

I hereby give notice that a meeting of Horizons Regional Council will be held on:

Date: Tuesday, 27 October 2026
Time: 10.00am
Venue: Tararua Room Horizons Regional Council
11-15 Victoria Avenue
Palmerston North

REGIONAL COUNCIL

AGENDA

MEMBERSHIP

Chair	Cr NM Riley
Deputy Chair	Cr FJT Gordon
Councillors	Cr SL Dryland
	Cr HC Easton
	Cr BG Fraser
	Cr EB Gordon
	Cr LL Jansen
	Cr GM McKellar
	Cr JM Naylor
	Cr ETJ Pue
	Cr AR Taylor
	Cr WK Te Awe Awe
	Cr T Teira
	Cr PF Wells

Michael McCartney
Chief Executive

Contact Telephone: 0508 800 800
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Palmerston North 4442

Full Agendas are available on Horizons Regional Council website
www.horizons.govt.nz

for further information regarding this agenda, please contact:
Julie Kennedy, 06 9522 800

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REGIONAL HOUSES	Palmerston North 11-15 Victoria Avenue	Whanganui 181 Guyton Street		
DEPOTS	Levin 120-122 Hokio Beach Rd	Taihape 243 Wairanu Rd		
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AGENDA

1 WELCOME / KARAKIA

2 APOLOGIES AND LEAVE OF ABSENCE

At the close of the Agenda no apologies had been received.

3 PUBLIC FORUMS: Are designed to enable members of the public to bring matters, not on that meeting's agenda, to the attention of the local authority.

DEPUTATIONS: Are designed to enable a person, group or organisation to speak to an item on the agenda of a particular meeting.

Requests for Public Forums / Deputations must be made to the meeting secretary by 12 noon on the working day before the meeting. The person applying for a Public Forum or a Deputation must provide a clear explanation for the request which is subsequently approved by the Chairperson.

PETITIONS: Can be presented to the local authority or any of its committees, so long as the subject matter falls within the terms of reference of the council or committee meeting being presented to.

Written notice to the Chief Executive is required at least 5 working days before the date of the meeting. Petitions must contain at least 20 signatures and consist of fewer than 150 words (not including signatories).

Further information is available by phoning 0508 800 800.

4 SUPPLEMENTARY ITEMS

To consider, and if thought fit, to pass a resolution to permit the Committee/Council to consider any further items relating to items following below which do not appear on the Order Paper of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended), and the Chairperson must advise:

- (i) The reason why the item was not on the Order Paper, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

5 MEMBER'S CONFLICT OF INTEREST

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

Minutes of the thirteenth meeting of the thirteenth triennium of Horizons Regional Council held at 1:00 pm on Wednesday 7 October 2026, in the Tararua Room Horizons Regional Council, 11-15 Victoria Avenue, Palmerston North.

PRESENT Crs NM Riley (Chair), SL Dryland, HC Easton, BG Fraser, EB Gordon, FJT Gordon, LL Jansen, GM McKellar (in person to 2.45pm and then via Zoom), ETJ Pue, AR Taylor, WK Te Awe Awe, T Teira and PF Wells.

IN ATTENDANCE Chief Executive (via Zoom from 1.00pm to 3.14pm on Wednesday 7 October 2026) Mr MJ McCartney
Acting Chief Executive Mr C Grant
Group Manager
Governance, Engagement & Transformation Mrs C Hesselin
Committee Secretary Mrs JA Kenned
Governance Team Leader Mrs T Bishop

ALSO PRESENT At various times during the meeting:

Dr E Daly (Group Manager Strategy, Regulation & Science), Mr G Shirley (Group Manager Regional Services & Information), Mr C Grant (Group Manager Corporate Services), Dr J Roygard (Group Manager Catchment Operations), Mr A Smith (Chief Financial Officer), Ms L Shirley (Manager Strategy & Policy), Mr J Galuszka (Manager Media & Communications), Mr N Portegys (Team Leader Policy & Strategy), Mr C Brown (Iwi Advisor), Ms R Bell (LTP Project Manager), Ms E Prouse (Team Leader, River Management), Mr B Leah (Senior Transport Planner), Ms L Gooch (Senior Policy Planner), Ms A Mackintosh (Team Leader Biodiversity), Ms E Murphy (Senior Policy Analyst), and Ms L Ferguson (Team Leader, Regional Freshwater Implementation).

Public Forum: Ms T Allanson and Ms C Love (Ashhurst Parents).

WELCOME

The Chair welcomed everyone to the meeting.

APOLOGIES

26-188 Moved Pue/Wells

That the Council receives an apology from Cr Naylor for part of the meeting.

CARRIED

PUBLIC FORUMS / DEPUTATIONS / PETITIONS

Public Forum:

Tania Allanson and Chris Love addressed Council and commented on the funding structure for the Ashhurst School Bus Service. They requested that Horizons Regional Council included funding in the Long-term Plan to cover the Ashhurst School Bus Service from July 2027 until an additional funding source could be found.

SUPPLEMENTARY ITEMS

There were no supplementary items to be considered.

MEMBERS' CONFLICTS OF INTEREST

There were no conflicts of interest declared.

CONFIRMATION OF MINUTES

26-189 **Moved** **F Gordon/Teira**

That the minutes of the Regional Council meeting held on 22 September 2026 as circulated, be confirmed as a correct record.

CARRIED

LONG-TERM PLAN - INFRASTRUCTURE STRATEGY

Report No 26-170

Dr Roygard (Group Manager Catchment Operations) introduced the report which sought Council decisions on the key strategic issues, preferred levels of change, and future direction of the Infrastructure Strategy 2027-57 to support preparation of the draft Strategy for inclusion in the 2027-37 Long-term Plan process. The recommendations provided Members with options for consideration. Each option was debated separately, with a series of amendments and foreshadowed motions proposed should the motion under debate be lost, before being put to the vote by the Chair.

26-190 **Moved** **Wells/Dryland**

It is recommended that Council:

- a. receives the information contained in Report No. 26-170.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters and decisions in this report are not significant, and the appropriate level of engagement is to inform.*

CARRIED

26-191 **Moved** **Wells/Dryland**

It is recommended that Council:

- c. approves the preferred level of change for Key Issue 1A – Maintenance, as follows:*
 - ii. Moderate Change: Increase maintenance budgets by 10% in the first year of the Infrastructure Strategy, with annual inflation adjustments thereafter.*

CARRIED

26-192 Moved Wells/Dryland

It is recommended that the Council:

- d. *approves the preferred level of change for Key Issue 1B – Repairs, as follows:*
 - ii. *Moderate Change: Increase repair budgets by 10% in the first year of the Infrastructure Strategy, with annual inflation adjustments thereafter.*

CARRIED

Additional wording was added to Recommendation e.

26-193 Moved Wells/Fraser

It is recommended that the Council:

- e. *approves the preferred level of change for Key Issue 1C – Renewals, as follows:*
 - ii. *Moderate Change: Increase the number of schemes with renewal programmes and renewal funding arrangements using a planning assumption of \$1.1M of additional renewal funding and direct the Chief Executive to present further analysis, options, and funding implications as part of the draft Infrastructure Strategy.*

For: Crs Riley, Fraser, Easton, Jansen, B Gordon, Dryland, Pue, Wells, Te Awe Awe, Teira, Taylor

Against: Crs F Gordon, McKellar

CARRIED

26-194 Moved Fraser/B Gordon

It is recommended that the Council:

- f. *approves the preferred level of change for Key Issue 2 – Enhancing Communication, as follows:*
 - i. *Status Quo: Maintain current communication and engagement activities, including one annual round of district-based scheme meetings, Council reporting, the Horizons website, and project/issue specific communications.*

CARRIED

26-195 Moved McKellar/F Gordon

It is recommended that the Council:

- g. approves the preferred level of change for Key Issue 3 – Emergency Management Response and Recovery (Financial Resilience), as follows:*
 - i. Status Quo: Maintain current insurance and financial resilience arrangements, including participation in shared insurance arrangements, progression towards existing emergency reserve targets, use of reserves to fund insurance excesses, and annual insurance budget increases based on inflationary assumptions.*

CARRIED

26-196 Moved B Gordon/F Gordon

It is recommended that the Council:

- h. approves the preferred level of change for Key Issue 4A – Transition: Structure of Schemes, as follows:*
 - i. Status Quo: Maintain the current structure, function, and funding arrangements of schemes, with a continued focus on improving systems, processes, documentation, service delivery, and maintaining accurate rating information within the existing rating framework.*

Against: Crs Dryland and Jansen

CARRIED

26-197 Moved F Gordon/Pue

It is recommended that the Council:

- i. approves the preferred level of change for Key Issue 4B – Transition: River Management Approaches, as follows:*
 - ii. Moderate Change: Continue the current approach and increase investment in investigating how Room for the River and river line approaches could be applied in other catchments, initially focusing on the Pohangina-Ōroua catchment and drawing on national examples. Further invest in blue-green infrastructure initiatives, including the Arawhata Wetland project within the Hōkio Scheme.*

Against: Crs Dryland, Jansen, McKellar, Easton and Fraser

CARRIED

26-198

Moved

Wells/Gordon

- j. *approves the inclusion of Key Issue 5 – Defining and Delivering the Capital Programme within the Infrastructure Strategy 2027-57.*
- k. *approves the preferred level of change for the Key Issue 5 – Defining and Delivering the Capital Programme approaches as:*
 - i. *Status Quo – Deliver a Resilience Focussed Programme.*
 - ii. *Moderate Change – Develop a Future Capital Project Pipeline:*
 - *Adopt the Status Quo approach and provide dedicated resources to investigate and develop future capital projects for new areas identified and prioritised by Council, using the Flood Vulnerability Assessment and other strategic planning information as guides. This would include progressing up to two potential projects per year towards investment readiness, including investigation, concept design, detailed design, consenting, landowner engagement, and business case development; or*
- l. *directs the Chief Executive to incorporate Council's preferred levels of change, including any amendments resolved through this report, into the development of the draft Infrastructure Strategy 2027-57 and to report back to Council with the completed draft Strategy for endorsement prior to inclusion in the 2027-37 Long-term Plan consultation process.*
- m. *notes that some elements of the preferred levels of change may continue to be refined during the development and implementation of the Infrastructure Strategy, taking into account feedback received through the Long-term Plan process, Council's final decisions, confirmed resourcing and funding, and any relevant local government reforms.*

Against: Cr F Gordon

CARRIED

TE ĀPITI - STATEMENT OF COMMITMENT

Report No 26-166

Dr Roygard introduced the report which informed Council about the Te Āpiti Manawatū Gorge project and the purpose of the proposed Te Āpiti Statement of Commitment; updated Council on the review of the Te Āpiti Masterplan and the member and stakeholder workshop held in June 2026; and sought Council support for Horizons Regional Council (Horizons) to sign the Statement of Commitment as a member of Te Āpiti Manawatū Gorge Governance Group. Ms Ferguson (Team Leader, Regional Freshwater Implementation) clarified Members' questions.

