li>• Tukituki Choices project – a collaboration between the Foundation for Arable Research, Beef and Lamb NZ and Dairy NZ and HBRC has been commenced. The objective of the research is to reduce the environmental footprint from cropping systems under irrigation.</li> <li>• Staff are working collaboratively with primary industry groups including a commitment to the development of a Memorandum of Understanding around an industry best practice approach to phosphorous management.</li> </ul>

Service Levels and Performance Targets																																																								
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Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013																																																					
	Outputs achieved through HBRC Regional Landcare Scheme.	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– Regional Landcare Scheme (RLS) reviewed outcomes to be implemented by June 2014.</li> <li>– Report in the operation plan how RLS activity directly contributes to sustainable land management.</li> <li>– Annual output targets delivered from the RLS investment to be established and implemented as part of the annual operating plan.</li> </ul> <p><b>2012-13 Outputs:</b></p> <table border="0"> <tr><td>1</td><td>Wetland restoration and protection</td></tr> <tr><td>2</td><td>Riparian or stream retirement</td></tr> <tr><td>3</td><td>Soil conservation (poles)</td></tr> <tr><td>4</td><td>Soil conservation (properties)</td></tr> <tr><td>5</td><td>Preservation of native bush (ha)</td></tr> <tr><td>6</td><td>Coastal (cliffs, dunes, estuaries)</td></tr> <tr><td>7</td><td>Research projects initiated</td></tr> <tr><td>8</td><td>Capacity building activities</td></tr> <tr><td>9</td><td>Participants attending events</td></tr> <tr><td>10</td><td>Catchment management community engagement meetings (events)</td></tr> </table>	1	Wetland restoration and protection	2	Riparian or stream retirement	3	Soil conservation (poles)	4	Soil conservation (properties)	5	Preservation of native bush (ha)	6	Coastal (cliffs, dunes, estuaries)	7	Research projects initiated	8	Capacity building activities	9	Participants attending events	10	Catchment management community engagement meetings (events)	<ul style="list-style-type: none"> <li>• RLS is under ongoing review as focus of land management work increases on Tukituki catchment. An operational plan for 2013/14 has been presented to Council for implementation in the 2013/14 year. This includes a review of the RLS.</li> <li>• The 2013/14 operational plan sets out the development of a monitoring and evaluation framework. Data will be collected during the 2013/14 year to provide a baseline for comparison and reporting.</li> </ul> <table border="0"> <thead> <tr> <th></th> <th>Target</th> <th>Achieved</th> </tr> </thead> <tbody> <tr><td>1</td><td>5</td><td>8</td></tr> <tr><td>2</td><td>15</td><td>29</td></tr> <tr><td>3</td><td>28,000</td><td>27,700</td></tr> <tr><td>4</td><td>140</td><td>277</td></tr> <tr><td>5</td><td>100ha</td><td>96ha</td></tr> <tr><td>6</td><td>0</td><td>0</td></tr> <tr><td>7</td><td>2</td><td>2</td></tr> <tr><td>8</td><td>7</td><td>23</td></tr> <tr><td>9</td><td>250</td><td>590</td></tr> <tr><td>10</td><td>9</td><td>15</td></tr> </tbody> </table>		Target	Achieved	1	5	8	2	15	29	3	28,000	27,700	4	140	277	5	100ha	96ha	6	0	0	7	2	2	8	7	23	9	250	590	10	9	15
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Service Levels and Performance Targets			
Activity 1 – Land Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	The operational plan will show the focus of Regional Landcare Scheme activity and alignment with the regional afforestation programme and the intensification of land use.	– A portion of Regional Landcare Scheme subsidy will be targeted, and the level of subsidy varied, to encourage initiatives that more effectively respond to environmental change.	<ul style="list-style-type: none"> <li>Achieved. Approx 40% of subsidised projects were in the Tukituki Catchment. This is the current priority area.</li> </ul>
	Area of erosion prone class VIe and VIle hill country planted through the regional afforestation programme.	<b>2012-13</b> <ul style="list-style-type: none"> <li>Regional afforestation programme will be finalised and promoted.</li> </ul>	<ul style="list-style-type: none"> <li>The Regional afforestation programme is on hold until a decision is made in the 14/15 annual plan.</li> <li>High UMF manuka is being trialled at Tutira as a possible opportunity for steep erodible hill country land use. 100ha has been planted in total with the remaining 40ha due to be planted early in the new financial year.</li> </ul>
HBRC will increase its knowledge of the region’s land, soil and terrestrial habitats so it is aware of any current and likely future issues that may arise. This knowledge will allow for a timely and effective response that enables land sustainably for future generations.	Design and coordinate a land use monitoring programme that enables HBRC to identify and monitor the impacts of land use intensification on soil and water quality throughout the region.	<b>2012-13</b> <ul style="list-style-type: none"> <li>Develop and monitor indicators for plains soil erosion, riparian enhancements by June 2013</li> </ul>	<b>Erosion</b> – Plans for measurement of sediment loads in selected rivers and erosion modelling of specific catchments is underway with two pilot catchments i.e. the Papanui and the Porangahau currently being investigated. Completed by the end of 2013. <b>Riparian enhancement</b> – A new monitoring methodology has been developed that will allow the current condition of the regions riparian areas to be determined. This will allow us to target areas for riparian improvement. The methodology has been trialled in the Tukituki catchment and will now be expanded in to other areas catchments until we have the complete regional picture.
	Regional baseline hill country erosion monitoring.	<b>2012-13</b> <ul style="list-style-type: none"> <li>Regional baseline hill country erosion survey to be completed by June 2012. Report completed by December 2012.</li> <li>Plains erosion monitoring programme to begin by December 2013.</li> <li>Erosion monitoring repeated (about every 5 years but contingent on any major regional storm event).</li> </ul>	Indicators are being developed and monitored as follows. <b>Land use change</b> – derived from latest GIS data and supported by ground proofing. This work is underway. <b>Farm inputs</b> – supported by ‘overseer’ and consent data is underway. A comprehensive nutrient leaching model (including overseer outputs) has been developed for Tukituki catchment. Similar work for the Mohaka catchment is currently being updated and a similar model for the Heretaunga area will begin

Service Levels and Performance Targets			
Activity 1 – Land Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
			development in 2014development. <b>Terrestrial habitats</b> – An extensive aerial, ground and GIS survey of the Karamu and Tukituki catchments has been undertaken (draft reports received February 2012). This includes herpetofauna, avian and indigenous flora) and identifies areas of significance for resource management. A similar report is currently being prepared for the Ngaruroro catchment and will be available in September 2013.
	Integrated catchment management including staged computer modelling & monitoring of the: <ul style="list-style-type: none"> <li>– Mohaka</li> <li>– Heretaunga</li> <li>– Tukituki</li> </ul>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Catchment models developed for Taharua and the entire Mohaka catchment.</li> </ul> <p><b>2014-2016</b></p> <ul style="list-style-type: none"> <li>– Start modelling of Heretaunga catchments (initially investigating the Ngaruroro and Tutaekuri sub-catchments) to identify environmental issues</li> </ul>	<p>A nutrient model has been developed for the Taharua and wider Mohaka catchment by NIWA. This establishes relationships between nitrogen (N) losses from land and N concentrations in stream. Additional data were collected in 2012/13 to allow recalibration of the model (for N). Model capability will be extended to enable modelling of phosphorus (P) and biomass during 2013/14. A similar nutrient model that predicts biomass growth in response to N and P concentrations has been completed for the Tukituki catchment.</p> <p>It is anticipated that this model framework will be used to develop a biomass (periphyton growth) model for rivers in the Heretaunga Plan Change area during the 2014/15 financial year.</p>
Hawke’s Bay’s land resource is maintained for future generations	<ul style="list-style-type: none"> <li>– Area of erosion prone land with tree cover</li> <li>– Baseline erosion monitoring</li> </ul>	See Regional Afforestation Scheme	A combination of monitoring techniques is being investigated that can be used in conjunction with the ‘kiwi image’ satellite imagery. This has led to a baseline erosion monitoring report for the region.

Financial Variances Explained

The Huatokitoki Sustainable Farming Fund (SFF) project had been largely completed with minor works only i.e. less than \$10,000 proposed for the 12-13 financial year. This work was deferred due to staffing changes and will proceed in the next few months.

HBRC is acting as banker for this SFF project which has an annual project budget of between \$150-200k. The original \$20k budget for 12-13 year reflects only the HBRC annual contribution. The East Coast Drylands SFF project also has outstanding revenue to come in from the Ministry for Primary Industries. This will ensure that the project financials balance.

Activity 2 – Air Management

Service Levels and Performance Targets Activity 2 – Air Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will have adequate knowledge about the level of air pollutants that may impact on public health and aesthetic values so that it can manage air quality for human health needs and aesthetic values.	State of the Environment monitoring programme for: <ul style="list-style-type: none"> <li>- Air quality</li> <li>- Climate</li> </ul>	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>- Monitoring undertaken in accordance with the Regional Air Quality Monitoring Strategy.</li> </ul> <p><b>2012-22</b></p> <p>Report on breaches of the National Environmental Standards (NES) in accordance with the standard.</p>	<p>PM<sub>10</sub> concentrations<sup>3</sup> were continuously monitored in the Napier, Hastings and Awatoto airsheds during the 2012/13 year. These data complied with performance targets:</p> <ul style="list-style-type: none"> <li>- (less than 5% of data missing) and</li> <li>- 75% valid data (less than 25% of measured and archived values unaffected by calibration and instrument fault events).</li> </ul> <p>PM<sub>10</sub> screening equipment was deployed in Waipawa to determine the requirement for routine continuous monitoring. Monitoring at Waipawa continues until December 2013. No exceedances were recorded in the first six months of the project (2012/13 financial year).</p> <p>Public health notices were issued for 14 exceedances of the NES for PM<sub>10</sub> concentration during the period 1 July 2012 to 30 June 2013. Hastings had 12 exceedances, Awatoto had 2 and Napier recorded 1.</p> <p>A project is underway to determine concentrations of traffic-related NES contaminants in Napier and Hastings. These contaminants include nitrogen dioxide, carbon monoxide, sulphur dioxide and ozone. Concentrations of these contaminants in Napier and Hastings are typically well within NES standards, so monitoring is undertaken relatively infrequently (four-yearly cycle). The work is being done by an external contractor and is due to be completed at the end of August 2013.</p>

<sup>3</sup> PM<sub>10</sub> monitoring is measurement of the mass concentration of particulate material smaller than 10 µm, expressed as a 24-hour average value.

Service Levels and Performance Targets			
Activity 2 – Air Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	Emissions Inventory and Airshed Modelling.	<b>2011-12</b> Complete an airshed modelling update.	The modelling update has been completed.
HBRC will provide financial assistance for those who qualify for insulation and clean heat support.	Number of clean heat systems installed under financial assistance programme.	<b>2012-22</b> – Up to 1,500 ‘clean heat’ systems installed under HBRC’s financial assistance programme a year.  <b>2012-22</b> – Provide loan assistance to homeowners region wide for home insulation under HBRC’s financial assistance programme.	Achieved The programme has delivered a total of 2,668 clean heat packages, including 1513 in the 2012 – 2013 financial year The programme has delivered a total of 1651 financial assistance packages for insulation, including 809 in the 2012 – 2013 financial year Since the commencement of the programme in 2009 HBRC has achieved 26% eligible property coverage compared with the Energy Efficiency and Conservation Authority national average of 13% for insulation, and three times the national average clean heat uptake. In 2012-20 13 with only 3% of the population HBRC accessed 46% of nationally available clean air grant funding through the Ministry for the Environment.
Hawke’s Bay’s air is suitable to breathe	Compliance with National Environmental Standard (NES) for Air Quality	– Napier Airshed meets NES: No more than 1 exceedance by 2016 – Hastings Airshed meets NES: No more than 3 exceedances by 2016 and no more that 1 exceedance by 2020.	One PM <sub>10</sub> exceedance was measured in Napier during 2012/13. Two PM <sub>10</sub> exceedances were measured in Awatoto. Eleven PM <sub>10</sub> exceedances were measured in the Hastings airshed.

### Financial Variances Explained

The overspend of \$627,000 was due to a 300% increase in the number of people applying for grants (774 over the level budgeted), and a small drop in the number of people accessing (and paying back) the clean heat loan facility for which we borrowed externally. The increased number of people accessing grants from HBRC was also partially driven by people wanting to access the government clean heat funding before it stopped in June 2013. The over spend has been funded from the targeted rate, and internal borrowing.

Activity 3 – Water Management

Service Levels and Performance Targets Activity 3 – Water Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will increase its knowledge of the region’s water resources in terms of quantity, quality and habitats so that a policy framework can be developed to sustainably manage the water and land resources within Hawke’s Bay.</p>	<p>State of the Environment monitoring programme for:</p> <ul style="list-style-type: none"> <li>• Climate</li> <li>• River flows</li> <li>• Groundwater levels</li> <li>• Surface water quality</li> <li>• Groundwater water quality Aquatic ecosystems</li> </ul>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Establish 1 climate station a year.</li> <li>– Monitoring undertaken in accordance with State of the Environment monitoring strategy (reviewed in 2012 to reflect national reporting and regional consistency).</li> </ul>	<ul style="list-style-type: none"> <li>• A new climate station was established at Pukeoropa in 2012/13. HBRC now has 19 climate stations across the region.</li> <li>• Routine monitoring programmes exist for surface and groundwater quality, surface and coastal ecology, surface flows, groundwater levels, a selection of air quality and climate variables.</li> <li>• These sites are operated to provide “fit for purpose” data to determine the current state and detect trends in the quantity and quality of surface and groundwater water resources.</li> <li>• The frequency at which surface water quality sampling was undertaken was increased from a mixture of quarterly and monthly sampling to monthly interval sampling only. This uniform frequency will provide data necessary to determine the state and detect trends in surface water quality.</li> <li>• The number of sites used for routine water quality monitoring was increased to 77 (from 72). The distribution of sites was also altered. These modifications were consistent with the strategy and were made to ensure that the information required by the public, and policy and regulatory functions of Council could be met.</li> <li>• Data collected through routine monitoring programmes are used for monthly and annual reporting (<a href="http://www.hbrc.govt.nz/Services/Environment/SOE/Pages/SOE-Monthly-Reports.aspx">http://www.hbrc.govt.nz/Services/Environment/SOE/Pages/SOE-Monthly-Reports.aspx</a>). A five-yearly State of Environment report will be prepared in 2013/14.</li> <li>• The procedures used to acquire water quality are defined by the Environmental Science section Quality Management System. The procedures followed are consistent with national reporting objectives and the results are used for national reporting purposes (e.g.,</li> </ul>

Service Levels and Performance Targets			
Activity 3 – Water Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
		<ul style="list-style-type: none"> <li>Upgrade rainfall sites.</li> </ul>	<p><a href="http://www.mfe.govt.nz/environmental-reporting/fresh-water/river-condition-indicator/approach-methods.html#currentstate">http://www.mfe.govt.nz/environmental-reporting/fresh-water/river-condition-indicator/approach-methods.html#currentstate</a> and <a href="http://www.landandwater.co.nz/map/#hawke-s-bay-regional-council">http://www.landandwater.co.nz/map/#hawke-s-bay-regional-council</a>).</p> <ul style="list-style-type: none"> <li>Eight manual rainfall data collection sites were upgraded to telemetered sites in 2012/13. This work is undertaken as resources allow. The objective is to keep rainfall recording sites “fit for purpose” and to increase flood warning capability across the region. Currently HBRC operates 81 telemetered rainfall sites across the region (out of a total of 92).</li> </ul>
	<p>Knowledge available to inform environmental flow and allocable volume review of the following river catchments and groundwater basins: Tukituki River; Ngaruroro River; Karamu Stream; Tutaekuri River; Ruataniwha Plains ; Heretaunga Plains.</p>	<p><b>2012-16</b></p> <ul style="list-style-type: none"> <li>Groundwater Allocation report                             <ul style="list-style-type: none"> <li>Ruataniwha Plains, Heretaunga Plains.</li> </ul> </li> <li>Environmental flow, and Allocation Reports for the:                             <ul style="list-style-type: none"> <li>Karamu Stream and Tutaekuri River</li> </ul> </li> </ul> <p><i>Note: due to Plan Change process timeframes being extended, report completion is now June 2016 to inform Heretaunga Plan change process (notification Dec 2016) as per 13-14 Annual Plan pt2 pg7.</i></p>	<ul style="list-style-type: none"> <li>Groundwater allocation was extensively investigated for the Ruataniwha Plains aquifer during 2012 to meet Tukituki Plan change requirements. A series of report summarising these assessments are available on <a href="http://www.hbrc.govt.nz/About-your-Council/Plans-Strategies/RRMP/Pages/tukituki-plan-change-reports.aspx">http://www.hbrc.govt.nz/About-your-Council/Plans-Strategies/RRMP/Pages/tukituki-plan-change-reports.aspx</a>.</li> <li>A draft report that included assessment of environmental flows and groundwater allocation in the Karamu Stream catchment was completed during 2012. This covers groundwater allocation for the area of the Heretaunga Plains overlaid by the Karamu Stream only. This information will be used as the basis for more comprehensive flow and allocation reports that will be prepared for the greater Heretaunga plan change area in 2013/14 and 2014/15.</li> <li>An allocation report for the Tutaekuri River catchment was not prepared during 2012/13, but is scheduled for 2013/14 and completion in 2014/15.</li> <li>A draft report summarising surface and groundwater resource availability and demand was completed for the entire region during 2012. Selected information from this report will provide the basis for more comprehensive reports that will be prepared for the greater Heretaunga plan change area in 2013/14 and 2014/15, and the Mohaka plan change area in 2013/14.</li> </ul>

Service Levels and Performance Targets			
Activity 3 – Water Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	Knowledge available to inform review of water quality objectives and setting limits.	<b>2012-15</b> <ul style="list-style-type: none"> <li>Review of water quality guidelines and objectives completed and reported.</li> </ul>	<ul style="list-style-type: none"> <li>National and international water quality guidelines and objectives were reviewed extensively when establishing water quality limits and targets for the Tukituki River catchment (Plan change 6).</li> <li>Reports that include review of water quality guidelines and thresholds are available on <a href="http://www.hbrc.govt.nz/About-your-Council/Plans-Strategies/RRMP/Pages/tukituki-plan-change-reports.aspx">http://www.hbrc.govt.nz/About-your-Council/Plans-Strategies/RRMP/Pages/tukituki-plan-change-reports.aspx</a>.</li> </ul>
	Knowledge available to manage nutrient inputs to rivers.	<b>2012-13</b> <ul style="list-style-type: none"> <li>Report on Nutrient limits: Tukituki River, Mohaka River.</li> </ul>	<ul style="list-style-type: none"> <li>Water quality target, limit and guideline values were established for the Tukituki River catchment as a component of the Tukituki Plan Change process.</li> <li>The technical investigations required to defined limits, targets and thresholds for the Tukituki River catchment in terms of flows and concentrations of key water quality variables were described in a series of reports available on <a href="http://www.hbrc.govt.nz/About-your-Council/Plans-Strategies/RRMP/Pages/tukituki-plan-change-reports.aspx">http://www.hbrc.govt.nz/About-your-Council/Plans-Strategies/RRMP/Pages/tukituki-plan-change-reports.aspx</a>.</li> <li>Because resources were focused on fulfilling the requirements of Plan change 6 (Tukituki River catchment), it was not possible to establish nutrient limits for the Mohaka River catchment.</li> <li>Ongoing field investigations, including:                             <ul style="list-style-type: none"> <li>a series of longitudinal flow, water quality and ecological surveys</li> <li>installation of groundwater monitoring wells</li> <li>collection of groundwater samples for age and water quality analysis</li> </ul>                             allowed preliminary relationships between water quality variables and values (e.g. visual clarity) to be identified for the Mohaka River. These are prerequisites to the limit setting process.                         </li> <li>The additional sampling undertaken in the wider Mohaka catchment will assist with development of water quality –</li> </ul>

Service Levels and Performance Targets			
Activity 3 – Water Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
		<b>2012-15</b> <ul style="list-style-type: none"> <li>Report on Nutrient limits: Ngaruroro River, Tutaekuri.</li> </ul>	biomass growth response model, which will greatly assist with policy development and community consultation during the Mohaka plan change process. <ul style="list-style-type: none"> <li>A nutrient limitation study was completed in the Ngaruroro and Tutaekuri Rivers. These studies will be repeated in 2013/14 and 2014/15 to improve the reliability of the findings.</li> <li>Additional water quality sampling in the Tutaekuri, Ahuriri, Ngaruroro and Karamu catchments (the so called TANK or greater Heretaunga area) continues in 2013/14 – these data will be used for model development, to provide background information for the TANK plan change process and as key data for the limit setting process.</li> </ul>
HBRC will increase its knowledge in terms of potential regional water demand and availability and how it is valued so that it can strategically plan for regional economic, social, cultural and environmental benefits.	Regional Water Values study.	<b>2012-13</b> <ul style="list-style-type: none"> <li>Regional Water Values study completed.</li> </ul>	Values were identified following consultation with stakeholders in the Tukituki River catchment in 2012. The ‘TANK’ collaborative stakeholder group (30 representatives from different sectors) held nine meetings between October 2012 and September 2013 to discuss water management to inform Regional Plan Change for the Tutaekuri, Ahuriri, Ngaruroro and Karamu catchments. An Interim Report is to be published in November summarising agreements to date.
HBRC will encourage efficient and effective water use to maximise the benefits of the water allocated.	Number of active water user groups. Implementation of water efficiency tools by Water User Groups.	<b>2012-22</b> <ul style="list-style-type: none"> <li>Continue to establish and facilitate Water User Groups on a catchment priority basis.</li> <li>In conjunction with Water User Groups, investigate and apply for research grants relating to water use and resource allocation efficiency.</li> <li>Continue to transfer latest water efficiency and allocation information to Water User Groups.</li> </ul>	Work undertaken with established water user groups, facilitating meetings, workshops and developing project scopes for research grant work. Applications for grants are being developed and communication with Water User Groups is ongoing.

Service Levels and Performance Targets			
Activity 3 – Water Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	Number of consent holders with water meters operating using telemetry or web/text systems.	<p><b>2012-2013</b></p> <ul style="list-style-type: none"> <li>– Cumulative total of 677 consents using telemetry or a web entry system.</li> <li>– Complete verification procedures and establish verification programme.</li> </ul>	<p>Target surpassed. Of the 1510 consents reporting water use:</p> <ul style="list-style-type: none"> <li>• 722 individual resource consents are now using Council’s web entry system to report or to view their telemetered water use</li> <li>• 725 consents report water use via the telemetry system; this includes approximately 300 consents reporting water use from portable pump systems fitted with meters, GPS, and telemetry units.</li> </ul> <p>Not achieved</p> <p>The verification programme will be measured by the Resource Management Act 2010 Regulations, which require that all water takes are verified within specific time frames, There has been some delay in the rollout of verification across the whole county while "verification" is defined as to appropriate methods and acceptable results.</p> <p>HBRC has approved 3 verification companies and is working through the issues and developing procedures alongside these companies.</p>
Hawke’s Bay’s water resource is available for future generations	<p>Allocation limits and water quality limits.</p> <p>Implementation of National Policy Statement for Freshwater Management.</p>	Refer to other performance targets listed within this table.	<p>Regional Resource Management Plan (RRMP) amended to incorporate policies. Consents issued now give regard to these policies.</p> <p>In September 2012 Council adopted and published its implementation programme to progressively implement the NPS for Freshwater Management by 2030.</p>

**Financial Variances Explained**

Costs associated with water management were down on budget as a result of staff being diverted into low flow monitoring during the drought and assisting with Ruataniwha and Change 6 projects.