26-199 Moved Teira/F Gordon

It is recommended that Council:

- a. receives the information contained in Report No. 26-166 and Annex.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the decisions in this report are not significant, and the appropriate level of engagement is: inform*
- c. supports Horizons Regional Council Chair signing the Te Āpiti Statement of Commitment on behalf of Horizons Regional Council as a member of the Te Āpiti Manawatū Gorge Governance Group.*

Against: Cr Dryland

CARRIED

Cr McKellar left and meeting at 2.45pm and re-joined via Zoom.

EARLY ENGAGEMENT WITH IWI AND HAPŪ ON THE 2027-37 LONG-TERM PLAN

Report No 26-168

Dr Daly (Group Manager Strategy, Regulation & Science) introduced the item which sought Council direction on early engagement with iwi and hapū during development of the 2027-37 Long-term Plan, which included: the purpose and scope of the engagement; the matters to be included in the initial communication to iwi and hapū authorities; the respective roles of elected members and officers; possible topics for discussion; and how the outcomes of engagement would be reported to Council. The report also sought direction on the preparation of the Long-term Plan content relating to Māori participation in Council decision-making processes.

SET ASIDE SO 4.2

26-200 Moved Pue/Jansen

That the Council sets aside Standing Order 4.2, in order that the meeting can continue with business on the agenda beyond the two hour time limit.

CARRIED

EARLY ENGAGEMENT WITH IWI AND HAPŪ ON THE 2027-37 LONG-TERM PLAN

Report No 26-168 (Continued)

Members' debated the recommendations and sought clarification which was provided by Dr Daly, Mr Brown (Iwi Advisor), and Ms Shirley (Policy Manager). The word 'includes' was added to Recommendation d.ii. During debate it was noted that as the proposed engagement approach set out in the recommendations was considered 'business as usual', a resolution to set aside the recommendations was proposed.

Moved B Gordon/Fraser

That the Council agrees that the recommendations contained in Report No. 26-168, Early Engagement with iwi and Hapū on the 2027-37 Long-term Plan, be left to "lie on the table".

For: Crs Jansen, Fraser, Easton, B Gordon, McKellar, Dryland

Against: Crs Riley, F Gordon, Pue, Taylor, Te Awe Awe, Teira, Wells

LOST

26-201 **Moved** **Pue/Riley**
It is recommended that Council:

- a. receives the information contained in Report No. 26-168 and Annex;
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters considered in this report are of low significance under Council's Significance and Engagement Policy, and that no additional public engagement is required beyond the targeted engagement approach outlined in this report;
- c. notes the feedback provided by councillors at the workshop of 16 September 2026, summarised in section 10;
- d. endorses an engagement approach for the 2027-37 LTP comprising:
 - i. direct contact with all iwi and hapū authorities within two weeks of this decision, including information on the purpose, scope and timeframe of engagement;
 - ii. engagement includes elected members, supported by officers who will coordinate engagement, prepare briefing materials, maintain records, analyse feedback and report outcomes to Council;
 - iii. an offer to each iwi and hapū authority to engage in its preferred format, including individual hui, hui-ā-iwi, joint wānanga, written feedback, or other agreed approaches;
 - iv. engagement focused on matters identified by iwi and hapū authorities together with a Council-defined list of topics where Council has not yet reached a settled position;
 - v. engagement being undertaken during October and November 2026 where practicable;
- e. authorises the Chair supported by officers, to write to iwi and hapū authorities inviting engagement consistent with the approach outlined by Council;
- f. directs the Chief Executive to ensure records are maintained of engagement undertaken, including authorities approached, matters raised, themes identified, and any resulting changes to the draft LTP, and that this information is reported back to Council alongside the draft LTP;
- g. endorses preparation of draft 2027-37 LTP content that includes:
 - i. reference to the legislative framework relating to Māori participation;
 - ii. a forward-looking statement of the steps Council intends to take to foster Māori capacity to contribute to decision-making processes over the period covered by the plan; and
 - iii. a summary of the engagement undertaken during preparation of the plan and how that engagement informed development of the draft Plan;
- h. notes that engagement feedback will inform, but not bind, council decision-making during preparation of the draft and final 2027-37 Long-term Plan;
- i. notes that the December 2026 audit deadline is a fixed parameter and that the engagement approach endorsed in recommendation (d) reflects that constraint; and
- j. notes the residual risks identified in section 8.

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PROCEDURAL MOTION TO EXCLUDE THE PUBLIC

26-202 **Moved** **Pue/Fraser**

THAT the public be excluded from the following part(s) of the proceedings of this meeting. The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 and section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

CARRIED

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Confirmation of Public Excluded Meeting held on 22 September 2026	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities. s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX2 Long-term Plan 2027-37 Budget - Getting from Draft 1 to Draft 2	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This report discusses one budget proposal for the 2027-37 LTP that may have possible implications for staff retention.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX3 Chief Executive — Implications of the Local Government (System Improvements) Amendment Act 2026	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This report is confidential because it concerns the employment of an identifiable individual.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX4 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release.		

The meeting adjourned to the Public Excluded part of the meeting at 3.14pm and resumed on Thursday, 8 October 2026 at 12.32pm.

The meeting adjourned at 12.32pm.

The meeting reconvened at 1.05pm.

Thursday, 8 October 2026 at 1.05pm.

PRESENT Crs NM Riley (Chair), HC Easton, FJT Gordon (via Zoom from 1.05pm and in person from 1.21pm), AR Taylor, WK Te Awe Awe, T Teira

Via Zoom: Crs EB Gordon, SL Dryland, BG Fraser, LL Jansen (from 1.23pm), ETJ Pue (from 2.25pm), PF Wells (via Zoom from 1.17pm to 3.13pm).

IN ATTENDANCE	Acting Chief Executive	Mr C Grant
	Committee Secretary	Mrs JA Kenned
	Governance Team Leader	Mrs T Bishop

ALSO PRESENT At various times during the meeting:

Mr G Shirley (Group Manager Regional Services & Information), Dr J Roygard (Group Manager Catchment Operations), Mr A Smith (Chief Financial Officer), Ms L Shirley (Manager Strategy & Policy), Mr N Portegys (Team Leader Policy & Strategy), Ms L Gooch (Senior Policy Planner, via Zoom).

APOLOGIES

An apology from Cr Naylor (for part of the meeting) was received in the public part of the meeting.

Cr McKellar was absent without an apology.

MANAWATŪ RIVER LEADERS' ACCORD ACTION PLAN

Report No 26-172

Dr Roygard (Group Manager Catchment Operations) introduced the item which updated Council on the development of the Manawatū River Leaders' Accord Action Plan and sought Council's endorsement of Horizons Regional Council's proposed contribution to the Action Plan and ongoing support for the Manawatū River Leaders' Forum.

Cr Wells joined the meeting via Zoom at 1.17pm.

Cr Jansen joined the meeting via Zoom at 1.23pm.

Members' debated the proposed recommendations and sought clarification.

26-203

Moved

Teira/Riley

It is recommended that Council:

- a. receives the information contained in Report No. 26-172 and Annex.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the decisions in this report are not significant, and the appropriate level of engagement is: inform.*
- c. acknowledges the significant contributions made by iwi and hapū, councils, government agencies, landowners, industry, community organisations and other Accord partners to improving the health and mauri of the Manawatū River;*
- d. notes the proposed Manawatū River Leaders' Accord Action Plan and supports its continued development through the Manawatū River Leaders' Forum;*
- e. endorses Horizons Regional Council's proposed contribution to the Action Plan, as identified in Appendix 1, subject to approved budgets, available resources and future funding, service level, statutory and organisational decisions, noting that this endorsement applies only to Horizons Regional Council's proposed contribution and does not approve actions on behalf of other Accord partners or commit future funding decisions;*
- f. approves Horizons continuing to coordinate and support the Manawatū River Leaders' Forum during the current period of organisational and legislative change;*
- g. endorses Chair Nikki Riley and Councillor Te Kenehi Teira continuing as co-chairs of the Manawatū River Leaders' Forum and agrees that any future proposal regarding appointment of an independent chair be reported back to Council for consideration;*
- h. supports Horizons participating, at the invitation of iwi and hapū and within available resources and responsibilities, in future discussions regarding the relationship between the Forum and statutory Treaty settlement arrangements;*
- i. supports the intended outcomes, relationships and programme information associated with the Accord being considered in any future transition of regional freshwater functions;*
- j. notes that future funding availability, staffing capacity, external funding opportunities, affordability requirements, local government reform and future budget or service level decisions may require changes to Horizons' future contribution and associated performance measures; and*
- k. notes that progress against Horizons' actions will continue to be reported through the Integrated Catchment Committee.*

Abstain: Cr Dryland

CARRIED

HORIZONS TE AWA TUPUA (TE HEKE NGAHURU) ACTION PLAN: PROPOSED APPROACH AND DEVELOPMENT PROGRAMME

Report No 26-167

Ms Shirley (Manager Strategy & Policy) spoke to the item which sought Council endorsement of a proposed approach to develop the Horizons' Action Plan in accordance with Te Awa Tupua (Whanganui River Claims Settlement) Act 2017 and the strategy 'Te Heke Ngahuru ki Te Awa Tupua' 2023. Following debate of the recommendations, additional wording was added to strengthen recommendation c.

26-204 Moved Taylor/Teira

It is recommended that Council:

- a. receives the information contained in Report No. 26-167.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the decisions in this report are not significant, and the appropriate level of engagement is: Inform.*
- c. endorses the proposed approach for the development of Horizons' Te Awa Tupua Action Plan outlined in Section 10 of this report and to include Councils legal obligations.*

CARRIED

REVENUE AND FINANCING POLICY - STEP 1

Report No 26-169

Mr Portegys (Team Leader Policy and Strategy) introduced the report which sought Council direction on Step 1 of the draft funding needs assessment, in order for officers to proceed to Step 2. Members debated the options presented in the recommendations, provided their views and sought clarification.

Cr Pue joined the meeting via Zoom at 2.25pm.

SET ASIDE SO 4.2

26-205 Moved Taylor/Teira

That the Council sets aside Standing Order 4.2, in order that the meeting can continue with business on the agenda beyond the two hour time limit.

CARRIED

The recommendations were split into groups before being put.

26-206 Moved Fraser/Dryland

It is recommended that Council:

- a. receives the information contained in Report No. 26-169 and Annex.*
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the decisions in this report are not significant, and the appropriate level of engagement is: inform;*

- c. *endorses in principle the Local Government Act 2002 section 101(3)(a) considerations set out in Annex A;*

CARRIED

Recommendation d.i. was put with additional wording.