Activity 4 – Coastal Management

Service Levels and Performance Targets Activity 4 – Coastal Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will measure water quality at key recreation sites and make the results available to ensure public health and safety	Recreational water quality monitoring programme and website management	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– Weekly monitoring of key recreational sites as per recreational water quality monitoring plan</li> <li>– Recreational water information available on website and social network site within 2 days of results being available</li> </ul> <p>Identification of pollution sources for sites that regularly exceed guidelines.</p>	<p>The annual recreational water quality monitoring programme (comprising weekly sampling at 36 sites) commenced in November 2012 and was successfully concluded in March 2013. Recreational data was made available on the web as soon as technically feasible (generally within two working days). Data for the 2012/13 year are available on <a href="http://www.hbrc.govt.nz/Services/Environment/Water/Pages/ec-water-quality.aspx">http://www.hbrc.govt.nz/Services/Environment/Water/Pages/ec-water-quality.aspx</a></p> <p>2012/13 was characterised by excellent recreational water quality because of the generally low rainfall and almost complete absence of storm runoff during the swimming season. As a consequence, it was not necessary to investigate regular exceedances of guideline values.</p> <p>A technical report was completed to draft final stage by June 2013 – the data in this report was used for national reporting purposes, available on the Ministry for Environment website (<a href="http://www.mfe.govt.nz/environmental-reporting/fresh-water/suitability-for-swimming-indicator/suitability-swimming-indicator.html">http://www.mfe.govt.nz/environmental-reporting/fresh-water/suitability-for-swimming-indicator/suitability-swimming-indicator.html</a>).</p>
HBRC will continue to monitor, research and investigate coastal processes to inform coastal planning including climate change and coastal hazards.	<p>Annual coastal monitoring and investigation programme including:</p> <ul style="list-style-type: none"> <li>– Beach profiling</li> <li>– Storm monitoring</li> <li>– Sediment transport and processes investigation and modelling.</li> <li>– Hazard prediction including tsunami, inundation, erosion, storm surge</li> </ul>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– Annual monitoring and investigation programme completed and reported each year</li> </ul>	<p>3 monthly north and south surveys completed during the year. Annual report completed 31 March 2013.</p> <p>The Clifton, Te Awanga, Haumoana, Napier, Westshore, Bay View, Whirinaki and Tangoio beaches now have a 20-40 year record of cross section surveys showing an ongoing erosion trend south of Awatoto (Clive to Clifton) and north of northern Bay View (Whirinaki to Tangoio), with an ongoing accretion trend in between. The northern and southern Hawke’s Bay beaches have a much shorter survey period (10 years) from which to identify trends from so must be interpreted with greater caution.</p>

Service Levels and Performance Targets			
Activity 4 – Coastal Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will provide long term, relevant and specific information on Hawke’s Bay’s coastal ecosystems, so that it and the community can remain engaged with, and informed of, the current state and potential threats to the health of coastal environments.	Identify the state and health of selected regional beaches, reefs and estuaries; Identify the state and health of near-shore coastal waters and coastal sediments; Maintain an operative and relevant Coastal Monitoring Strategy.	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– Monitoring undertaken in accordance with State of the Environment Monitoring Strategy (2006) and reported on annually.</li> </ul>	<p>The sandy beach monitoring programme was completed during November 2012. Estuary sampling was completed in March 2013. Quarterly reef monitoring has been completed for the 2012/13 Year. Coastal water quality monitoring has been extended to include northern Hawke Bay. The coastal monitoring buoy was successfully deployed and is providing high quality data via telemetry.</p>
HBRC will increase its knowledge of coastal ecosystems through targeted research and investigations so that it is better able to understand and respond to the effects of activities on the coastal environment.	Undertaking specific investigation and/or research, and reporting on these outcomes where appropriate	<ul style="list-style-type: none"> <li>– Targeted investigations into coastal receiving environments receiving stormwater discharges.</li> <li>– Saline transition zones in regional estuaries will be identified.</li> </ul>	<p>The results of a sediment quality investigation of the Inner Harbour were reported during August 2012. The results indicated that sediments were subject to localised contamination from activities such as ship maintenance and stormwater inflows. These are being addressed through policy and regulatory processes. Loggers were deployed in the Ahuriri, Waitangi, and the Tukituki Estuaries to assess the extent of saline intrusion. Assessment of sediment quality in the Waitangi Estuary, and at sites adjacent to stormwater discharges has been completed. These data will be used to increase our knowledge of nutrient dynamics and flushing processes, which will be vital in the limit setting process for the greater Heretaunga plan change.</p>

**Financial Variances Explained**

Coastal management costs were down on budget as a result of some staff being diverted to provide assistance to the Ruataniwha and Change 6 projects.

Activity 5 – Gravel Management

Service Levels and Performance Targets			
Activity 5 – Gravel Management			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will monitor and manage river-bed sediment to ensure flood protection schemes work as expected.	River surveys (3-6 yearly) show all scheme rivers have sufficient capacity.	<b>Ongoing</b> – No decline in river flood capacity.	Reaches on the Tukituki and Waipawa Rivers are being monitored as reduced capacity has been found in the past.
	The average riverbed level where gravel extracted is managed within +/- 200mm of the design grade line.	<b>Ongoing</b> – Average riverbed within design grade range.	– River surveys are undertaken every 3-6 years. The following rivers were surveyed during the 2012/13 year. Makaretu, Ngaruroro, and Waipawa. Analysis of these survey results has been used to determine areas of excess gravel to manage extraction. Reaches on the Waipawa, Tukituki and Makaretu Rivers are being targeted because of excess gravel.
	No incidences of erosion or flooding as a result of undesirable gravel levels.	<b>Ongoing</b> – No incidences.	Upstream of SH 50 on the Waipawa is an area containing excess gravel which is resulting in erosion of the river edge. There are no other known incidences of erosion or flooding as a result of undesirable gravel levels.
River-bed gravel is equitably allocated to gravel extractors.	The gravel allocation process complies with the Regional Resource Management Plan	<b>Ongoing</b> – No compliance issues with gravel extraction.	The gravel allocation process was completed in accordance with the RRMP. There are no compliance issues during the year.
River gravel management activities have no significant adverse effects on river ecology and water quality.	No reported incidences of adverse impacts following gravel extraction or beach raking activities.	<b>Ongoing</b> – No reported incidences of adverse impacts following gravel extraction or beach raking activities.	Gravel extraction was managed to avoid adverse impacts on the ecology. Ecology management plans (EMP's) for the Ngaruroro have been developed and for the other major rivers are currently being developed to manage the ecology more effectively. Gravel extractors are aware of the requirements of EMPs.
Knowledge necessary for sustainable management of riverbed gravel is improved.	Completion of investigation and research work recommended in riverbed gravel scoping study.	<b>Ongoing</b> – Annual Programme of work completed.	Preliminary research work on sediment modelling has been carried out for the Ngaruroro River and work has started on the Tukituki.

Financial Variances Explained

There were no significant variances from budget are in this activity.

Activity 6 – Open Spaces

Service Levels and Performance Targets			
Activity 6 – Open Spaces			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will provide public access to, and manage existing Council owned parks and wetlands for multi-purpose benefits.	Levels of service associated with all open space areas are set out in current management plans.	<p><b>2012</b></p> <ul style="list-style-type: none"> <li>– Complete an open space vision and management plan and where appropriate further development programmes for all open space areas and facilities.</li> </ul> <p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– Implement management plans to deliver levels of service established.</li> </ul>	<p>Regional Park Network Plan (vision and management) for HBRC open space assets has been progressed. It is programmed for completion and adoption by Council in late 2013 or early 2014. Objectives include developing a regional park framework that is consistent nationally and defines clear levels of service for parks delivery and maintenance provision (increasing opportunity for partnering &amp; integration into initiatives such as nature central).</p> <p>In 2010 HBRC were successful in a bid for government funding from the National Cycle Trails initiative. Under this funding approx a further 130km of trails have been constructed under the theme rides of Water, Landscape and Wineries. A total of 200 km of pathways is now maintained by HBRC, Hastings District and Napier City councils.</p> <p>The preparation of an asset management and marketing plan for the pathway network was commenced during the year. This will be completed during 2013/14. Reviewing the management plan for Tutira Country Park is programmed for the 2013/14 year. Maintenance and development was undertaken during the year at Pakowhai Country Park, Pekapeka wetland and Tutira Country Park in accordance with their respective management plans.</p>
HBRC will actively look for opportunities to provide the public with opportunities to enjoy open space available within the region with opportunities assessed against the HBRC Open Space policy and evaluation criteria.	<p>Open space policy and evaluation criteria.</p> <p><b>Note</b> \$915,000 remaining in HBRC open space and community facilities to provide for opportunities.</p>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– Continue to assess affordable open space opportunities in accordance with the open space vision.</li> <li>– Action any opportunities approved by Council.</li> </ul>	<p>The annual contribution of \$30,000 toward the operational costs for Te Mata Peak is the only funding that has been actioned in the 2012/13 financial year.</p> <p>During the year work on the water ride was completed, the landscapes ride substantially progressed and the winery ride completed. The New Zealand Cycle Trail final project completion assessment was undertaken for each of these rides.</p>

### Financial Variances Explained

Capital expenditure was \$1.8m under budget and this under expenditure was due to \$500k still required to be spent on completion of the landscape cycle ride and the provision of \$900k for funding of open space initiatives not being accessed during the current financial year. Both these sums have been carried forward to 2013/14 and will be available for funding activity in that year.

## Regulation

Regulation activities cover the Hawke’s Bay Regional Council’s (HBRC) regulatory functions for resource use, building dams and safe navigation of the region’s navigable waters.

The empowering legislation for HBRC functions include the Resource Management Act 1991, the Local Government Act 2002, the Soil Conservation and Rivers Control Act 1941, the Building Act 2004, the Foreshore and Seabed Act 2004, the Hazardous Substances and New Organisms Act 1996, and the Maritime Transport Act 1994.

Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)
<b>EXPENDITURE</b>			
<b>Operating Expenditure</b>			
1	1,201	1,598	1,792
2	1,319	1,273	1,197
3	314	315	260
4	93	105	92
<b>Total Operating Expenditure</b>		<b>2,927</b>	<b>3,341</b>
<b>TOTAL EXPENDITURE</b>		<b>2,927</b>	<b>3,341</b>
<b>REVENUE</b>			
<b>Activity Revenue</b>			
	1,106	1,573	1,456
<b>Total Activity Revenue</b>		<b>1,106</b>	<b>1,456</b>
<b>TOTAL REVENUE</b>		<b>1,106</b>	<b>1,456</b>
<b>TOTAL FUNDING REQUIREMENT</b>		<b>-1,821</b>	<b>-1,885</b>
<b>NET GENERAL FUNDING REQUIREMENT</b>		<b>-1,821</b>	<b>-1,885</b>
<b>MET BY</b>			
	334	261	990
	1,465	1,380	3,838
	22	77	-2,943
		<b>1,821</b>	<b>1,718</b>

Activity 1 – Resource Consent Processing

Service Levels and Performance Targets			
Activity 1 – Resource Consent Processing			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will ensure that accurate information about resource consent requirements and processes is readily available.	Application and submission guides are available in electronic and hard copy form.	<b>2012-22</b> – No verified reports of inaccurate information being given in relation to resource consent requirements. <b>2012-22</b> – Electronic application and submission forms, application and submission guides are available through HBRC’s website.	No verified reports of inaccurate information in relation to resource consent requirements. Forms are available through the website and are updated as required
HBRC will process resource consent applications in a timely manner.	100% of resource consents processed within statutory timeframes set down in the Resource Management Act 1991.	<b>2012-22</b> – 100% of resource consents processed within statutory timeframes.	480 resource consents issued. All within statutory timeframes. 221 resource consents currently in process.

Financial Variances Explained

The costs associated with consent processing were down on budget as a result of continuing low numbers of consent applications being received and some staff vacancies not being filled. This has resulted in the cost centre operating costs being lower than budgeted. These decreases in costs and activity levels were reflected in reduced revenues.

Activity 2 – Compliance Monitoring

Service Levels and Performance Targets Activity 2 – Compliance Monitoring			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will check that consent holders comply with the resource consent conditions imposed to protect the environment.	Number of consents monitoring in accordance with the adopted compliance monitoring strategy.	<b>2012-22</b> – 90% of programmed inspections/reports completed each year. – 95% of monitored consents achieve an overall grading of full compliance.	Planned Inspections are down on previous years due to staff focus on low flows caused by drought and Water Measuring Device Regulation implementation.  87% of programmed inspections/reports were completed.  99% of monitored consents achieved an overall grading of full compliance.
HBRC will provide a 24 hr/7 day a week pollution response service for reporting environmental problems.	Duty management/Pollution Management response system.	<b>2012-22</b> – 24 hour duty Management/pollution management response system maintained.	Target achieved with no downtime.

Financial Variances Explained

Variations associated with compliance monitoring have resulted from the drought this summer resulting in staff who would have otherwise been assigned tasks from recoverable projects being directed into non recoverable low flow related projects. This significantly impacted recoverable time in some projects. It should be noted that this impact was anticipated but not in time for the 9 month re-forecasting and so budgets were not changed. If this was to occur in future years, the changes to the low flow charging regime will enable recovery of the actual and reasonable costs of the entire low flow monitoring programme.

Activity 3 – Maritime Safety & Navigation

Service Levels and Performance Targets			
Activity 3 – Maritime Safety and Navigation			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will provide local navigation safety control of shipping and small craft movements to ensure the region’s navigable waters are safe for people to use.	The Navigation Safety Bylaws and Port and Harbour Safety Management System.	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Bylaws to be reviewed in 2016.</li> <li>– Maintain a Maritime New Zealand (MNZ) accredited Safety Management System for the Napier Pilotage Area.</li> <li>– Marine accidents and incidents are investigated and acted upon using education and enforcement as appropriate.</li> <li>– Region wide risk assessment and review of current work programme with forward looking recommendations by 1 July 2013.</li> <li>– Review community education effectiveness by 1 July 2013.</li> </ul>	<p>Safety Management System was audited by MNZ 31 July 2012. Audit passed with no corrective actions required.</p> <p>17 incidents were investigated, with education and enforcement action used where appropriate.</p> <p>Region wide risk assessment not completed due to unexpected long-term staff leave. Will be completed within the first 6 months of 2013/2014.</p>

Financial Variances Explained

There were no significant variances from budget are in this activity.

Activity 4 – Building Act Implementation

Service Levels and Performance Targets			
Activity 4 – Building Act Implementation			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
Process Building Act consent applications within timeframes.	Contract with Waikato Regional Council to process dam consents on behalf of Hawke’s Bay Regional Council (HBRC).	<b>2012-22</b> – Maintain contract with Waikato Regional Council, for the processing of dam building consents.	The contract has been maintained, however no consents were processed.
Maintain an accurate Dam Register and help dam owners prepare dam safety assurance programmes in accordance with Building Act timeframes.	All known dams have been recorded on the Dam Register, and dam owners informed of Building Act requirements.	<b>2012-22</b> – 100% of dams comply with regulation requirements that come into force in July 2012.	No action, regulations still not in force. Regulations have not yet been ‘made’ by Parliament, so date when they will come into force is unknown.
HBRC will investigate illegally built dams and will ensure that they are removed or made compliant.	An illegally built dam is made compliant or removed within six months of identification.	<b>2012-22</b> – 100% of dams comply with regulations.	No illegal dams [as defined under the Act] identified.

Financial Variances Explained

There were no significant variances from budget are in this activity.

## Biosecurity

Animal and plant pest control is carried out in accordance with Hawke’s Bay Regional Council’s (HBRC) Regional Pest Management Strategy and the National Strategy for Bovine Tuberculosis (Tb).

Biosecurity covers the following inter-related programmes:

- Regional animal pest control
- Regional Bovine Tb vector control
- Regional plant pest control
- Pest management strategies.

The relevant legislation for this Activity is the Biosecurity Act 1993.

Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)
<b>EXPENDITURE</b>			
<b>Operating Expenditure</b>			
1	1,879	1,665	1,734
2	1,168	1,237	1,345
3	703	710	694
4	47	50	36
<b>Total Operating Expenditure</b>		<b>3,797</b>	<b>3,662</b>
<b>Capital Expenditure</b>			
	0	0	5
<b>Total Capital Expenditure</b>		<b>0</b>	<b>5</b>
<b>TOTAL EXPENDITURE</b>		<b>3,797</b>	<b>3,662</b>
<b>REVENUE</b>			
<b>Activity Revenue</b>			
	575	558	623
<b>Total Activity Revenue</b>		<b>575</b>	<b>623</b>
<b>Other Revenue</b>			
	1,939	1,932	1,872
	67	25	53
	0	17	0
<b>Total Other Revenue</b>		<b>2,006</b>	<b>1,974</b>
<b>TOTAL REVENUE</b>		<b>2,581</b>	<b>2,548</b>
<b>TOTAL FUNDING REQUIREMENT</b>		<b>-1,216</b>	<b>-1,266</b>
<b>Special Reserve Funding</b>			
	14	-101	5
	100	0	0
<b>Total Special Reserve Funding</b>		<b>114</b>	<b>-101</b>
<b>NET GENERAL FUNDING REQUIREMENT</b>		<b>-1,102</b>	<b>-1,261</b>
<b>MET BY</b>			
	202	187	990
	886	987	3,838
	14	57	-3,567
		<b>1,102</b>	<b>1,231</b>

Activity 1 – Regional Biosecurity Programmes

Service Levels and Performance Targets

Activity 1 – Regional Biosecurity Programme

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will develop and implement regional pest management strategies that improve biodiversity and economic prosperity.</p>	<p><b>Pest Management Strategies:</b> Maintain a current Regional Pest Management Strategy.</p>	<p><b>2012-2017</b> – Review the current Regional Pest Management Strategy (RPMS) by 2017 unless required by legislation to undertake a review before that.</p>	<p>The Regional Pest Management Strategy (RPMS) and Regional Phytosanitary Pest Management Strategy have been reviewed, with both strategies sealed by Council in March 2013.</p> <p>A number of initiatives underway will inform the next review of the RPMS which will be required within eighteen months due to a review of the Biosecurity Act. These include forming a regional biosecurity coordination forum and initiatives associated with identifying effective long term management strategies for argentine ants.</p>
	<p>Undertake research and investigation to quantify and/or increase the economic, biodiversity or animal/human health benefits of pest control.</p>	<p><b>Ongoing</b> – Undertake at least one research/investigation initiative annually.</p>	<p>There is one research project currently underway; a grass forage trial. This trial is designed to establish the amount eaten by rabbits and the potential economic impacts on pastoral farming.</p>
<p>HBRC will provide effective pest management programmes that improve regional biodiversity and economic prosperity.</p>	<p><b>Regional Animal Pest Control and Bovine Tb Vector Control Programmes:</b> Hectares of rateable land kept at low possum numbers. Low possum numbers means no more than five possums caught per 100 traps set out at night.</p>	<p><b>2012-17</b> – By 2016 all rateable land will be reduced to low possum numbers (total rateable land in Hawke’s Bay = 1,000,000ha).</p> <p>Rateable land in transition from the Animal Health Board programme: <b>2012-13:</b> 20,000ha</p> <p>Rateable land in Possum Control Area (PCA) Programme: <b>June 2013:</b> 490,000ha</p> <p>Of the PCAs monitored, less than 10% of the monitoring lines exceed 5% trap catch.</p>	<p>There are currently 16,082 ha or 4 projects that will be included into PCA programme in the 12/13 financial year. These projects are Cross Hills (3,937), Eripiti (3,735), Mangaroa (3,620) &amp; Pohora (4,790). All PCA projects are being carried out in the Wairoa District. At 30 June 2013 a total of 907,740 ha of rateable land is being kept at low possum numbers. This comprises 507,740 ha of PCAs and 400,000 ha of AHB vector control operations.</p> <p>There was no land transitioned from the AHB programme to Council’s PCA programme in the 2012/13 year. There is also none planned in the 2013/14 year.</p> <p>Education and Trend monitoring utilising chew cards has been completed across 131,959 hectares (approx 26% of the area under PCAs). Of the 740 monitoring lines</p>

Service Levels and Performance Targets

**Activity 1 – Regional Biosecurity Programme**

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013																														
			<p>completed 71 or 9.6% exceeded 5% rtc. Overall the average residual trap catch (rtc) for all trend and education monitoring carried out over this period is 2.2%rtc.</p> <table border="1"> <caption>Cumulative Rateable Land Under Possum Control PCA &amp; AHB</caption> <thead> <tr> <th>Year</th> <th>LTP Targets (Ha)</th> <th>Actual (Ha)</th> </tr> </thead> <tbody> <tr> <td>07/08</td> <td>797,000</td> <td>797,000</td> </tr> <tr> <td>08/09</td> <td>825,715</td> <td>825,715</td> </tr> <tr> <td>09/10</td> <td>843,711</td> <td>843,711</td> </tr> <tr> <td>10/11</td> <td>867,224</td> <td>867,224</td> </tr> <tr> <td>11/12</td> <td>891,658</td> <td>891,658</td> </tr> <tr> <td>12/13</td> <td>907,740</td> <td>907,740</td> </tr> <tr> <td>13/14</td> <td></td> <td></td> </tr> <tr> <td>14/15</td> <td></td> <td></td> </tr> <tr> <td>15/16</td> <td></td> <td></td> </tr> </tbody> </table>	Year	LTP Targets (Ha)	Actual (Ha)	07/08	797,000	797,000	08/09	825,715	825,715	09/10	843,711	843,711	10/11	867,224	867,224	11/12	891,658	891,658	12/13	907,740	907,740	13/14			14/15			15/16		
Year	LTP Targets (Ha)	Actual (Ha)																															
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13/14																																	
14/15																																	
15/16																																	
	<p>The number of active rook nests treated annually across the region.</p>	<p><b>Ongoing</b>                      – Monitoring indicates a downward trend in active rook nest numbers in both areas (North and South of SH5).</p>	<p>Aerial rook control has been carried out and completed in all known rookeries across the region during the 2012 rook breeding season. 29 new rookeries were located across the region this year, 3 in the eradication zone and 26 in the control zone. A total of 95 active nests were aerial treated across the eradication zone north of SH5 compared with 90 in the 2011/2012 financial year.</p> <p>A total of 686 active nests were aerial treated across the control zone south of SH5 compared with 657 in the 2011/2012 financial year.</p>																														