Moved Fraser/Dryland

It is recommended that the Council:

- d. *endorses in principle the following Local Government Act 2002 section 101(3)(a) rationale for passenger transport;*
- i. *Option 1: the target rate component of this activity should be funded through a uniform rate to recognise that all urban ratepayers benefit equally from reduced congestion and emissions differentiated within each district;*

For: Crs Dryland, Fraser, Easton, Jansen

Against: Crs F Gordon, Riley, Teira, Pue, Te Awe Awe, Taylor

LOST

Following recommendation d.i with amended wording being put and 'Lost', recommendation d.ii. remained.

26-207 Moved Taylor/F Gordon

It is recommended that the Council:

- d. *endorses in principle the following Local Government Act 2002 section 101(3)(a) rationale for passenger transport;*
- ii. *Option 2: the targeted rate component of this activity should be funded through a capital value rate to recognise that reduced congestion supports a well-functioning urban economy.*
- e. *directs the Chief Executive to provide Council the analysis required by section 101(3)(b), and to base this analysis on the endorsed section 101(3)(a) considerations.*

Abstain: Cr Jansen, Dryland

CARRIED

An additional new recommendation f. was debated and put.

26-208 Moved F Gordon/Jansen

- f. *directs the Chief Executive to bring back to Council for further consideration the Revenue and Financing Policy for 'RMA Advice' activity post receipt of the information currently being prepared on regulatory under-recovery, including an indication of a budget for 'unreasonable' RMA Advice time as defined in the RMA.*

CARRIED

The meeting closed at 3.20pm with a karakia from Cr Te Kenehi.
Confirmed

CHIEF EXECUTIVE

CHAIR

Report No.	26-179
Decision Required	

2027-37 LONG-TERM PLAN: GRANT PROGRAMME REVIEW

1. PURPOSE

- 1.1. Council has directed the Chief Executive to present a paper on Horizons' grant programmes to enable Council to review their range, quantum and purpose as part of the draft 2027-37 Long-term Plan.
- 1.2. This report provides an overview of Horizons' current grant programmes, including funding levels, purpose, delivery arrangements and existing Council decisions relating to grant funding.

2. EXECUTIVE SUMMARY

- 2.1. As part of the development of the draft 2027-37 Long-term Plan, Council has considered a range of options to achieve its preferred rates increase target. During this process, Council directed the Chief Executive to present a paper on Horizons' grant programmes to enable Council to review their range, quantum and purpose.
- 2.2. This report responds to that direction by providing information on Horizons' current grant portfolio, including programme purpose, funding levels, funding and rating sources, delivery arrangements, existing commitments and the outcomes sought through each programme.
- 2.3. Horizons supports environmental, community and resilience outcomes through contestable grants, co-funding of environmental works, partnership funding, direct grants and targeted-rate programmes. While commonly referred to as grants, these programmes differ significantly in their purpose, funding arrangements, delivery model and governance.
- 2.4. As part of previous draft Long-term Plan budget discussions, Council resolved to:
 - combine the four existing contestable grant funds into a single contestable fund;
 - set funding for the combined contestable fund at \$500,000 per annum;
 - remove one freshwater position as part of the wider budget package; and
 - reduce ratepayer funding for the **Sustainable Land Use Initiative (SLUI)** grants programme by \$450,000 per annum.
- 2.5. Council subsequently requested this broader review of Horizons' grant programmes. The report has therefore been prepared to enable Council to confirm, amend or revisit its previous draft budget decisions, and to consider whether any further changes to other grant programmes should be incorporated into the draft Long-term Plan.
- 2.6. Particular attention is given to the contestable grant funds and SLUI because of Council's previous decisions and the further direction required to support budgets, rates modelling, programme delivery and consultation material.
- 2.7. Council's previous decisions establish a funding provision for the combined contestable fund but do not determine all aspects of its operation. Further direction is sought on:
 - the purpose and criteria of the fund;

- whether funding is allocated to specified biodiversity, freshwater and climate outcomes, or assessed through a single integrated fund with allocations determined through each funding round;
- the treatment of existing multi-year commitments and the funding available for new allocations;
- governance arrangements, including the role and terms of reference of the Councillor decision-making panel; and
- the funding and rating mechanisms for the fund, including how any savings are applied across existing rating sources.

- 2.8. Information on staffing associated with the community contestable funds is provided where available. Given the breadth of the review, the range of potential changes Council may consider, and the timeframe (one week) between Council's direction and preparation of this report, detailed staffing, service-level and performance-measure implications have not been assessed for every potential scenario. Further analysis may therefore be required following Council's decisions. For example, removal of the freshwater position (current vacancy) affects activities beyond administration of the freshwater community grant and may require changes to freshwater delivery and performance measures. Administration of the combined fund may also affect the biodiversity team's capacity for existing work.
- 2.9. The SLUI programme is awaiting the outcome of Horizons' application for future co-funding through the Ministry for Primary Industries' Hill Country Erosion Programme. The application already proposed a smaller programme than current budgeted delivery, while Council's subsequent draft budget decision assumes a further reduction. This report also presents a further savings option. Council's decisions will need to account for the MPI funding outcome, current demand, the relationship between rates, reserves, government and landowner funding, and resulting programme delivery targets.
- 2.10. Council direction is sought through this report to conclude this stage of the grant-related baseline budget review and enable staff to proceed with draft Long-term Plan budgets, rates modelling, performance measures and consultation material. Council may also determine whether any grant-related proposals should be specifically presented for community feedback through the Long-term Plan consultation process.

3. RECOMMENDATION

It is recommended that Council:

- receives the information contained in Report No. 26-179.
- agrees that, in accordance with Council's Significance and Engagement Policy, the matters considered in this report are not significant and that any changes incorporated into the draft 2027-37 Long-term Plan will be considered through the Long-term Plan consultation process.
- following review of the grant and grant-like programmes, Council approves the following funding provisions for inclusion in the draft 2027-37 Long-term Plan:
 - ICON Sites:
 - Bushy Park Tarapuruhi: \$52,400 per annum or \$XXX per annum.
 - Te Āpiti Manawatū Gorge: \$424,000 per annum or \$XXX per annum.
 - Kia Whārite Biodiversity Project: \$163,000 per annum or \$XXX per annum.
 - Papangaio Te Wharangi Manawatū Estuary: \$78,000 per annum or \$XXX per annum.
 - Pūkaha Mt Bruce: \$93,000 per annum or \$XXX per annum.

- f. Southern Ruahine Kiwi Project: \$51,000 per annum or \$XXX per annum.
 - ii. Don Linklater Bursary: \$8,000 per annum or \$XXX per annum.
 - iii. Environmental Action Leaders Fund: \$51,000 per annum or \$XXX per annum.
 - iv. Biodiversity Priority Habitat Programme: \$640,000 per annum or \$XXX per annum.
 - v. River Management Grants Programme: \$65,000 per annum or \$XXX per annum.
 - vi. Manawatū River Leaders' Accord Works Grants Programme: approximately \$360,000 per annum or \$XXX per annum.
 - vii. Regional Freshwater Works Grants Programme: approximately \$360,000 per annum or \$XXX per annum.
 - viii. Environmental Grants Programme: \$87,000 per annum or \$XXX per annum.
 - ix. Whanganui Catchment Strategy: Horizons contribution of \$50,000 per annum or \$XXX per annum.
 - x. Rangitīkei Environment Group: approximately \$107,310 per annum or \$XXX per annum.
 - xi. Waitāre Beach Project: approximately \$24,440 per annum or \$XXX per annum.
 - xii. Community-led climate adaptation and emergency management planning seed fund: \$50,000 per annum or \$XXX per annum.
- d. Following review of the existing contestable grant funds, Council determines the future structure, funding level and funding source of the contestable grant programme by selecting one of the following options:
- i. **Retain existing contestable grant funds** as follows:
 - a. Climate Change Fund at \$52,250 per annum, funded from General Rates, or \$XXX per annum;
 - b. Kanorau Koiora Taketake Fund at \$383,250 per annum, funded from the Environmental Initiatives Rate, Biosecurity Rate and General Rates, or \$XXX per annum;
 - c. Regional Freshwater Community Fund at \$100,000 per annum, funded from General Rates, or \$XXX per annum;
 - d. Manawatū River Leaders' Accord Community Fund at \$100,000 per annum, funded from the Manawatū River Leaders' Accord Targeted Rate, or \$XXX per annum.
 - ii. **Establish a single contestable grant fund with total annual funding of \$XXX; and provide annual funding allocations** to projects as follows:
 - a. Biodiversity outcomes: \$XXX, funded from Environmental Initiatives Rate, Biosecurity Rate and/or General Rates;
 - b. Freshwater outcomes: \$XXX, funded from General Rates;
 - c. Climate outcomes: \$XXX, funded from General Rates;
 - d. Manawatū River Leaders' Accord outcomes: \$XXX, funded from the Manawatū River Leaders' Accord Targeted Rate;
 - e. Permits transfers between allocations where justified by application quality, funding demand or Council priorities. Any transfers between allocations would need to remain consistent with the approved funding and rating framework.

- iii. **Establish a single integrated contestable grant fund** as follows:
 - a. Establish a single integrated contestable grant fund with annual funding of \$XXX;
 - b. Biodiversity, freshwater, climate and Manawatū River Leaders' Accord projects are eligible for funding through a single contestable process;
 - c. No predetermined funding allocations apply between project categories; and
 - d. The fund is financed from:
 - i. General Rates; or
 - ii. General Rates and targeted rates as determined by Council
 - e. determines that existing contestable grant commitments are:
 - i. met from within future annual contestable grant funding provisions; or
 - ii. funded separately from future annual contestable grant funding provisions, [Council to specify how].
 - f. notes that future Ministry for Primary Industries co-funding for the Sustainable Land Use Initiative remains unconfirmed and determines the planning assumption to be used for draft 2027-37 Long-term Plan modelling and discussions with the Ministry for Primary Industries as:
 - i. \$750,000 per annum; or
 - ii. \$XXX per annum.
 - g. determines the preferred Sustainable Land Use Initiative funding scenario for inclusion in draft 2027-37 Long-term Plan budgets, rates modelling and consultation material by selecting one of the following options:
 - i. D1: rates contribution of approximately \$4.195 million per annum and planned reserve utilisation of approximately \$303,000 per annum;
 - ii. D2: rates contribution of approximately \$3.745 million per annum and planned reserve utilisation of approximately \$385,000 per annum;
 - iii. D3: rates contribution of approximately \$3.370 million per annum and planned reserve utilisation of approximately \$510,000 per annum;
 - iv. D4A: rates contribution of approximately \$3.195 million per annum and planned reserve utilisation of approximately \$303,000 per annum;
 - v. D4B: rates contribution of approximately \$3.195 million per annum and planned reserve utilisation of approximately \$510,000 per annum; or
 - vi. Alternative scenario specified by Council.
 - h. notes that detailed programme targets, grant rates, grant caps, implementation arrangements and delivery assumptions may be refined following Long-term Plan deliberations and confirmation of future Ministry for Primary Industries funding arrangements.
 - i. directs the Chief Executive to incorporate Council's decisions arising from this report into draft 2027-37 Long-term Plan budgets, rates modelling, performance measures, consultation material and ongoing discussions with the Ministry for Primary Industries.