Service Levels and Performance Targets

Activity 1 – Regional Biosecurity Programme

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013																																	
			<p style="text-align: center;"><b>Rook Program</b></p> <table border="1" style="width: 100%; text-align: center;"> <thead> <tr> <th></th> <th>03-04</th> <th>04-05</th> <th>05-06</th> <th>06-07</th> <th>07-08</th> <th>08-09</th> <th>09-10</th> <th>10-11</th> <th>11-12</th> <th>12-13</th> </tr> </thead> <tbody> <tr> <td>Control Zone</td> <td>658</td> <td>1,075</td> <td>2,091</td> <td>2,360</td> <td>1,955</td> <td>1,956</td> <td>905</td> <td>824</td> <td>657</td> <td>686</td> </tr> <tr> <td>Eradication Zone</td> <td>561</td> <td>564</td> <td>493</td> <td>429</td> <td>313</td> <td>214</td> <td>92</td> <td>59</td> <td>90</td> <td>95</td> </tr> </tbody> </table>		03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13	Control Zone	658	1,075	2,091	2,360	1,955	1,956	905	824	657	686	Eradication Zone	561	564	493	429	313	214	92	59	90	95
	03-04	04-05	05-06	06-07	07-08	08-09	09-10	10-11	11-12	12-13																										
Control Zone	658	1,075	2,091	2,360	1,955	1,956	905	824	657	686																										
Eradication Zone	561	564	493	429	313	214	92	59	90	95																										
	Response time to rabbit complaints/enquiries.	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– An initial response is given within 5 working days of receipt of each rabbit related complaint/enquiry</li> </ul>	<p>27 rabbit enquires have been received and followed up with to date. All enquires have been responded to within 5 working days of receiving their initial call. Assistance was provided in the form of environmental topic's, one on one advice, and where appropriate a demonstration on best use of either Pindone rabbit pellets or magtoxin, which is used for fumigating rabbit burrows.</p>																																	
	Responsiveness to properties identified with rabbit populations over McLean Scale 4.	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– A management plan is prepared within four months for each property identified with rabbit numbers above McLean Scale 4.</li> </ul>	<p>McLean Scale four indicates that there are pockets of rabbits with signs and fresh burrows very noticeable. Two properties have had rabbit management plans prepared in 2012/13.</p>																																	
	<p><b>Plant Pest Control:</b> Routine plant pest inspections of areas infested with plants controlled under HBRC Regional Pest Management Strategy.</p>	<p><b>Ongoing</b></p> <ul style="list-style-type: none"> <li>– All known infestations of 'occupier responsibility' Total Control plant pest sites are visited annually.</li> <li>– All known 'service delivery' Total Control plant pest sites are visited annually and plants controlled.</li> </ul>	<p>2513 visits have been made this year on total control plant pest properties. Of these 1514 were urban visits.</p> <p>Total Control Service delivery visits and control have been undertaken and completed on Spiny emex, African feather grass, Goats rue, Phragmites, Yellow water lily and White edged nightshade by Council officers. Control work has been completed by contractors for Nassella tussock.</p>																																	

Service Levels and Performance Targets			
Activity 1 – Regional Biosecurity Programme			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
		<ul style="list-style-type: none"> <li>– All Privet sites identified through complaints controlled within 6 months of complaint.</li> <li>– The land around all known infestations of Total Control plants is inspected at least every 3 years.</li> <li>– All areas of high potential risk are visited annually and checked for possible new plant pest incursions.</li> </ul>	<p>The urban Privet programme continues to perform well with 424 properties having had Privet removed by the contractor or council staff.</p> <p>Leaflets were distributed for Purple Ragwort in the Te Mata Peak area and for Blue passionflower in the Taradale and Clive area. Control for Blue passionflower has started. Inspections have been carried out on land around known infestations of total control plants, as time has allowed.</p> <p>The Taradale sites were revisited in the Autumn. Inspections were carried out on land around known infestations of total control plants in years 1-3.</p> <p>New infestations of Purple ragwort outside of Havelock North have been controlled. New Chilean needle grass sites have been monitored and controlled. Pampas around the Ahuriri estuary and Pekapeka swamp have been controlled. All known high risk sites continue to be visited annually to check for possible plant pest incursions. A total of 52 earthmoving machines were inspected after being washed down.</p>

**Financial Variances Explained**

The Biosecurity financial variance of \$214,000 is a result of the Cape Sanctuary rabbit control operation, which is the largest rabbit control operation carried out within the region for 15 years, not being completed during the financial year due to weather delays. Of the \$200,000 variance, \$100,000 will be met from the rabbit reserve specifically built over the last five years for this purpose. The remaining \$100,000 will be recovered from the Cape Sanctuary as their 50% contribution to the control operation.

## Emergency Management

Emergency Management covers a range of activities to meet Civil Defence and natural hazard management responsibilities. These activities aim to: identify potential hazards to the community and the means of reducing their impact; prepare the community for potential civil defence emergencies; and assist with the response to and recovery from any emergencies that occur.

Hawke’s Bay Regional Council (HBRC) administers both the Hawke’s Bay Civil Defence Emergency Management Group and the Coordinating Executive Group, both of which have responsibilities for the implementation of the Hawke’s Bay Group Civil Defence Emergency Management Plan.

The relevant legislation for this function of HBRC is the Civil Defence Emergency Management Act 2002 and the Resource Management Act 1991.

	Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)
<b>EXPENDITURE</b>				
<b>Operating Expenditure</b>				
	1	789	951	584
	2	627	836	885
		<b>Total Operating Expenditure</b>	<b>1,416</b>	<b>1,787</b>
		<b>TOTAL EXPENDITURE</b>	<b>1,416</b>	<b>1,469</b>
<b>REVENUE</b>				
<b>Activity Revenue</b>				
		191	107	147
		<b>Total Activity Revenue</b>	<b>191</b>	<b>147</b>
<b>Other Revenue</b>				
		784	774	0
		118	158	260
		<b>Total Other Revenue</b>	<b>902</b>	<b>260</b>
		<b>TOTAL REVENUE</b>	<b>1,093</b>	<b>407</b>
		<b>TOTAL FUNDING REQUIREMENT</b>	<b>-323</b>	<b>-1,062</b>
		<b>NET GENERAL FUNDING REQUIREMENT</b>	<b>-323</b>	<b>-1,062</b>
<b>MET BY</b>				
		59	105	393
		259	555	1,522
		5	88	-853
		<b>323</b>	<b>748</b>	<b>1,062</b>

Activity 1 – HB Civil Defence Emergency Management Group

Service Levels and Performance Targets

Activity 1 – HB Civil Defence Emergency Management Group

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will reduce the impact of long term natural and man-made hazards to life and property, eliminating these risks if practicable, and if not seek the reduction of their impact.</p>	<p>Assessment of natural and manmade hazards will be completed for at risk areas in Hawke’s Bay.</p>	<p><b>2012/15</b></p> <ul style="list-style-type: none"> <li>- Review Hazardscape Assessment as part of the review of the HBCDEM Plan.</li> </ul> <p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>- Advocate to Territorial Authorities for the consideration and inclusion of hazard information as part of their land use planning functions</li> <li>- In conjunction with TAs, provide public advice on the impacts of hazards.</li> <li>- Complete changes to the Resource Management Act 1991 statutory plans that reflect the integrated approach of the Joint Hazard Strategy.</li> </ul>	<p><b>Achieved</b></p> <ul style="list-style-type: none"> <li>- Hazardscape Assessment completed following Risk Assessment Workshop 23 July 2012 - determines priorities for significant Civil Defence and Emergency Management (CDEM) Group risks. This assessment has been approved in principle and the results will be published in the Reduction Section of the new HBCDEM Group Plan to be approved by the Joint Committee.</li> <li>- On-line Hazard database has been maintained – a report on the on-going management of hazard information in the HB Region was presented to the Coordinating Executive Group (CEG) in November 2012.</li> </ul> <p><b>In Progress</b></p> <ul style="list-style-type: none"> <li>- Advocacy continues &amp; CEG have endorsed the “HB Joint Hazard Strategy for Local Authority Land-Use Planning” and a proposed implementation plan has been developed.</li> <li>- Changes to RMA Plans are the responsibility of the various district and city councils and are programmed in their long-Term Plan cycles.</li> </ul>
	<p>Number of hazards research projects commissioned each year.</p>	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>- At least one new research project commissioned each year.</li> </ul>	<p><b>In Progress</b></p> <ul style="list-style-type: none"> <li>- Faultline mapping is complete for the Ruataniwha-Makaroro area in Central HB, and a draft report due in December 2013.</li> <li>- Tsunami mapping work was to be completed by HBRC for Central Hawke’s Bay by June 2013. However the Ministry of Civil Defence and Emergency Management (MCDEM) advised a change in the national model due later 2013 and recommended current regional modelling work be suspended.</li> <li>- A review of Liquefaction potential in Hawke’s Bay has</li> </ul>

Service Levels and Performance Targets			
Activity 1 – HB Civil Defence Emergency Management Group			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
			commenced with the CDEM Group leading a partnership of all Hawke’s Bay Councils, local IPENZ members and GNS by December 2014
	Percentage of surveyed residents that are aware of hazard risks & can identify earthquake, flooding, and tsunami as major hazards in Hawke’s Bay.	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Awareness of earthquake, flooding/heavy rainfall and tsunami hazard risks show an increase over time.</li> <li>– Specific target more than 50% of residents can identify tsunami as one of the region’s major hazards by 2018.</li> <li>– As measured in a 3 year survey.</li> </ul>	<p><b>Achieved</b></p> <p>The most recent regional survey in 2013, undertaken on behalf of Council by SIL Research, asked residents to identify hazard risks to their livelihood:</p> <ul style="list-style-type: none"> <li>• 93% identified earthquake</li> <li>• 62% identified flooding/heavy rain</li> <li>• 51% identified tsunami an increase from 33% in 2008</li> </ul>
	Satisfaction of Territorial Authorities and professionals involved in land use planning decision making with the quality, format & relevance of hazard information supplied.	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– All Territorial Authorities and planning professionals are satisfied with the quality, format and relevance of hazard information supplied/available as assessed by an evaluation and feedback form every 3 years.</li> </ul>	<p><b>Achieved</b></p> <p>An HBRC-conducted survey undertaken in June 2011 resulted in 67% of the responders rating the quality of hazard information from the HBRC has excellent, very good or good, while 33% gave no response. 83% said the information was relevant. Next survey due later 2013.</p>
HBRC will maintain and where appropriate increase the readiness of Hawke’s Bay Civil Defence Emergency Management (HBCDEM) and the community to respond to a civil defence emergency.	HBRC response to a Civil Defence emergency is coordinated, appropriate, effective and efficient.	<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>– Complete the Review of the HBCDEM Plan</li> <li>– Complete framework for Training Needs Analysis and Training Programme with partner organisations.</li> </ul> <p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Complete HBCDEM Group Training Directive.</li> <li>– Maintain three yearly exercise programmes.</li> <li>– Corrective Actions that the HBCDEM group has responsibility for are implemented in accordance with the Corrective Action Plan.</li> </ul>	<p><b>In Progress</b></p> <p>The review of the Group Plan has commenced. A number of workshops involving the Groups key partners and stakeholders were carried out though the first half of 2013. A consultation draft will be recommended for approval to the Join Committee in late September 2013. The plan will be publically notified before the end of the year and the final approval of the Plan is envisaged in early 2014.</p> <p><b>Not Achieved</b></p> <p>Framework for Training Needs Analysis will be dealt with as part of Group Plan</p> <p><b>In Progress</b></p> <p>The training directive will be completed post the Group Plan review late 2014</p> <p>The corrective actions plan from the recommendations of the Capability Assessment Report is being reviewed quarterly by the Coordinating Executives Group and has been considered as part of the review of the Group Plan.</p>

Service Levels and Performance Targets			
Activity 1 – HB Civil Defence Emergency Management Group			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	The level of support provided to the HBCDEM Group in directing and co-ordinating personnel and resources for response and recovery operations.	<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>– Complete the review of the HBCDEM Plan.</li> </ul> <p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– An active Welfare Advisory Group which meets at least 4 times a year.</li> </ul>	<p><b>In Progress</b></p> <p>The review of the Group Welfare Plan will be conducted post the Group Plan review.</p> <p>The Welfare Advisory Group is meeting at least quarterly and is making good progress in coordinating welfare planning and cooperation between different welfare agencies.</p>
	The percentage of surveyed residents prepared to cope for at least three days on their own.	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– 90% residents have enough food stored for three days and had some way of cooking without electricity.</li> <li>– 75% have enough water stored.</li> <li>– As measured by three yearly survey.</li> </ul>	<p><b>Achieved</b></p> <p>Survey results in 2013 (HBRC survey undertaken by SIL Research) showed 93% had enough food stored, with 89% having some alternative way of cooking without electricity. 68% had enough water stored not including water in the hot water cylinders. An increase from 55% in 2011.</p> <p>A National MCDem survey in July 2011 showed 66% of NZers had taken steps to prepare themselves or their household, up from 44% the previous year.</p>
HBRC will ensure that appropriate levels of response capabilities are in place and maintained across the Hawke’s Bay Civil Defence Emergency Management (HBCDEM) Group.	Established Emergency Management Plans including training and procedures.	<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>– Continue to develop the capability of the Group Emergency Coordination Centre in Hastings.</li> <li>– Complete capacity review of existing Emergency Operations Centre facilities in HBCDEM Group.</li> </ul> <p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Maintain Plans and Standard Operating Procedures and ensure Group Emergency Coordination Centres can be ready for operation within 6 hrs of event.</li> <li>– Effectively and efficiently manage any emergency events from initial warning until a safe situation returns.</li> </ul>	<p><b>Achieved</b></p> <p>The GECC is equipped fully and operational. Minor enhancements identified during training and testing are being implemented.</p> <p><b>In Progress</b></p> <p>Reviews will occur in parallel with the implementation of the national Emergency Management Information System (EMIS). Exercise planned for November 2013.</p>

Service Levels and Performance Targets			
Activity 1 – HB Civil Defence Emergency Management Group			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	Maintain the CDEM Group’s emergency management and civil defence capacity with the capability of effectively responding to an emergency event.	<b>2012-22</b> – Maintain established teams, training programmes, Emergency Operations Centre, Manuals, in accordance with HBCDEM Group Plan.	<b>Achieved</b> Contact List of trained team members is maintained. Development of Training activities incorporating the new EMIS operating platform was completed across the Group in the first half of 2013. There have been technical issues with EMIS nationally and HBRC has elected to wait until these issues are sorted out by MCDEM to make this system fully operational.
HBRC will ensure the recovery from emergencies is managed in accordance with the scale of the event.	Facilitate and maintain Lifelines Group who have effective input into Civil Defence Emergency Management (CDEM) Group plans.  Dedicated CDEM Group Recovery Manager appointed.  A relevant CDEM Group Recovery Plan is adopted and maintained.	<b>2012-13</b> – Appoint Group Recovery Manager. – An active Lifelines Group which meets at least 4 times a year.  <b>2012 – 2022</b> – Partner Territorial Authorities have appointed local recovery managers.	<b>Achieved</b> A Group Recovery Manager was appointed by the Joint Committee in July 2012/13.  <b>Partially achieved</b> The HB Engineering Lifelines Group has appointed a new Chairman. The Lifelines Group represents essential utilities and infrastructure. There is a requirement under legislation that they need to be up and running as quickly as possible after an event.  The Group met once in 2012/13.

### Financial Variances Explained

Under expenditure (\$115,000) in the Civil Defence Emergency Management projects was the result of hazard research on liquefaction being delayed (to 2015), requiring, along with some smaller projects, a carry forward of funds (\$85,000) to the 2013-14 financial year. Under expenditure in the Readiness and Response project was due to the main CDEM Group exercise in 2012/13 being a national exercise (Ex Shakeout) that required very little HBRC staff input and therefore funds that had been budgeted were not used.

Activity 2 – Hazard Assessment & Hawke’s Bay Regional Council Response

Service Levels and Performance Targets			
Activity 2 – Hazard Assessment & Hawke’s Bay Regional Council Response			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will ensure it has an emergency response capability that can provide regional hazard assessments and warning systems to the Civil Defence Emergency Management (CDEM) Group and to manage Council assets.	Effectiveness of response capacity and capability.	<b>Ongoing</b> – Maintain established Teams, training programmes, Emergency Operations Centre, Manuals and Business Continuance Plan.	<b>Achieved</b> CDEM teams maintained, with Radio Telephony, Call Centre, Warden, Flood Warning & Incident Control and EMIS training sessions. 19 new staff inducted in the Council’s emergency requirements. Emergency Operations Centres and manuals maintained. A biennial review of the BCP was commenced Nov 2012 with IT risks identified and the review and will be completed in September 2013.
	24hour duty management system is in place.	<b>Ongoing</b> – Operate an effective 24-hour Duty Management Service and respond to urgent public enquiries and complaints in a timely professional manner.	<b>Achieved</b> 24 hour duty management response system maintained with 616 calls logged for the year.  160 warnings or watches of severe weather or other hazardous events were received for the year and have been effectively and efficiently managed including 3 volcanic eruptions, Tongariro 6/7 August & 21 Nov and White Island 8 Aug, together with threat reports from Ruapehu in Nov 2012, the Santa Cruz Islands Tsunami Marine Threat on 6 Feb 2013 and a Cryptosporidium Outbreak in March 2013 (human pandemics are classed as civil defence hazards).
HBRC will provide reliable warning of flooding from the region’s major rivers to at risk communities in the Wairoa, Tutaekuri, Ngaruroro and Tukituki areas.	Percentage of time that priority telemetered rainfall and river level sites are operational throughout the year. – Priority sites: 98% – Overall: 92%	Percentage of time that priority telemetered rainfall and river level sites are operational throughout the year: <b>2012-19:</b> 98% average for all key sites	<b>Achieved</b> 98% on key sites 92.2% overall Regular maintenance and back-up is key to keeping key sites operational.

Service Levels and Performance Targets

Activity 2 – Hazard Assessment & Hawke’s Bay Regional Council Response

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
A flood forecasting system is available on the web to advise the community on likely rainfall and flooding.	Percentage of the region at risk of flooding from large rivers, covered by a flood forecasting model.	Percentage of the region covered by a flood forecasting model <b>2012-15:</b> 70%	<b>Achieved</b> The Ngaruroro, Tukituki and Tutaekuri rivers make up the central and southern flood forecasting model. In the North the Wairoa River catchment is covered by a flood forecast model. To date 70% of the region is covered with a model.
		<b>Ongoing</b> – No decrease in model performance.	<b>Achieved</b> Verification work is carried out when there is a flood event to improve the models.
	Information available on HBRC’s website during storm events.	<b>Ongoing</b> – No change	<b>Achieved</b> Currently information on the Council web is available only for larger flood events.
	Peak flood forecast river flows agree within 25% of the actual flows.	<b>Ongoing</b> – No decrease in performance.	<b>Achieved</b> Apart from providing flooding potential advice to Wairoa, no significant events occurred during the period.
HBRC will continue to improve its knowledge and understanding of flood risks from the areas exposed to severe weather events and the effects of runoff onto low lying land and into the network of drains, streams and rivers of the region.	Percentage of area mapped for flood hazard, including the impact of climate change.	<b>2012-15:</b> 100% – To update flood hazard information for high risk communities.  <b>2012-22:</b> 100% – Up to date flood hazard information available for lower risk communities.	<b>Almost Achieved</b> 97% of the high risk communities have been mapped (excluding climate change effects).  25% of the low risk communities have been mapped (excluding climate change effects).
HBRC will to respond to oil spills within the Hawke’s Bay Coastal Marine boundary and maintain a Tier 2 oil spill response plan which identifies priority areas in HB for protection in the event of a major spill.	Current Tier 2 Oil Spill Plan is in place and training is being implemented.	– Operative Marine Oil Spill Plan is maintained, along with trained personnel.	<b>Achieved</b> 2 oil spills incidents occurred during the year on 7 Sept and 21 Nov 2012. The September spill was significant – the largest diesel spill response in HB so far. The Team was commended for their efforts with both responses managed so environmental impacts were minimised. The current plan dated Aug 2010 has been maintained and is available on-line. A plan review has been commenced and MNZ is assisting. 6 staff attended different MNZ training courses.

Service Levels and Performance Targets

**Activity 2 – Hazard Assessment & Hawke’s Bay Regional Council Response**

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
			2 oil spill exercises were held for the year, one on boom deployment held at PONL on 29 November 2012 and one on Shoreline Clean-up Assessment Technique (SCAT) and setting up a Forward Operating Base with decontamination zone on 27 March 2013.

**Financial Variances Explained**

Flood forecast models, and key flood warning activities were maintained, but work to improve models was postponed as a result of a shortage of engineering staff and therefore reduced input to those projects. This resulted in under expenditure against budget of approximately \$153,000.

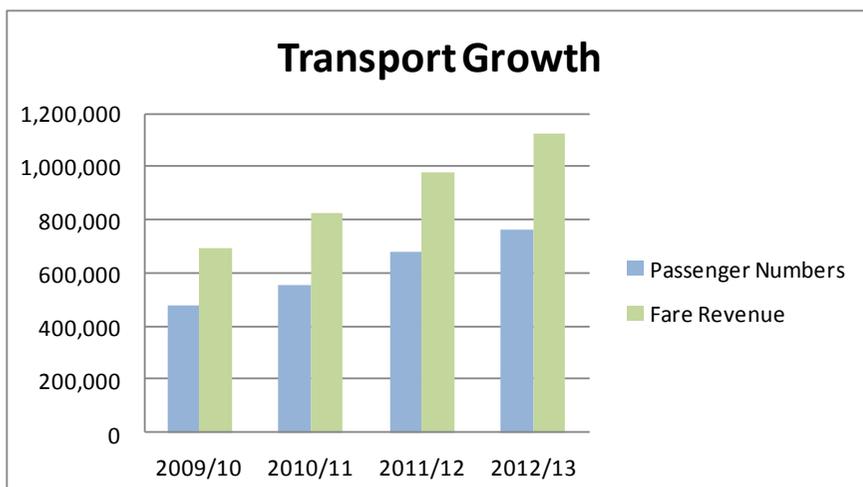
## Transport

Transport covers planning, provision of passenger transport and co-ordination and provision of road safety initiatives across Hawke’s Bay.

The driving force is the Regional Land Transport Strategy and the Regional Land Transport Programme, which are required to be prepared by the Regional Transport Committee.

The Land Transport Act 1998 and the Land Transport Management Act 2003 and its Amendment Act 2008, requires Hawke’s Bay Regional Council (HBRC) to consider the transport needs of disadvantaged people. In September 2011, HBRC adopted a Regional Public Transport Plan to address this and guide it in providing a passenger transport system that contributes to the social, economic, environmental and cultural wellbeing of the people of Hastings and Napier.

HBRC operates a Total Mobility Scheme that provides a subsidised taxi service for people with serious mobility constraints by way of taxi vouchers.



Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)	
<b>EXPENDITURE</b>				
<b>Operating Expenditure</b>				
Road Safety	1	453	463	485
Regional Land Transport Strategy	2	79	236	368
Subsidised Passenger Transport	3	4,136	3,775	3,991
<b>Total Operating Expenditure</b>		4,668	4,474	4,844
<b>TOTAL EXPENDITURE</b>		4,668	4,474	4,844
<b>REVENUE</b>				
<b>Activity Revenue</b>				
Direct Charges		80	92	4
<b>Total Activity Revenue</b>		80	92	4
<b>Other Revenue</b>				
Targeted Rates		1,476	1,460	1,472
Interest		0	9	0
Grants		2,748	2,764	3,075
<b>Total Other Revenue</b>		4,225	4,233	4,547
<b>TOTAL REVENUE</b>		4,305	4,325	4,551
<b>TOTAL FUNDING SURPLUS / (REQUIREMENT)</b>		-363	-149	-293
<b>Special Reserve Funding</b>				
Specific Scheme Reserves		300	58	136
<b>Total Special Reserve Funding</b>		300	58	136
<b>NET GENERAL FUNDING SURPLUS / (REQUIREMENT)</b>		-63	-91	-157
<b>MET BY</b>				
General Funding Rates		12	14	263
Investment Income		51	73	1,019
Operating Reserves		0	4	-1,125
		63	91	157

Activity 1 – Regional Road Safety

Service Levels and Performance Targets

Activity 1 – Regional Road Safety

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will engage, co-ordinate and implement sustainable regional road safety initiatives so that Hawke’s Bay roads and pathways are safe and accessible, and that the emotional and financial costs of road traffic crashes are reduced.</p>	<p>Effectively implement Regional Safety Action Plans with the relevant objectives of the Regional Land Transport Strategy; Safer Journeys 2020; and the New Zealand Injury Prevention Strategy.</p>	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>- Regional Safety Action Plans for Wairoa, Napier, Hastings, and Central Hawke’s Bay will be reviewed quarterly with a focus on key issues to be addressed.</li> <li>- Road safety programmes are implemented to reduce the incidence and severity of road traffic crashes and to align with the key outcomes and issues in the RoadSafe Strategic Plan.</li> </ul>	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>- The key road safety partners (HBDHB, Police, NZTA, ACC, Traffic Safety Engineers) met in accordance with the Performance Targets. All activities identified in the Road Safety Action Plan (RSAP) document have either been completed or continue to be developed. The next RSAP meeting is scheduled for 30 July 2013.</li> <li>- The Road Safe team held a team meeting to review the 2012/13 Work Plans. All activities have either been completed or are still in development. Work Plans for 2013/14 have been created as well as a draft of the next Three Year Strategic Plan following a complete review of the 2010-2013 Strategic Plan.</li> </ul>

Financial Variances Explained

There were no significant variances from budget are in this activity.