4. STRATEGIC ALIGNMENT

4.1. Council Strategic Priorities

- Building resilience to the impacts of climate change
- A holistic approach, from the mountains to the sea (integrated catchment management)
- Strengthening partnerships with tangata whenua

4.2. Council's Community Outcomes



Our region's communities are vibrant and empowered



Our region's ecosystems are healthy



Our region's communities are resilient to the impact of natural hazards and climate change



Our region's economy is thriving and environmentally sustainable



Our region's relationship with iwi and hapū are respectful and mana-enhancing

4.2.1. The benefit to the community of this work is supporting the community to undertake actions aligned with Horizons' goals.

4.3. The matters in this report align with the following adopted policies, strategies and plans:

- Nil
- Long-term Plan
- Annual Plan

5. SIGNIFICANCE AND ENGAGEMENT

Significance Assessment

5.1.1. This report provides information requested by Council to support review of the range, quantum and purpose of Horizons' grant programmes as part of the development of the draft 2027-37 Long-term Plan. While the grant programmes discussed in this report may be of interest to affected individuals, community groups and funding recipients, this report itself does not make final decisions on grant funding. Any proposed changes subsequently adopted by Council will be considered through the Long-term Plan process. Council's Significance and Engagement Policy is therefore not considered to be triggered by this report.

Engagement

5.1.2. No separate engagement has been undertaken on the matters contained within this report. Any grant funding proposals Council chooses to include within the draft 2027-37 Long-term Plan will form part of the wider Long-term Plan consultation process, providing the

community with an opportunity to comment prior to Council making final decisions. Council's Significance and Engagement Policy is not considered triggered by matters discussed in this report.

6. FINANCIAL IMPACT

- 6.1. Grant programmes discussed in this report are funded through a range of mechanisms including general rates, targeted rates, the SLUI Uniform Annual Charge, reserves, central government co-funding and external contributions. The current and proposed funding levels for each programme are outlined later in this report.
- 6.2. Council has previously resolved to reduce funding for the four contestable grant funds from approximately \$630,000 per annum to a combined fund of \$500,000 per annum and to reduce ratepayer funding for the Sustainable Land Use Initiative (SLUI) grants programme by \$450,000 per annum. These decisions have informed current draft Long-term Plan budget assumptions.
- 6.3. Depending on Council's decisions arising from this review, there may be further implications for activity budgets, rates modelling, performance measures, staffing assumptions and programme delivery. The financial implications of the options presented in this report are discussed in the relevant sections.
- 6.4. The future cost and scale of the SLUI programme remains subject to the outcome of Horizons' application to the Ministry for Primary Industries Hill Country Erosion Programme and any subsequent decisions by Council regarding rates funding, reserve contributions and programme delivery targets.
- 6.5. Council direction on grant funding provisions is required to enable completion of draft Long-term Plan budgets, rates modelling and consultation material.

7. CLIMATE IMPACT

- 7.1. This report reviews grant funding arrangements and does not itself result in a direct climate impact. Some grant programmes discussed in this report contribute to climate resilience, carbon sequestration, biodiversity enhancement and freshwater outcomes. The climate implications of any changes to these programmes are a matter for Council to consider as part of its Long-term Plan decision-making. The Pūtea Hapori Urupare Āhuarangi Community Climate Response Fund and the Community-led Climate Adaptation and Emergency Management Planning seed funding are ongoing committed actions included in Horizons Climate Action Plan, adopted by the previous Council in 2023.

8. RISK

- 8.1. The key risks and considerations associated with the matters discussed in this report are summarised in Table 1.

Table 1: Key risks and mitigations associated with grant funding review.

Risk Area	Comment	Mitigation
Strategic and Process	Timely Council direction is required to enable completion of draft Long-term Plan budgets, rates modelling, performance measures and consultation material.	This report provides information requested by Council and identifies areas where further direction may be required.
Financial	Changes to grant funding levels, programme structure or rating mechanisms may alter draft Long-term Plan budgets and rates assumptions.	Financial implications and funding arrangements are outlined throughout the report to support decision-making.
Operational	Changes to grant funding may impact programme delivery, staffing resources and associated performance measures. Not all potential funding scenarios have been assessed in detail.	Known implications are identified where available. Further analysis may be required should Council propose material changes to grant funding levels or programme structures.
External Funding and Partnerships	Some programmes involve existing commitments, partner contributions or external funding arrangements. In particular, future SLUI delivery is dependent in part on the outcome of the Ministry for Primary Industries Hill Country Erosion Programme funding application.	Existing commitments and external funding dependencies are identified in this report.
Reputational	Changes to grant funding may be of interest to grant recipients, landowners, community organisations, iwi and partner agencies.	Any proposed changes will form part of the Long-term Plan decision-making and consultation process prior to final decisions being made.
Information Quality and Assumptions	Given the short timeframe available for preparation of this report, some funding, commitment and delivery information may require further verification as Long-term Plan work continues.	Financial assumptions, programme data and funding arrangements will continue to be reviewed and updated as part of the Long-term Plan process and future advice to Council.

9. BACKGROUND

Council direction

- 9.1. As part of the development of the draft 2027-37 Long-term Plan, Council has been considering options to achieve its preferred rates increase target and reviewing baseline expenditure. During this process Council directed the Chief Executive to present a paper on Horizons' grant programmes to enable Council to review their range, quantum and purpose.
- 9.2. Council has also made previous draft budget decisions relating to contestable grants and the Sustainable Land Use Initiative (SLUI) programme. This report provides information to support Council's review of those decisions and consideration of any further changes to grant funding.

Overview of Horizons grant programmes

- 9.3. Horizons provides funding through a range of grant and grant-like mechanisms to support environmental, community and resilience outcomes. Funding is provided through a range of sources including general rates, targeted rates, the SLUI Uniform Annual Charge, reserves, landowner contributions and central government co-funding.
- 9.4. Not all programmes discussed in this report are directly comparable (Table 2). Some are community contestable grants, while others are co-funded environmental works programmes, partnership arrangements, targeted-rate programmes or direct grant payments.

Table 2: Broad grant programme categories.

Category	Purpose	Examples
Contestable grants	Community-led environmental projects assessed against funding criteria	Biodiversity, Freshwater, Climate and Manawatū River Leaders' Accord funds
Co-funded environmental works	Support environmental works undertaken by landowners and communities	SLUI, Environmental Grants, Freshwater fencing and planting, Whanganui Catchment Strategy
Partnership and direct grants	Support delivery through external organisations and partnerships	ICON sites, Don Linklater Bursary, community-led climate seed fund
Targeted-rate programmes	Support environmental outcomes for specific communities	Rangitikei Environment Group, Waitārere Biodiversity Project

Matters for Council consideration

- 9.5. The report identifies the current range, quantum and purpose of Horizons' grant programmes and outlines existing funding commitments and arrangements.
- Council direction may be required regarding:
 - future contestable fund arrangements;
 - funding criteria and governance arrangements;
 - future funding and rating mechanisms;
 - treatment of existing commitments;
 - future funding assumptions for the SLUI programme; and
 - whether any further changes to grant funding should be reflected in the draft Long-term Plan and associated consultation material.

10. CURRENT GRANT PORTFOLIO**Overview**

- 10.1. Horizons supports environmental, community and resilience outcomes through a range of grant and grant-like funding mechanisms. Table 3 summarises the current grant portfolio, funding arrangements and key characteristics of each programme. The programmes vary significantly in scale, purpose, funding source and delivery model. Accordingly, not all programmes are directly comparable when considering future funding levels or potential savings.

Programme	Purpose	2025/26 Key Delivery	Leverages (generally)	Budget 26/27	Funding Source
CONTESTABLE GRANTS					
Pūtea Hapori Urupare Āhuarangi Community Climate Response Fund	Community climate resilience and emissions reduction projects	30 projects completed since inception in 2022, 8 underway	Community action	\$52,250	General Rates
Kanorau Koiora Taketake (KKT)	Community biodiversity projects	31 annual and 10 multi-year projects	Community action	\$383,250	Environmental Initiatives Rate, Biosecurity Rate, General Rates
Regional Freshwater Community Fund	Community freshwater projects	10 grants completed	Community action	\$100,000	General Rates
Manawatū River Leaders' Accord Community Fund	Community projects supporting Accord outcomes	6 grants completed	Community action	\$100,000	Manawatū River Accord Rate
DIRECT GRANTS					
ICON Sites	Strategic biodiversity partnerships	Ongoing programme (see table below)	Partner investment	\$861,400*	Environmental Initiatives Rate, Biosecurity Rate, General Rates
Don Linklater Bursary	Environmental education and study	Annual bursary	Student investment	\$8,000	General Rates
Environmental Action Leaders Fund	Environmental education & recognition. Previously called Pat Kelly Award	Annual awards, only open to schools and early childhood education centres in the region. 18k spent in 2025-26.	Community benefit	\$51,000	General Rates
Pilot Funding Community-led Climate Change Adaptation Planning	To build community resilience through seed funding adaptation planning	One application received and funded under this pilot.	Community action	\$50,000	General Rates
CO-FUNDED ENVIRONMENTAL WORKS					
Biodiversity Priority Habitat	Protection of priority biodiversity sites	96 sites actively managed 3.4 km fencing, 6,000 plants	Some landowner contribution. Some work 100% funded.	\$640,000**	Environmental Initiatives Rate, Biosecurity Rate, General Rates
River Management Grants	Erosion, drainage and flood protection works	7 grants completed	~70% landowner contribution	\$65,000	General Rates
Manawatū River Leaders' Accord Works Grants	Freshwater fencing, planting and restoration of fish passage	17.4 km of fencing, 57,445 riparian plants, 2 fish barriers remediated.	50-70% landowner contribution. Some fish passage work 100% funded.	~\$360,000	Manawatū River Accord Targeted Rate
Regional Freshwater Works Grants	Freshwater fencing, planting and restoration of fish passage	19.4 km of fencing, 42,591 riparian plants, 5 fish barriers remediated.	~70% landowner contribution	~\$360,000	General Rates
Environmental Grants	Erosion control and sediment reduction works	43 projects, 2,048 poles planted, 3,000 seedlings planted. 345m of fencing	~30-70% landowner contribution plus WRET share 58.8%	\$87,000	General Rates
Whanganui Catchment Strategy	Water quality and catchment improvement works	69 grants completed	30-70% landowner plus MPI share of total costs (17.3%)	\$121,500 total \$50,000 HRC	General Rates, Whanganui River Enhancement Trust (WRET) share of total costs is \$71,500
SLUI	Hill country erosion control works	2,048 ha treated including, 680,594 trees planted, 47.7 km fencing. 15,040 ha of land mapping.		\$2.57M total, ~\$2.13M HRC	SLUI UAC and SLUI reserves. MPI share of total costs is \$910,000
COMMUNITY-LED TARGETED RATE PROGRAMMES					
Rangitīkei Environment Group	Old Man's Beard control in the Rangitīkei District	Old Man's Beard control completed across 13 public reserves	Community involvement	~\$107,310	Targeted Rate
Waitārere Beach Project	Protection and restoration of Waitārere Beach dune ecosystems	Community planting day, invasive weed control and dune restoration trials	Community involvement	~\$24,440	Waitārere UAC

Table 3: Overview of Horizons grant programmes (range, quantum and purpose) based on 2025-26 year delivery (last financial year) and budgets for the current financial year (2026-27).

* Includes direct grants and Horizons-managed partnership project expenditure **Includes grants and contractor costs.

ICON Sites

- 10.2. As requested by Councillors, a breakdown of the ICON Sites programme is provided in Table 4. The funding arrangements vary between projects and include a mix of direct grant funding, Horizons-managed partnership project budgets and biodiversity management activities.

Table 4: ICON Site project summary.

Project	Purpose	2025/26 Key Delivery	Horizons Funding 2026/27*
Bushy Park Tarapuruhi	Predator-free forest sanctuary and biodiversity protection	Predator fence renewal, successful rat incursion response, 2,450 native plants established, 22 hihi (stichbird) fledged, 6,885 volunteer hours	\$52,400
Te Āpiti Manawatū Gorge	Landscape-scale biodiversity protection and recreation partnership	Pest plant and predator control, visitor infrastructure improvements, governance and strategic planning	\$424,000
Kia Whārite Biodiversity Project	Landscape-scale biodiversity and kiwi/whio (blue duck) protection	22,945 trap checks, 3,181 pests removed, whio monitoring and project refresh	\$163,000
Papangaio Te Wharangi Manawatū Estuary	Ramsar wetland and estuary protection	Pest plant control, community planting, predator trapping and education initiatives	\$78,000
Pūkaha Mt Bruce	Wildlife sanctuary and biodiversity protection	Predator trapping, old man's beard control and sanctuary biosecurity support	\$93,000
Southern Ruahine Kiwi Project	Community-led kiwi restoration programme	Governance development, predator control programme and field coordinator appointed	\$51,000
Total			\$861,400

*Note: Funding mechanisms vary between projects. The total includes direct grant funding, Horizons-managed partnership project expenditure and associated programme delivery costs.

Programme Context

- 10.3. Grant and grant-like programmes vary significantly in scale, funding source, delivery model and objectives.
- 10.4. Community contestable grants generally provide financial assistance for community-led projects, while co-funded environmental works programmes support on-ground environmental outcomes through a combination of Horizons funding, landowner contributions, community investment and, in some cases, central government co-funding.
- 10.5. Several programmes, including ICON Sites, SLUI and targeted rate initiatives, operate through partnership and co-investment models, with funding and delivery shared across multiple organisations, communities, iwi, landowners and government agencies.
- 10.6. The funding values presented in Tables 3 and 4 represent the primary programme funding identified for each activity. In some cases, these values include Horizons-managed programme delivery costs and staff time. Examples include aspects of the ICON Sites programme where Horizons staff undertake project delivery activities. In many cases, however, staff time associated with programme administration, technical advice, contract management, project support and monitoring sits outside the funding values shown.
- 10.7. This report provides information on all existing grant and grant-like programmes to support Council's review of their range, quantum and purpose. Further information and options are then presented for the contestable grant funds and the Sustainable Land Use Initiative (SLUI), reflecting previous Council budget decisions and subsequent requests for additional analysis.

11. CONTESTABLE GRANT FUNDS

Current position

- 11.1. Horizons currently operates four contestable grant funds supporting community-led biodiversity, freshwater and climate-related projects (Table 5).

Table 5: Current contestable grant funds

Fund	2026/27 budget	Current funding source
Pūtea Hapori Urupare Āhuarangi Community Climate Response Fund	\$52,250	General Rates
Kanorau Koiora Taketake Contestable Biodiversity Fund	\$383,250	Environmental Initiatives Rate, Biosecurity Rate and General Rates
Regional Freshwater Community Fund	\$100,000	General Rates
Manawatū River Leaders' Accord Community Fund	\$100,000	Manawatū River Accord Rate
Total	\$635,500	Multiple funding sources

- 11.2. As part of previous draft Long-term Plan budget discussions, Council resolved to replace the four contestable grant funds with a single contestable fund and set annual funding at \$500,000.
- 11.3. Council's subsequent direction to review the range, quantum and purpose of Horizons' grant programmes provides an opportunity to confirm, amend or revisit that position.
- 11.4. Council direction is now required on:
- the structure of the future contestable fund or funds;
 - the total annual funding provision;
 - whether funding is allocated to particular outcomes; and
 - the funding and rating approach.
- 11.5. These decisions are required to support budgets, rates modelling and preparation of the draft Long-term Plan and consultation material.

Options and considerations

- 11.6. Table 6 sets out a range of contestable grant funding options for Council consideration. Council may select one of the options presented or specify an alternative approach. The fund structure, allocation approach and rating model are connected. A single integrated fund may support a common funding source, while separate funds or outcome allocations provide a clearer basis for retaining different rating sources.
- 11.7. A consideration for Council is that some funds have existing multi-year commitments arising from previous Council funding decisions. The Kanorau Koiora Taketake Fund has commitments of \$80,167 in 2027/28 across eight projects and \$44,975 in 2028/29 across two projects. No future commitments have been identified for the Regional Freshwater Community Fund. The Pūtea Hapori Urupare Āhuarangi Community Climate Response Fund has one commitment of \$2,100 in 2027/28.
- 11.8. Unless Council determines otherwise, existing commitments would continue to be met and would reduce the funding available for new contestable grant applications in those years.
- 11.9. New regulations prescribe the activity groups that councils must use when presenting service and financial information in Long-term Plans, Annual Plans and Annual Reports. Depending on the final structure adopted by Council, a combined contestable grants fund may be reported within the prescribed "Other" activity group. A separate report on Horizons' implementation of the new reporting framework will outline the proposed activity structure and how any grant arrangements will be reflected in the 2027-37 Long-term Plan.

- 11.10. Council may select one option from each category, or direct an alternative approach. The categories are presented separately to assist Council's consideration of the available choices, however the options are interrelated and may be combined in different ways. The selected combination will form the basis of the contestable grants programme included in the draft 2027-37 Long-term Plan for consultation.

Table 6: Contestable grant fund options for Council consideration.

Option	Option Name	Description	Implications
FUND STRUCTURE			
A1	Retain four funds	Continue separate biodiversity, regional freshwater, Accord and climate funds with their existing purposes and criteria.	Retains the clearest links to current rating sources and programme outcomes but retains multiple funds and processes.
A2	Retain, combine and/or discontinue selected funds	Council determines which existing funds are retained, combined or discontinued. Funding associated with discontinued funds may either be reallocated to the remaining grant programme or contribute to savings.	Provides flexibility to align the portfolio with Council priorities. Council would need to identify the funds or outcomes to be retained and their funding levels.
A3	Combined fund with allocations	Establish one fund and allocate specified amounts to selected outcomes. Allocations could apply to biodiversity, freshwater and climate outcomes, or to any one or more of these outcomes.	Retains visibility of funding by outcome and supports alignment with funding sources, but limits movement between allocations.
A4	Combined fund with indicative allocations	Establish indicative allocations for selected outcomes, with discretion to transfer funding between them where applications or priorities justify this.	Balances visibility and flexibility, but requires clear delegation for transferring funding between outcomes.
A5	Single integrated fund	All eligible biodiversity, freshwater and climate-related applications compete for one funding pool without predetermined allocations.	Provides the greatest flexibility and allows funding to follow the strongest applications, but gives less certainty about funding by outcome and may require common assessment criteria. Any combined contestable grants fund would also need to be reflected within Horizons' Long-term Plan activity structure and reporting framework.
ANNUAL FUNDING			
B1	Retain current provision	Provide \$635,500 per annum.	No rates saving relative to the current programme budgets.
B2	Confirm previous Council decision	Provide \$500,000 per annum.	Reduces annual funding by \$135,500 relative to current programme budgets.
B3	Alternative provision	Provide \$XX,000 per annum.	Rates savings and funding available for grants would reflect the amount selected.
FUNDING AND RATING			
C1	Retain current sources proportionately	Continue using the existing rating sources and apply the increase or reduction proportionately across them.	Maintains the current distribution of funding and spreads any savings across existing rating sources.
C2	Fund entirely from General Rates	Replace the current mixed funding model with General Rates.	Simplifies funding but changes the distribution of costs across the rating base.
C3	Retain and/or discontinue selected funding sources	Retain funding from selected existing sources and discontinue or reduce others. For example, discontinuing the \$100,000 Accord Community Fund provision could reduce funding from the Manawatū River Accord Rate by \$100,000.	Allows savings to be directed to particular rates. Council would need to determine whether the related outcome remains eligible for support from another funding source.
C4	Align funding sources with allocations	Match allocations for biodiversity, freshwater and climate outcomes to the rates or other funding sources associated with those outcomes.	Provides a clear relationship between funding source and expenditure. This is most practical if Council selects fixed or indicative outcome allocations.
C5	Alternative funding mix	Council specifies the contribution required from each existing or proposed funding source, totalling \$XX,000.	Provides flexibility but requires sufficiently clear direction to enable rates modelling.

Decisions required now and after Long-term Plan adoption

- 11.11. The decisions required now are those needed to establish the draft Long-term Plan budget, rates assumptions and consultation position (Table 7). Detailed implementation can follow once Council's final Long-term Plan decisions are known.
- 11.12. Council direction on the matters identified as required now will allow staff to complete draft budgets, rates modelling and consultation material. Detailed design and administrative arrangements can be completed after Long-term Plan deliberations and adoption and before the new funding round opens.

Table 7: Council decisions for the draft Long-term Plan and subsequent implementation.