Activity 2 – Regional Land Transport Strategy

Service Levels and Performance Targets

Activity 2 – Regional Land Transport Strategy

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
Through the region’s transport strategy HBRC will promote improved integration of all transport modes, land use and efficient movement of freight.	Approved Regional Land Transport Strategy in place.	<b>2012-13</b> <ul style="list-style-type: none"> <li>– Complete review of Regional Land Transport Strategy (RLTS) by July 2012.</li> <li>– Implement and report on current RLTS as required by statute.</li> </ul>	<b>2012-13</b> <ul style="list-style-type: none"> <li>– The Regional Land Transport Strategy for 2012-2042 (RLTS) was adopted in June 2012.</li> <li>– RLTS is monitored by the Transport Advisory Group and regular reports are provided to the Regional Transport Committee.</li> </ul>
	Three yearly Regional Land Transport Programme approved.	<b>2012-15</b> <ul style="list-style-type: none"> <li>– Implement and report on Regional Land Transport Programme 2012-15 as required by statute.</li> </ul>	<b>2012-15</b> <ul style="list-style-type: none"> <li>– The Regional Land Transport Programme is monitored by the Transport Advisory Group and regular reports are provided to the Regional Transport Committee.</li> </ul>

Financial Variances Explained

Expenditure is \$157,000 below budget. This decrease in expenditure is offset by a reduction in grants received of \$130,000 from the New Zealand Transport Authority. Council was informed during the reforecasting process that this budget would not be spent and approved a reforecast budget and a carry-forward of \$30,000. The reasons for the variations in this budget is the expectation that Council needed to produce a “One Network Plan” – this is now no longer the case and new legislation requires Council to produce a new Regional Land Transport Plan prior to 30 June 2015. This will therefore be done during the 2013/14 year.

Activity 3 – Subsidised Passenger Transport

Service Levels and Performance Targets

Activity 3 – Subsidised Passenger Transport

Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
<p>HBRC will provide an accessible bus service and appropriate service infrastructure within and between the Napier, Hastings and Havelock North urban areas that will be expanded to meet the increasing need for public transport for the people of Hawke’s Bay.</p>	<p>In accordance with Regional Land Transport Strategy.</p>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Build on the improvements made over the last 3 years and ensure current levels of services are maintained and target any increase in funding towards improving existing services.</li> </ul>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Improvements on Route 20 (Flaxmere services) were introduced in October to address overloading issues.</li> <li>– Improvements to Route 17 (Parkvale, Akina services) were introduced in November to provide an expanded service on this route.</li> <li>– A banker service, operating during the school term only between St John’s College and Flaxmere, commenced on 6 May 2013 to cater for overloading on the urban services due to the school reducing its services.</li> </ul>
	<p>Continue improving signage, infrastructure and information at all bus stops.</p>	<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>– Implement bus-stop service level standards (as outlined in Regional Public Transport Plan).</li> </ul> <p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Install four additional bus shelters each year (two in Hastings and two in Napier).</li> </ul>	<p><b>2012-13</b></p> <ul style="list-style-type: none"> <li>– In consultation with Napier City and Hastings District Councils appropriate signage and infrastructure at bus stops have been installed in Hastings and Napier. This continues to be a key focus through both cities. Unique bus stop signage was rolled out in mid 2013 commencing in Flaxmere, Hastings.</li> </ul> <p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Four additional bus shelters are installed each year (two in Hastings and two in Napier).</li> </ul>
	<p>Where bus routes exist, at least 90% of residences and businesses are in the following walking distances of a bus stop:</p> <ul style="list-style-type: none"> <li>– 500m: normal conditions</li> <li>– 600m: low density/outer areas.</li> </ul>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Increase the number of bus stops in Hastings and Napier to meet the measure by 100%.</li> </ul>	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Where appropriate, and in consultation with Napier City Council (NCC) and Hastings District Council, additional bus stops are installed. In the 2012/13 year 6 new bus stops in Hastings were installed, these were to service ‘The Park’ and the service extension to Route 17. Staff are working with NCC to identify high use stops and install additional bus stops in Napier during the 2013/14 year.</li> </ul>

Service Levels and Performance Targets			
Activity 3 – Subsidised Passenger Transport			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
	Changes in technology to be utilised to provide a better service.	<b>2012-13</b> <ul style="list-style-type: none"> <li>– Investigate a text-to-bus service.</li> <li>– Investigate online top-ups for smartcards.</li> </ul>	<b>2012-13</b> <ul style="list-style-type: none"> <li>– A text-to-bus service has been investigated, due to cost and limitations of this service it is not proposed to implement this at this stage. Other options will continue to be looked at.</li> <li>– Due to limitations of the current electronic ticketing system online top-ups are not yet available.</li> </ul>
Fare payment systems are to be simple to understand; reviewed regularly and accurately record passenger trip information.	Fare levels will be reviewed annually.	<b>2012-13</b> <ul style="list-style-type: none"> <li>– An in-depth review of fares and fare structure to be undertaken.</li> </ul>	<b>2012-13</b> <ul style="list-style-type: none"> <li>– An in-depth review of fares, fare structure and network review is being undertaken in mid 2013.</li> </ul>
Integration with other modes.	Improve integration between public transport and walking and cycling.	<b>2012-13</b> <ul style="list-style-type: none"> <li>– Investigate installation of bike racks on buses and all options to carry bikes on buses.</li> </ul> <b>2012-15</b> <ul style="list-style-type: none"> <li>– Investigate installation of secure bike racks at major bus stops.</li> </ul>	<b>2012-13</b> <ul style="list-style-type: none"> <li>– Bike racks were installed on 14 buses on Council’s main routes in August 2012.</li> </ul> <b>2012-15</b> <ul style="list-style-type: none"> <li>– Secure bike racks were installed during 2012 at Havelock North and Hastings main bus stops. Napier City Council installed a secure bike facility at the main bus stop in Napier.</li> </ul>
Continue to provide and deliver the Total Mobility scheme in Napier, Hastings and Waipukurau for those unable to use public transport due to serious mobility constraints.	Membership is increased and service delivered in accordance with New Zealand Transport Authority guidelines.	<b>2012-15</b> <ul style="list-style-type: none"> <li>– Increase by at least 5% a year.</li> </ul>	<b>2012-15</b> <ul style="list-style-type: none"> <li>– Total membership recorded on the Council’s Total Mobility database increased by nearly 16% as at June 2013 compared to July 2012. Membership at July 2012 – 2640 Membership at June 2013 – 3064</li> </ul>

### Financial Variances Explained

Expenditure is \$361,000 in excess of the budget. Some of the overspend has been off-set by increased revenue contribution for SuperGold Card travel, fare increases implemented in 2012 and NZTA grants but the remainder will be met from the scheme reserve. The reasons for the overspend include the provision of extra bus services during 2012/13 to Parkvale/Akina, Flaxmere and school services being discontinued to St Johns School requiring a banker service between Flaxmere and St Johns school; but the majority of the overspend is the increased indexation cost on Council's urban contract with Go Bus. Council uses, for budgeting purposes inflation figures provided by Berl, which provided a 5% inflation indicator for transport, this estimate has not reflected the movement in actual transport related costs and the indexation figure has turned out to be around 12-13% - largely due to increases in petrol costs.

Staff will look at this increase and also the expected trend that this sort of increase could occur in the next financial year and discuss this with NZTA to see what can be done going forward as all regions must be faced with a similar issue. If there is no increase in NZTA funding to cover any potential overspend due to indexation costs in the 2013/14 financial year the only option will be to make savings in the provision of services – Council will be getting a reduction in the urban bus contract price from 1 August 2013 and also have a fare increase planned to take effect from 1 September 2013. Staff are currently undertaking a network and fare structure review to ascertain whether other costs savings can be made.

## Governance and Community Engagement

Hawke’s Bay Regional Council’s (HBRC) Governance and Community Engagement role and responsibilities involve decision-making, keeping regional residents informed, and ensuring that Hawke’s Bay people have a meaningful say on the direction of their region.

This group covers the following activities to deliver these roles and responsibilities.

Strategic Alliances - involves HBRC working with a range of organisations - central government, university, private sector groups and councils - to provide valued services and research that is targeted and efficient.

Community Engagement and Communication - encompasses all HBRC purposes and functions and engagement with a broad range of stakeholders in the general community through a variety of media.

Response to Climate Change – outlines some of the measures that HBRC either has in place or proposes to introduce to contribute to lowering carbon emissions in Hawke’s Bay.

Community Representation and Regional Leadership includes Council elections and the role of Councillors in representing their constituent community, plus providing opportunities for individuals and groups to influence decision-making.

Investment Company Support involves the management and administration support provided to the Hawke’s Bay Regional Investment Company Ltd.

	Activity (#)	Actual 12/13 (\$'000)	Budget 12/13 (\$'000)	Actual 11/12 (\$'000)
<b>EXPENDITURE</b>				
<b>Operating Expenditure</b>				
	1	418	2,400	1,676
	2	602	538	496
	3	6	16	10
	4	1,285	1,409	1,850
	5	102	40	19
		<b>Total Operating Expenditure</b>	<b>4,403</b>	<b>4,051</b>
<b>Capital Expenditure</b>				
		0	0	95
		0	630	0
		170	183	0
		<b>Total Capital Expenditure</b>	<b>813</b>	<b>95</b>
		<b>TOTAL EXPENDITURE</b>	<b>5,216</b>	<b>4,146</b>
<b>REVENUE</b>				
<b>Activity Revenue</b>				
		102	71	238
		<b>Total Activity Revenue</b>	<b>71</b>	<b>238</b>
<b>Other Revenue</b>				
		72	15	15
		0	1,930	750
		<b>Total Other Revenue</b>	<b>1,945</b>	<b>765</b>
		<b>TOTAL REVENUE</b>	<b>2,016</b>	<b>1,003</b>
<b>TOTAL GENERAL FUNDING REQUIREMENT</b>				
		<b>-2,409</b>	<b>-3,200</b>	<b>-3,143</b>
<b>Special Reserve Funding</b>				
		0	45	1
		386	943	774
		<b>Total Special Reserve Funding</b>	<b>988</b>	<b>775</b>
<b>NET GENERAL FUNDING REQUIREMENT</b>				
		<b>-2,023</b>	<b>-2,212</b>	<b>-2,368</b>
<b>MET BY</b>				
		371	335	221
		1,627	1,775	127
		25	102	2,020
		<b>2,023</b>	<b>2,212</b>	<b>2,368</b>