Matter	Decision-maker	Timing	Reason
Fund structure	Council	Now	Required to establish the proposed approach for the draft Long-term Plan and consultation material.
Outcome allocations, if any	Council	Now	Required to inform the LTP narrative and, where relevant, alignment with rating sources.
Total annual funding	Council	Now	Required for activity budgets and rates modelling.
Funding and rating approach	Council	Now	Required to allocate costs and savings across rating sources.
Treatment of existing commitments	Council	Now	Required to determine funding available for new applications.
Whether specific proposals are highlighted for consultation	Council	During draft consultation document development	Required to finalise consultation material.
Detailed eligibility and assessment criteria	Council or a delegated body	After LTP deliberations and adoption	Criteria should reflect the final structure, funding level and purpose adopted by Council.
Councillor panel terms of reference and delegations	Council	After LTP adoption and before the funding round opens	The panel's role depends on the final fund structure and allocation approach.
Application, assessment, contracting and reporting processes	Chief Executive and staff, within Council's direction	After LTP adoption and before applications open	These are implementation matters that can follow Council's policy and budget decisions.
First funding round under the new arrangements	The appointed decision-making body	Following LTP adoption, potentially opening from July 2027	Ensures the fund is designed and advertised after Council's final LTP decisions.

12. SUSTAINABLE LAND USE INITIATIVE (SLUI)

Current Position

- 12.1. The Sustainable Land Use Initiative (SLUI) is Horizons' primary hill-country erosion control programme.
- 12.2. Since its establishment following the 2004 storm events, the programme has worked with landowners to improve resilience to severe weather events, reduce hill country erosion, reduce sediment delivery to waterways and support sustainable land use.
- 12.3. The programme contributes directly to Council's strategic priorities by:
- improving resilience to natural hazards and climate change;
 - supporting stewardship of land and water resources;
 - partnering with landowners and central government; and
 - supporting productive and sustainable land use.

- 12.4. SLUI is delivered through a partnership model involving Horizons, central government and participating landowners. Historically total programme expenditure has been estimated at:
- approximately 42-43% funded by Horizons,
 - approximately 22% by central government; and
 - approximately 35% by landowners.
- 12.5. Since commencement in 2006, SLUI has completed more than 65,000 hectares of erosion control works and mapped more than 700,000 hectares of farmland. Excluding the programme establishment period, annual delivery has generally ranged between approximately 2,000 and 4,000 hectares per annum, averaging approximately 3,200-3,300 hectares per year.
- 12.6. Horizons has applied to the **Ministry for Primary Industries (MPI)** for co-funding of the 2027-31 programme (Table 8). If the current funding application is successful, July 2027 would mark the commencement of a sixth four-year **Hill Country Erosion Fund (HCE)** contract period and the start of the 2027-37 Long-term Plan.
- 12.7. The application recognised changing programme demand, anticipated lower government funding and emerging direction from MPI. It proposed a lower level of expenditure and lower treatment targets than assumed in the current draft Long-term Plan and existing HCE contract targets while maintaining treatment levels broadly consistent with recent programme delivery.

Table 8: Comparison of total programme funding scenarios for SLUI.

Scenario	Rates	Government	Reserves	Programme expenditure	Indicative treatment area*
2026/27 Annual Plan	\$4.033M	\$0.908M	\$0.305M	\$5.246M	3,540 ha target
Draft LTP assumptions	\$4.195M	\$0.910M	\$0.303M	\$5.408M	~2,330 ha
MPI application	\$4.144M	\$0.750M	\$0.305M	\$5.199M	~2,330 ha

*Indicative treatment areas are based on current assumptions regarding work types, grant rates, expenditure and demand. Actual delivery will vary depending on the mix of works undertaken.

- 12.8. The draft Long-term Plan currently provides for approximately \$910,000 per annum of government co-funding, consistent with the current funding agreement. Horizons has applied for \$750,000 per annum for the 2027-31 period. For comparative modelling of the future programme options, \$750,000 has been used as the planning assumption. The final level of government co-funding and any associated programme requirements remain unknown and may be affected by the scale and composition of the programme ultimately agreed with MPI.
- 12.9. The funding scenarios presented in this section represent the total cost of delivering the SLUI programme, including farm mapping, programme management, technical support, Forestry Right management, administration and grant-funded erosion control works. Changes in the indicative treatment areas presented later in this section primarily reflect changes in the grant-funded works component of the programme rather than equivalent changes across all components of programme delivery.
- 12.10. The grant-funded erosion control works programme represents a significant proportion of total programme expenditure, with the balance funding farm mapping, technical support, programme management, administration and Forestry Right management activities.
- 12.11. The indicative programme scenarios discussed later in this section primarily affect assumptions relating to grant-funded erosion control works. At this stage assumptions relating to farm mapping, programme delivery and resourcing have largely been retained. Any final programme structure and resourcing requirements would continue to be managed

in accordance with Council policy and organisational processes following Long-term Plan decisions.

Programme Delivery and Changing Demand

Historic programme performance

- 12.12. Historically SLUI has generally achieved or exceeded cumulative contract targets, despite some individual annual targets not being achieved. Cumulative delivery has exceeded cumulative contract targets by approximately 11% over the life of the programme.
- 12.13. Current contract targets of 3,540 ha and 3,635 ha are amongst the highest annual treatment targets established during the life of the programme.

Understanding hectares, allocation and expenditure

- 12.14. Interpretation of programme delivery requires care. Allocation of works, hectares completed and grant expenditure are related but not directly proportional measures.
- 12.15. Different work types have materially different grant costs per hectare. Consequently, delivery of 1,000 hectares of treatment in one year may cost substantially more or less than delivery of another 1,000 hectares in the same or another year depending on the mix of afforestation, retirement, reversion, pole planting, riparian works and other treatment types undertaken.
- 12.16. Similarly, completion rates for allocated hectares and allocated budgets differ. Historical reporting demonstrates that the percentage of allocated hectares completed is often different to the percentage of allocated budget expended. This reflects both differences in completion rates and differences in the cost of individual work types.

Programme evolution

- 12.17. Since commencement in 2006, the programme has continually evolved in response to changing landowner demand, government policy, co-funding arrangements, economic conditions and environmental priorities.
- 12.18. Council has periodically adjusted grant rates, grant caps, targeting criteria and allocation processes in response to these changes. Examples include responses to the Emissions Trading Scheme, One Billion Trees, changing carbon prices, freshwater policy, forestry regulation and evolving MPI priorities.
- 12.19. Prior to approximately 2016, the programme experienced periods of under-expenditure, in part because not all approved works were ultimately completed and claimed. In response, Council adopted an over-allocation approach, recognising that only a proportion of allocated works would ultimately proceed to completion.
- 12.20. The over-allocation model has generally improved programme delivery and target achievement and remains an important management tool within SLUI.

Landowner demand

- 12.21. Changes in programme demand are influenced not only by Council funding decisions, but also by landowners' willingness to invest their own resources in erosion control works. More recently, demand for some work types, particularly afforestation, has reduced significantly. At the same time there has been increasing interest in retirement, reversion and native vegetation outcomes.
- 12.22. In response, Council approved increases to selected grant rates and grant caps during the current contract period to encourage uptake and increase programme allocation levels.
- 12.23. Future demand is uncertain and may increase or decrease significantly in response to government policy settings, carbon markets, severe weather events, farm economics, future co-funding opportunities and wider economic conditions.

Role of SLUI Reserves

Historical reserve use

- 12.24. Historically, SLUI reserves accumulated through annual programme underspends. These reserves were subsequently utilised to support programme delivery, assist with target achievement and provide flexibility where annual expenditure exceeded budgeted levels.
- 12.25. The introduction of the over-allocation model increased the importance of reserves as a mechanism for managing annual variability between works allocated, works completed and expenditure claimed.

Current reserve position

- 12.26. Historical underspend reserves have largely been utilised. The current reserve balance is now predominantly attributable to Forestry Right investments established through SLUI, including recovery of establishment costs and revenue generated through Forestry Right transactions and carbon credits.
- 12.27. Additional Forestry Right interests remain within the programme and may generate future revenue through harvest or sale. However, future sales depend on agreement from Forestry Right partners and cannot currently be relied upon as a funding source during the 2027-37 Long-term Plan period.

Current use of reserves

- 12.28. In recent years Council has utilised reserves to offset annual rates requirements while also maintaining approved capacity to support expenditure above annual budgets should demand justify additional works. While that additional capacity has remained available and approved, lower demand has generally meant it has not been necessary to utilise reserves to support expenditure significantly beyond approved budgets.

Strategic consideration

- 12.29. Looking ahead, reserves may be used to:
- reduce annual rates requirements;
 - maintain programme delivery;
 - support over-allocation and target achievement;
 - respond to future increases in demand; and/or
 - retain flexibility to respond to future funding opportunities and changes in government policy.
- 12.30. SLUI is a long-term programme intended to improve resilience, reduce erosion and sediment delivery to waterways, and support sustainable land use. The benefits of the programme are realised over decades rather than individual funding cycles. The decisions made through this Long-term Plan will influence both future programme delivery and the role reserves may play in supporting the programme over future funding cycles.

Council's Reserve Utilisation Strategy

- 12.31. Council may choose to utilise SLUI reserves in two ways:
- as a planned component of the annual funding programme, allowing reserves to supplement annual rates funding and support a larger programme than could be funded through rates alone; and/or
 - as a strategic reserve available to support programme delivery where actual uptake exceeds annual budget assumptions. This allows Council to continue the over-allocation approach that has historically assisted achievement of programme targets, while also providing flexibility to respond to future opportunities and changing demand.
- 12.32. As at 30 June 2026, the SLUI reserve balance was approximately \$8.6 million (subject to audit confirmation). The extent to which reserves are incorporated into the annual funding

model will influence both the annual scale of the programme and the length of time reserves remain available to support future programme delivery.

- 12.33. By way of illustration, if reserves were used solely as a planned component of annual programme funding and no additional reserve income was received, the current reserve balance would support annual reserve utilisation for the approximate periods shown in Table 9. The reserve utilisation amounts align with the indicative programme scenarios considered later in this section.

Table 9: Illustrative reserve duration under potential annual reserve utilisation scenarios.

Scenario	Planned annual reserve utilisation	Illustrative reserve duration*
D1	\$303,000	Approximately 28 years
D2	\$385,000	Approximately 22 years
D3	\$510,000	Approximately 17 years
D4A	\$303,000	Approximately 28 years
D4B	\$510,000	Approximately 17 years

*Based on an indicative reserve balance of \$8.6 million. Assumes reserves are used only as part of annual programme funding, no additional reserve income is received, and no further reserve funding is required to support over-allocation, additional demand or future programme opportunities.

- 12.34. In practice, reserve duration would likely be shorter if reserves are also used to support the over-allocation model, respond to periods of increased demand, support future programme opportunities, or respond to changes in government policy and funding settings. The figures in Table 9 should therefore be considered indicative only.
- 12.35. Greater annual utilisation of reserves can support a larger programme and/or lower annual rates requirements in the short to medium term. Lower annual utilisation preserves reserves for future programme delivery, over-allocation and demand responsiveness, but requires greater reliance on annual rates funding.
- 12.36. Over time, if reserves are progressively utilised and not replaced, maintaining the same programme scale would require increased rates funding, additional external funding, future Forestry Right income, or a reduction in programme delivery.

Programme Scale and Funding Options

- 12.37. Table 10 outlines indicative programme scenarios for Council consideration.

Table 10: Indicative SLUI programme scenarios for Council consideration, using a planning assumption of \$750,000 per annum of Ministry for Primary Industries co-funding.

Option	Option name	Rates contribution	Government planning assumption	Planned reserve contribution	Total programme funding	Indicative treatment area*	Key implications
D1	Current draft LTP rates and reserve assumptions	\$4.195M	\$0.750M	\$0.303M	\$5.248M	Approximately 2,330 ha	Applies the current draft LTP rates and reserve assumptions, using \$750,000 as the planning assumption for future government co-funding.
D2	Previous Council rates decision	\$3.745M	\$0.750M	\$0.385M	\$4.880M	To be confirmed	Gives effect to the previously signalled \$450,000 reduction in annual rates funding. Planned annual reserve utilisation increases by approximately \$82,000 to partially offset the reduction in programme funding.
D3	Reduced rates funding with increased reserve utilisation	\$3.370M	\$0.750M	\$0.510M	\$4.630M	Approximately 1,400-1,500 ha, subject to testing	Reduces rates funding by \$825,000 relative to D1 and increases planned reserve use by \$207,000. This maintains a larger programme than the reduced rates contribution alone would support.
D4A	\$1 million rates reduction, lower planned reserve use	\$3.195M	\$0.750M	\$0.303M	\$4.248M	To be confirmed	Tests the requested \$1 million reduction in rates funding while retaining the D1 level of planned annual reserve use. This produces the smallest annually funded programme but preserves more reserve capacity for over-allocation and future demand.
D4B	\$1 million rates reduction, increased planned reserve use	\$3.195M	\$0.750M	\$0.510M	\$4.455M	To be confirmed	Tests the requested \$1 million rates reduction while using more reserves to support programme scale. This provides greater near-term programme funding than D4A but reduces reserve capacity more quickly.

*Treatment areas are indicative and depend on the mix of work types, grant rates, landowner participation and final programme design. The D2 to D4 treatment estimates should be confirmed through detailed financial and delivery modelling.

Programme Context

- 12.38. The future scale of the SLUI programme remains dependent on several factors that are not yet fully known.
- 12.39. MPI funding outcomes and any associated programme requirements remain unknown at the time of preparing this report. The relationship between future programme scale, Horizons' contribution and future co-funding remains uncertain.
- 12.40. Programme expenditure and hectares treated are not directly proportional. Changes in work types, grant rates, landowner contributions and the mix of projects undertaken can materially influence both expenditure and hectares completed.
- 12.41. Demand for erosion control works has historically been influenced by government policy settings, co-funding arrangements, carbon markets, farm economics, severe weather events and wider economic conditions. These factors are likely to continue to influence programme delivery over the life of the Long-term Plan.
- 12.42. SLUI reserves can support a variety of objectives including reducing annual rates requirements, maintaining programme delivery, responding to future increases in demand and retaining flexibility to respond to future opportunities or changes in government direction.
- 12.43. Lower programme expenditure is likely to reduce the rate at which highly erodible land is treated, although the relationship between expenditure, hectares treated and environmental outcomes is influenced by the types of works undertaken and levels of landowner participation.

Decisions Required

- 12.44. To enable completion of draft Long-term Plan budgets, rates modelling, consultation material and ongoing discussions with MPI regarding future co-funding, Council direction is sought on the matters shown in Table 11.

Table 11: Decisions required to progress Long-term Plan modelling.

Matter	Decision required now
Preferred programme scale and funding scenario	Yes
Rates-funded contribution	Yes
Reserve utilisation strategy	Yes
Assumptions regarding MPI funding	Yes
Detailed programme delivery targets and implementation	No
Future grant rates and caps	No
Detailed organisational and staffing implications	No

- 12.45. Detailed programme design, delivery assumptions and implementation arrangements can be finalised following Long-term Plan deliberations and confirmation of future MPI funding.

13. TIMELINE / NEXT STEPS

- 13.1. Subject to Council direction, staff will:
- update Long-term Plan financial modelling to reflect Council's preferred programme scale and funding approach;
 - continue discussions with MPI regarding co-funding for the 2027-31 programme;
 - incorporate Council's preferred approach into draft Long-term Plan for consultation; and
 - following Long-term Plan decisions and confirmation of MPI funding, finalise programme targets, grant settings and implementation arrangements.

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**Biodiversity, Biosecurity & Partnerships
Manager**

Approved by Jon Roygard
Group Manager Catchment Operations
Michael McCartney
Chief Executive
Nikki Riley
Chair

ANNEXES

There are no attachments for this report.

Report No.	26-180
Information Only - No Decision Required	

VOTING OF EXTERNAL MEMBERS ON COUNCIL COMMITTEES

1. PURPOSE

- 1.1. To inform Council of implications of recent changes to the **Local Government Act 2002 (LGA)** on the voting rights of non-elected members on Council's subordinate decision-making bodies.

2. RECOMMENDATION

It is recommended that Council:

- a. receives the information contained in Report No. 26-180 and Annex.
- b. agrees that, in accordance with Council's Significance and Engagement Policy, the matters in this report are not significant, and the appropriate level of engagement is: inform.

3. STRATEGIC ALIGNMENT

3.1. Council Strategic Priorities

- Strengthening partnerships with tangata whenua

3.2. Council's Community Outcomes



Our region's communities are vibrant and empowered



Our region's relationship with iwi and hapū are respectful and mana-enhancing

- The appointment of non-elected members to subordinate bodies is one mechanism by which Council can involve community groups more directly in decision-making.

3.3. The matters in this report align with the following adopted policies, strategies and plans:

- Nil

4. SIGNIFICANCE AND ENGAGEMENT

4.1. Council's Significance and Engagement Policy is not triggered by matters discussed in this report.

4.2. However, the implications of the Local Government (System Improvements) Amendment Act 2026 should be communicated to the affected members of Council's committees.

5. FINANCIAL IMPACT

- 5.1. No financial impacts arise from these changes to the LGA.

6. CLIMATE IMPACT

- 6.1. The implications of the Local Government (System Improvements) Amendment Act 2026 are likely to result in no impact on greenhouse gas emissions.
- 6.2. The Local Government (System Improvements) Amendment Act 2026 will affect the **Climate Action Joint Committee (CAJC)**. While the committee can continue to benefit from the skills, attributes and knowledge of its tangata whenua members, the influence of those members on the Committee's decisions may become less transparent.

7. RISK

- 7.1. The following risks have been identified in relation to the matters raised in this report:

Compliance: Council must comply with the Local Government (System Improvements) Amendment Act 2026. Failure to comply creates risks for the decisions of non-compliant committees.

8. BACKGROUND

- 8.1. The Local Government Act 2002 takes an enabling approach to how councils structure their governance arrangements. Councils may establish committees or other subordinate decision-making bodies to manage their workload and increase the efficiency of their decision-making, as otherwise, the full council would have to manage all council business, regardless of its significance.
- 8.2. Councils are not required to create committees and have flexibility in the type of subordinate bodies that are established, who should be members, and what powers they should be delegated. A council can appoint or discharge any member of a committee at any time, including external members.
- 8.3. Councils may also establish joint committees with other local authorities or public bodies. Joint committees are deemed to be committees of each of the participating bodies, and the provisions that apply to committees are generally applied to joint committees.
- 8.4. Committees remain under the control of the council and are required to carry out all directions given by the council. Despite delegation of a function to a committee, the legal responsibility to perform that function remains with the council.
- 8.5. Councils have the ability to appoint external members to council committees if they have skills, attributes, or knowledge that would assist the committee in its decision-making. Prior to 19 September 2026 there were no legislative restrictions on external members' ability to discuss and vote on committee business. Councils set the conditions for external members such as whether or not to allow external members to vote.
- 8.6. It is common for council committees to have external members. A desktop research-based review of councils in the 2022-2025 term conducted by the Department of Internal Affairs found that every council in New Zealand had at least one committee with an external member.
- 8.7. The LGA has been amended to reserve voting rights at council committee meetings to only elected members of the local authority (new s31A). For joint committees, this also includes elected members of another local authority. Non-elected members may continue to be appointed to council committees and contribute their expertise and perspectives. However, unless an exception applies, non-elected members will no longer:

- vote at committee meetings
- count towards a committee's quorum

8.8. Committees constituted or continued by other enactments or treaty settlements are exempt from this requirement. Committees or types of non-elected member can also be exempted by Order in Council.

9. DISCUSSION

9.1. Horizons currently has two committees with voting members who are not HRC elected members. They are as follows:

Committee	HRC voting members	Non-HRC voting members	Implications of System Improvements Act
Passenger Transport Committee	At least 5	7 members, 1 from each TA	Revise quorum so that it only applies to HRC elected members. Revise decision-making provisions to recognise that non-HRC-elected members must not vote.
Regional Transport Committee	2	7 members, 1 from each TA 1 NZTA member	None. This committee is required to be established under the Land Transport Management Act 2003 and is therefore exempt.

9.2. Horizons is currently a member of three joint committees with voting members who are not elected members of the member councils. They are as follows:

Joint Committee	Elected members of a member council	Voting members who are not elected members of a member council	Implications of System Improvements Act
Climate Action Joint Committee	8 local authority members (1 per council) Cr Kuru Ketu (a tangata whenua member)	Up to 8 members to represent tangata whenua (Currently 6 non-elected members, 1 vacancy, 1 elected member)	Revise quorum so that it only applies to elected members. Revise decision-making provisions to recognise that non-elected members must not vote.
Te Kōpuka nā Te Awa Tupua	4 (1 per council)	6 members of Te Ripo (iwi and hapū) 1 member from Fish and Game 1 member from DOC 5 members to represent community and businesses	None. Committees established by treaty settlements are exempt.
Ngā Wai Tōtā o Te Waiū	4 (1 per council)	4 members representing 4 iwi authorities/post-settlement governance entities	None. Committees established by treaty settlements are exempt.

- 9.3. For completeness, the local authorities of the Manawatū-Whanganui region, and the Crown, are able to appoint voting non-elected members to the Manawatū-Whanganui spatial planning committee (not yet established) as the spatial planning committee is required to be established by the Planning Act 2026 and is therefore exempt.
- 9.4. The Manawatū-Whanganui Emergency Management Committee is also able to appoint voting 'associate members' to itself under the Emergency Management Act 2026. Officers intend to bring advice on this to the Emergency Management Committee in December.