Activity 1 – Community Partnerships

Service Levels and Performance Targets			
Activity 1 – Community Partnerships			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will engage in strategic relationships that help better achieve its vision and purposes.	Formalisation of strategic alliances that are sector and institutionally-based.	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Create a bi-annual forum of primary production sector associations.</li> <li>– Determine shared services opportunities with Hawke’s Bay Councils and wider regional sector allies.</li> </ul>	<p>Achieved</p> <p>Pan-sector group of primary production sector agencies meets 3-4 times per year. This is coordinated by the Land Management Team and is focussed on sustainable land use and mitigation of land use effects on water quality.</p> <p>Achieved</p> <p>HB Local Authority Shared Services company established in December 2012. Statement of Intent for 2013/14 adopted by HBRC in February 2013. Investigations into shared service opportunities in the areas of GIS, Regional Call Centre, Fleet Management are under way.</p> <p>“Nature Central” – a collective of lower North Island regional councils and the Department of Conservation – has been formed and work is underway on developing relevant work programmes that bring together the natural resources expertise of the organisations.</p>
HBRC will work in partnership with treaty claimant groups to govern natural resources and to jointly explore sustainable economic opportunities in Hawke’s Bay.	Regional Planning Committee operating successfully.	<p><b>2012-15</b></p> <ul style="list-style-type: none"> <li>– Regional Planning Committee permanently established.</li> </ul>	<p>In Progress</p> <p>Draft legislation to establish the committee permanently is being considered by Regional Planning Committee members. The parliamentary process for considering the Bill is expected to begin in September 2013.</p>
HBRC will contribute to support the development of Regional Public Infrastructure projects.	Evaluation of Regional Public Infrastructure projects and which to support.	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Assess projects to be funded under HBRC’s Community Facilities Fund as follows:                             <ul style="list-style-type: none"> <li>• Projects proposed by Hastings District Council up to the value of \$2.5m.</li> <li>• Projects proposed by Wairoa District Council up to the value of \$500,000.</li> </ul> </li> </ul>	<p>In Progress</p> <p>Council approval has been given for funding of \$500,000 to both the Wairoa Community Centre upgrade (WDC) and the Te Mata Visitor and Education Centre in Hastings district. A further \$2M is earmarked for regional hockey facilities subject to an agreed plan for hockey facilities from all parties.</p>

### Financial Variances Explained

The under expenditure in this programme of \$1.98m is due to the targeted assistance for regional hockey facilities, Te Mata Park Visitor Centre and for the upgrade of the Wairoa Community Centre, not being drawn down in the 2012/13 year. The associated loan and reserve funding to cover this assistance was also not used. Council carried forward provision to cover this assistance during the 2013/14 financial year.

Activity 2 – Community Engagement & Communications

Service Levels and Performance Targets			
Activity 2 – Community Engagement & Communications			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will communicate its purpose and direction to the community. The community will know what it is being done and why.	On-time delivery of Annual Plan, plan change, State of the Environment and statutory documents.	<b>2012-15</b> – Long Term Plan, State of the Environment, Annual Report, Tukituki Plan change.	Achieved 2013-14 Annual Plan, Tukituki Choices, Our Place (including special Tukituki Choices and RWSS editions), Plan Change 6 (Tukituki) and SOE Report have been delivered, in print and electronic formats.
	Councillors, Executive and staff available to speak/inform on HBRC activities.	<b>2012-15</b> – Measure number of interactions.	No. of interactions not recorded Supported HBRC community engagement for Tukituki Choices, Ruataniwha Water Storage, Wineries Ride launch, with presence at CHB Show, Home & Garden Show and sponsorship of EastHort Field Day.
	Number of media releases generated; uptake of digital technologies.	<b>2012-15</b> – 90 Releases; Number of social media posts.	Achieved 148 HBRC releases up to 30 June 2013. Active use of HBRC’s refreshed website, social media, video and images; including digital portals i.e. Giggle TV.
	Regional newsprint media coverage averages > 90% positive/neutral.	<b>2012-15</b> – Not less than 95% average	Achieved Media coverage at 96.45% positive/neutral from July 2012 – June 2013.
HBRC will provide opportunities for the community to be involved in its decision making processes. Community engagement will be a key component of all major programmes and projects.	Number of council meetings and workshops.	<b>2012-15</b> – Open reporting of Council/Committee items.	Achieved Forty-seven Council and Committee meetings were held during the year. Of these, 14 meetings had a public-excluded component.
	Clearly flagged opportunities for input, submissions and other feedback into HBRC documents.	<b>2012-15</b> – Refresh and maintain annual HBRC Communications Plans	Achieved Individual communication plans are prepared and maintained for all significant projects and activities.
	Number of public meetings, workshops and public events (includes awards and field days).	<b>2012-15</b> – Meetings, workshops & events are strongly considered for major projects and in HBRC’s statutory role	Achieved Tukituki Choices: 6 well-attended public events. 164 public comments received which were available from HBRC’s website. 4 Annual Plan public meetings with 61 submissions received. Numerous events specific to RWSS/ HBRIC Ltd.

Service Levels and Performance Targets			
Activity 2 – Community Engagement & Communications			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will provide information that is relevant to the community and communities of interest. Information will be audience appropriate.	Delivery of updates on HBRC activities and progress.	<b>2012-15</b> – Generate region, community and consent holder/ catchment newsletters	Achieved Generated targeted newsletters for ratepayers “Rates Update”, for Tutira, CHB and Wairoa; also Leaders Briefing, “In the Zone” (water management), HuB (biodiversity) and Step Out (education).
	Facilitation of agreed stakeholder groups.	<b>2012-15</b> – Audit number of groups	Achieved There are 97 active partnerships and alliances interacting with HBRC.
	Timely delivery information to communities of interest.	<b>2012-15</b> – Appropriate ‘tool’ selected according to programme needs	Regularly timetabled meetings are held for RWSS, HBRIC Ltd, Nature Central, HB Biodiversity Strategy, Tukituki Plan Change 6, Hawke’s Bay Trails, Water user Groups and Pan-sector Group.

**Financial Variances Explained**

The expenditure variances from budget have occurred principally in two areas – advertising, where the scale of activity undertaken by Council in 2012/13 has been reflected in increased promotion and advertising including around events promoting HBRC’s cycleway assets; and consultants, where the additional facilitation of school cluster groups and additional professional development for EnviroSchool facilitators has increased expenditure in this category. The latter has been offset by increased revenue from the EnviroSchools Foundation.

Activity 3 – Response to Climate Change

Service Levels and Performance Targets			
Activity 3 – Response to Climate Change			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will increase the community’s resilience to climate change	HBRC’s corporate total annual Greenhouse Gas emissions measure in carbon dioxide equivalents (excluding Port of Napier Ltd)	<p><b>2012-22</b></p> <ul style="list-style-type: none"> <li>– Reduce corporate (excluding Port of Napier Ltd) carbon emissions from 2005/06 by:                             <ul style="list-style-type: none"> <li>• 10% by 2014</li> <li>• 20% by 2020</li> <li>• 30% by 2050</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>– An assessment will be done and reported on at the end of the 2013-14 financial year.</li> </ul>
	Number of sectors through which HBRC promotes/influences reduction in carbon emissions and adaptation to climate change	<p><b>2012</b></p> <ul style="list-style-type: none"> <li>– Establish a process to monitor and report regional carbon emissions with the first report completed by 30 June 2012</li> <li>– Funding for conversion of 100 dwellings to solar hot water.</li> </ul> <p><b>2012-19</b></p> <ul style="list-style-type: none"> <li>– Continue to increase HBRC’s influence in initiatives to improve regional resilience to the impacts of climate change.</li> <li>– Continue to update and report regional carbon emissions at least every 3 years.</li> </ul>	<ul style="list-style-type: none"> <li>– A system to quantify regional green house emissions has been developed by Landcare Research. This requires substantial data gathering which has not been undertaken due to other priorities.</li> <li>– HBRC has yet to receive a business case for the establishment for a Solar Hot Water Scheme from Napier City and Hastings District councils. Provision is still available for loan funding should the scheme be initiated.</li> <li>– Many of HBRC’s programmes are aimed at improving the region’s resilience and capacity to adapt to the impacts of climate change. Projects include the Ruataniwha water storage scheme, proposals for increased levels of flood protection, promoting soil conservation through the land management team, managing biosecurity threats, strategic planning, and coastal hazard management.</li> <li>– Landcare Research has developed a framework for re-evaluating regional carbon emissions. A re-evaluation requires considerable data to be gathered and assessed. HBRC has not progressed this work.</li> </ul>

Financial Variances Explained

There were no significant variances from budget are in this activity.

Activity 4 – Community Representation & Regional Leadership

Service Levels and Performance Targets			
Activity 4 – Community Representation & Regional Leadership			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will provide the community with a channel for representation through elected members and Iwi to enable access and influence on decision making.	Councillors’ attendance at monthly Council and Committee meetings achieving at least 90% attendance of elected and appointed members.	<b>2012-22</b> – Attendance rate of 90%.	Council held 18 meetings over this period, with attendance rate of 90%. 29 meetings of other Committees were held during this period with attendance rate of 86.3%.
	Attendance at Maori Committee meetings.	<b>2012-22</b> – Attendance rate of 80%	The Maori Committee has held 6 meetings throughout the year, with an attendance rate of 84%.
	10 Year Plan/Annual Plan consultation during April and May with the final Plan being adopted by HBRC by 30 June.	<b>2012-22</b> – Consultation and submission period of at least 25 days.	Draft Annual Plan for 2013/14 was adopted by Council 20 March 2013, for consultation period commencing 3 April 2013 and closing 10 May 2013, allowing 27 working days for submissions to be lodged.
	Comply with the provisions of the Local Electoral Act 2001.	<b>2012-22</b> – Determine the appropriate representation for the region. – Elections to be held every three years. The next election is in October 2013.	LGC Determination of HB Representation Arrangements to apply for the 2013 Elections issued 9 April 2013.
HBRC will aim to maximise Local Government effectiveness and efficiency.	Facilitate and report on Local Government efficiencies achieved.	<b>2012-22</b> Complete a review, in consultation with territorial authorities within the region, which will cover: – Opportunities for inter-regional and central government collaboration. – How the Hawke’s Bay economy might be further diversified and made more resilient. – The role of Local Government in Hawke’s Bay in enabling socioeconomic development, and the effectiveness of Local Government structures including planning and compliance frameworks are to be studied.	Achieved The Study on Improving the Social and Economic Performance of Hawke’s Bay was initiated in April 2012 with the appointment of McGredy Winder & Co. The Terms of Reference called for two phases of work. The first phase was completed in August 2012 and comprised: <ul style="list-style-type: none"> <li>• An analysis of historic and current economic and social performance of the region, the trends in these areas and what they mean for Hawke’s Bay.</li> <li>• An analysis of current policies, priorities, interventions, legislative requirements and structural settings in or</li> </ul>

Service Levels and Performance Targets			
Activity 4 – Community Representation & Regional Leadership			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
			affecting Hawke's Bay and any apparent gaps, inconsistencies or policy clashes. <ul style="list-style-type: none"> <li>• An identification and analysis of significant inhibitors to prosperity that affect Hawke's Bay.</li> <li>• How the Hawke's Bay economy might be further diversified and made more resilient</li> </ul> Phase 2, which assessed the costs and benefits of three alternative local government structures, was completed in June 2013. It provides a financial model that can be applied to other local government options within Hawke's Bay.

**Financial Variances Explained**

A contingency of \$100,000 was included in this budget however there were no draw downs from this fund during the 2012/13 financial year.

**Activity 5 – Investment Company Support**

Service Levels and Performance Targets			
Activity 5 – Investment Company Support			
Level of Service Statement	Level of Service Measure	Performance Targets	2012/13 Progress Report for 12 months to 30 June 2013
HBRC will provide support services to the Investment Company and to any associated subsidiaries of the Investment Company.	A number of Board meetings to be supported by HBRC staff.	<b>2012-22</b> – Provide support for the Board meetings of the Investment Company and subsidiaries.	Finance, administration and Executive level support have been provided for the Board Meetings and committees.

**Financial Variances Explained**

This activity shows expenditure \$62,000 over budget due additional costs to provide support for a substantial increase in meetings required by the Hawkes Bay Regional Investment Company. These additional costs were fully recovered from the Company.