9.5. **Passenger Transport Committee**

- The **Passenger Transport Committee (PTC)** has the following HRC members:

Councillor	Constituency	Note
Jono Naylor	Palmerston North General	At least one Palmerston North constituency councillor is required by the ToR
Hamish Easton	Horowhenua General	
Ben Fraser	Whanganui General	At least one Whanganui constituency councillor is required by the ToR
Elijah Pue	Raki Māori	
Alan Taylor	Whanganui General	

- The PTC terms of reference should be amended to revise the provisions related in quorum and the voting rights of the TA members. However, Council is not required to remove the TA members from the PTC.
- The LGA requires that committees have a minimum of 3 members (and at least 1 member must be an elected member of the local authority). Quorum for a committee must be set at something not lower than 2 members. Therefore, the existing HRC membership of the PTC more than meets the requirements of the LGA. The PTC will also continue to benefit from the perspective of each TAs representative around the committee table. However, Council may wish to consider whether the PTC would have the right number and mix of voting members once the TA representatives cease voting.
- As the PTC is a regional council committee, its terms of reference can be amended by the regional council at any time.

9.6. **Climate Action Joint Committee**

- The CAJC terms of reference should be amended to revise the provisions related to quorum and the voting rights of the tangata whenua members. However, Council is not required to remove the tangata whenua members from the CAJC, and the CAJC can continue to benefit from the skills, attributes and knowledge of its tangata whenua members.
- The process for amending the terms of reference of the CAJC is set out in the terms of reference as follows: 'Changes will be approved by the parties [i.e. the member local authorities], on the recommendation of the Climate Action Joint Committee.'
- The Chief Executive has written to the co-chairs of the CAJC to advise them of this.

10. **TIMELINE / NEXT STEPS**

- 10.1. The restriction on non-elected members voting and counting towards quorum comes into force on 19 March 2027.
- 10.2. Officers will bring a report seeking a decision on the terms of reference of the PTC to a future Council meeting.

- 10.3. Officers will bring a report seeking a decision on the terms of reference of CAJC to the next meeting of the CAJC.

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Nikki Riley
Chair

ANNEXES

- A Letter from Hon Simon Watts: Voting at council committee meetings

Hon Simon Watts

Minister for Building and Construction
Minister of Climate Change
Minister of Local Government
Minister of Revenue
Minister for Auckland



29 SEP 2026

Mayors and regional council chairs
By email

Dear Mayors and Chairs

Voting at council committee meetings

On 18 September 2026, the Local Government (System Improvements) Amendment Act 2026 received Royal assent. The Act reserves voting rights on council committees, joint committees, subcommittees, and other subordinate decision-making bodies ("specified committees") for elected members only.

As I have stated previously, the purpose of this change is to strengthen democratic accountability. Councils may continue to appoint non-elected members to specified committees to provide expertise, stakeholder perspectives, or community representation. However, unless an exception applies, non-elected members must not vote and are not counted toward the quorum of the meeting.

Your council must comply with the Act from 18 March 2027. The purpose of this transition period is to ensure you have enough time to change the structure of or delegations to your council's specified committees, if required.

The Act also provides for certain exceptions. These include committees or appointments that are required under or for the purposes of another enactment and arrangements required to give effect to Treaty settlements.

Additionally, the Act provides for the Governor-General, on the recommendation of the Minister of Local Government, to grant exceptions where the Minister is satisfied these are necessary or desirable. Exceptions may be time-limited or indefinite, and with or without conditions.

My expectations are that exceptions will be granted rarely. The Government's policy is that non-elected members should generally be non-voting. Councils seeking an exception will therefore need to demonstrate a clear and specific justification that supports the statutory test that the exception is necessary or desirable.

The next page of this letter contains information on how requests for exceptions will be considered.

If your council considers that an exception may be required, I encourage you to submit a request in writing to the Minister of Local Government by 18 November 2026 enclosing:

- A copy of a resolution from your council in support of the exception.
- Information about the issue the exception would address, why existing governance arrangements would not adequately address the issue, and how the council would manage the issue without an exception.
- Information about the role of the committee, the proposed role of non-elected members, and the steps that would be taken to maintain democratic legitimacy and public accountability.
- Information about how the exception fits within the broader statutory framework, including any comparable precedents.

Requests regarding a joint committee should ideally have the support of all councils who are members of the joint committee.

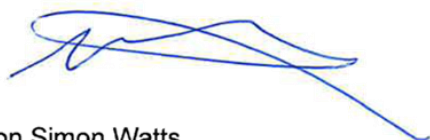
Requests should contain sufficient information for the Minister to recommend the exception to the Governor-General.

Officials at the Ministry for Cities, Environment, Regions and Transport (MCERT) will assess any requests received and provide advice to the Minister of Local Government after the election. It is my intention that decisions will be made and communicated early next year, and exceptions will come into force at the end of the transition period.

If you require more information:

- Visit the MCERT website at www.mcert.govt.nz/our-work/local-government/local-government-system-improvements/.
- Contact your MCERT Local Government Partnership Director.

Yours sincerely



Hon Simon Watts
Minister of Local Government

Report No.	26-181
Information Only - No Decision Required	

COUNCILLORS' WORKSHOP ATTENDANCE - 15 SEPTEMBER TO 19 OCTOBER 2026

1. PURPOSE

- 1.1. This item is to note the Councillors' Workshop Attendance from 15 September to 19 October 2026.

2. RECOMMENDATION

It is recommended that Council:

- a. receives the information contained in Report No. 26-181 and Annex.

3. SIGNIFICANCE

- 3.1. This is not a significant decision according to the Council's Policy on Significance and Engagement.

Cara Hesselin

GROUP MANAGER GOVERNANCE ENGAGEMENT & TRANSFORMATION

ANNEXES

- A Councillors' Workshop Attendance

**HORIZONS REGIONAL COUNCIL
COUNCILLORS' WORKSHOP ATTENDANCE**

(For the period)

15 September to 19 October 2026

Date	Details	Councillor Attendance
15 September 9.30am - 5.05pm	- LTP - Infrastructure and Financial Strategies - LTP - Revenue and Financing Policy Step 1 Follow Up and Step 2 Principles - Te Awa Tupua	Present: Cr AR Taylor Cr BG Fraser Cr EB Gordon (from 9.55am to 4.30pm) Cr EJT Pue (in person to 3.00pm then via Zoom from 3.34pm to 3.58pm) Cr FJT Gordon (from 10.00am) Cr GM McKellar (via Zoom) Cr HC Easton (via Zoom) Cr JM Naylor (from 10.00am) Cr LL Jansen (to 4.35pm) Cr NM Riley Cr SL Dryland Cr T Teira Cr WK Te Awe Awe Cr PF Wells
16 September 9.30am - 4.36pm	- PX LNIRIM Update - LTP - Follow Up Statutory Obligations / Māori Participation (1) - LTP - Performance Framework / Los (1) Catchment Operations and Other Remaining Activities - LTP - Financial Policies (Liability and Investments Policies) -	Present: Cr AR Taylor (to 3.00pm) Cr BG Fraser (to 3.30pm) Cr EB Gordon (via Zoom) Cr FJT Gordon (from 1.00pm) Cr GM McKellar (from 9.30am to 2.35pm) Cr HC Easton (via Zoom to 12.30pm) Cr JM Naylor (to 12.44pm then via Zoom) Cr LL Jansen (via Zoom from 1.00pm) Cr NM Riley (to 1.00pm - attending other Council business) Cr SL Dryland (via Zoom from 10.21am to 4.00pm) Cr T Teira Cr WK Te Awe Awe (from 10.30am to 1.00pm and from 2.45pm) Cr PF Wells Apology: Cr EJT Pue

Date	Details	Councillor Attendance
22 September 11.12am - 12.08pm	- PX Plan Change 2 Ngāta Turanga - Settlement Agreement Workshop	Present: Cr AR Taylor Cr BG Fraser Cr EB Gordon Cr EJT Pue Cr FJT Gordon Cr GM McKellar Cr HC Easton (via Zoom) Cr JM Naylor Cr LL Jansen Cr NM Riley Cr SL Dryland (via Zoom) Cr T Teira Cr WK Te Awe Awe Apology: Cr PF Wells
23 September 12.30pm - 4.32pm	- PX Regulatory Matters Workshop	Present: Cr BG Fraser Cr EB Gordon Cr EJT Pue Cr FJT Gordon Cr GM McKellar (via Zoom) Cr HC Easton (via Zoom) Cr JM Naylor (from 12.30pm) Cr LL Jansen Cr NM Riley Cr SL Dryland Cr T Teira Cr WK Te Awe Awe (from 9.55am Cr PF Wells Apology: Cr AR Taylor
6 October 10.00am - 4.00pm	- LTP - Infrastructure Strategy - PX LTP - Budget (1) First Cut	Present: Cr AR Taylor (from 9.54am) Cr BG Fraser Cr EB Gordon (via Zoom) Cr EJT Pue (to 2.30pm) Cr FJT Gordon (via Zoom to 11.00am and then in person to 12.04pm) Cr GM McKellar (via Zoom from 10.00am to 1.50pm) Cr HC Easton Cr LL Jansen (via Zoom to 10.30am then in person) Cr NM Riley Cr SL Dryland Cr T Teira Cr WK Te Awe Awe Cr PF Wells (from 10.25am) Apology: Cr JM Naylor

7 October 8.30am - 12.25pm	- PX LTP - Budget (1) First Cut Overflow - LTP - Forecasting Assumptions Update	Present: Cr AR Taylor Cr BG Fraser Cr EB Gordon (from 9.15am) Cr EJT Pue Cr FJT Gordon (from 9.10am) Cr GM McKellar (via Zoom from 9.45am) Cr HC Easton Cr LL Jansen (from 9.36am) Cr NM Riley Cr SL Dryland Cr T Teira Cr WK Te Awe Awe Cr PF Wells (via Zoom to 11.00am then in person) Apology: Cr JM Naylor
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Public Excluded Section

RECOMMENDATION

That the public be excluded from the remainder of the Council meeting as the general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Long-Term Plan 2027-37 Budget - Getting From Draft 2 To Draft 3	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons. This report discusses budget proposals for the 2027-37 LTP that may have possible implications for staff retention.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX2 South-East Ruahine Scheme	s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege. The withholding of the information is necessary to maintain legal professional privilege.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX3 River Management Leases	s7(2)(i) - the withholding of the information is necessary to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). The withholding of information is necessary to enable negotiations without prejudice or disadvantage.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX4 Horowhenua Bus Services - Existing Contract Renewal	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good

	unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information. Procurement decision relating to a contract award. s7(2)(i) - the withholding of the information is necessary to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	reason for withholding exists under section 7.
PX5 Chief Executive Vacancy 2027 - Appointment Process (Supplementary Report)	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX6 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release		