



TE PŪRONGO Ā-TAU
Annual Report 2020

*"Ka mea, e tama! Ka roi i tō kete tuauri,
Hai amonga māhau ki te pūtake o ngā kōrero.
Whakarewaia ki runga i te pakihwi,
He hikitanga, he hāpainga,
He amonga, he ārewa, he tauira,
Tukunga ō kai, heketanga ō kai.
Ka heke ngā kai, ka heke ki te pūkenga;
Ka heke ngā kai, ka heke ki te wānanga;
Haruru te ika ki te pū mate kahu,
Kai te ara tiatia, kai te ara tōngakengake,
Uru o Tangaroa ki te karapinepine i uta rā
Mānawa mai hoki, mānawa mai hoki.*

*Koia Te Whatuiāpiti, e!
Ka rongo te pō, ka rongo te ao,
Rongo te kī, rongo te rea,
Rongo ka huakina ki te ao mārāma,
Te rongo koi oi-nuku, koi oi-a-rangi,
Waiho noa he ingoa mō kōrua, e
Ka rongo te ihumoana,
Ka rongo te tepetepe moana,
Ko rongo tuatea, ka rongo pāhoka-i-te-rangi;
Ka rongo ka rongo te hau whakarawarawa,
Ka rongo te uru, e pū mai rā,
I tēnei popoki!"*

As this karakia has, in our past, dedicated children at birth, so may it dedicate this report to bear well for the children and grandchildren of Heretaunga Tamatea, both present and future.

Cover photo by Te Taiwhenua o Heretaunga © - students of Te Aute College supporting Tihei Mauri Ora deliver firewood to whānau. Firewood donated by our Kaweka Gwavas Forestry Company Limited and Pan Pac Forest Products Limited.

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HERETAUNGA TAMATEA SETTLEMENT TRUST

AGM

Nau Mai Haere Mai

11.00am, Saturday 26 September, 2020
HTST Offices 960 Omaha Road, Frimley, Hastings

AGENDA

Karakia	
Mihimihi	
Apologies	
Introductions - Governance Board	HTST Chairperson
Minutes of AGM 2019	
2019/2020 Annual Report	HTST Chairperson
2019/2020 Financial Report	BM Accounting Limited
2019/2020 Auditor's Report	Bay Audit & Accounting
Appoint Auditor	HTST Chairperson
Trustee Remuneration	HTST Chairperson
Constitutional Review	
General Business	
Karakia	
Refreshments to follow	

Kaweka Gwavas Forestry Company Limited AGM will precede the HTST AGM at 10.00am.

For more information please contact the office on:
06 876 6506 or 0800 TAKITINI (825484)

Live stream of both AGMs will be available via the HTST website.
Copies of all reports are available at

www.heretaungatamatea.iwi.nz

TE MIHI A TE TIAMANA - MESSAGE FROM THE CHAIR

ELIZABETH GRAHAM

*He hono tangata e kore e motu; kāpā he taura
waka e motu*

Tēnā tātou katoa!

This is the fourth annual report presented on behalf of the Board. We have covered a lot of ground over the past twelve months since we last met. It is also pleasing to report another profit and an unqualified audit, as with previous years.

Heretaunga Tamatea Settlement Trust is a firmly established Board with a staff of experts dedicated to the settlement redress. As I write, it is exactly two years to the date that we became a 'settled' entity – 22nd August 2018. Within those two years we have covered so much uncharted territory; although we realise and acknowledge that this may not be as speedy as some expect or want, we are confident that we are on target and working within the projected timeframe.

We have a qualified staff member, Te Otane Huata, who is responsible for the necessary due diligence on the deferred properties which are part of our settlement package. The opportunity to buy back the first of these properties was made available to us. After comprehensive investigation, we agreed to purchase what is known as the 238 Stock Road, Bridge Pa property, neighbouring the deferred property. We believe in the future of this property and all that it can bring us with a variety of possibilities and

Liz Graham



Tiamana
Chairperson

options across the social fabric of all who whakapapa to our claim. Tane continues to perform investigations and exercises due care with the other opportunities within our settlement.

Cultural and environmental redress are in the very capable hands of Victoria Wilson and Joella Brown whose expertise in their chosen fields is supporting particular elements of our claim – the effects of years of neglect and abuse in our environment and those physical taonga physically lost or stolen.

Complementing the new expertise is Shar Puketapu-Kingi who elevates the support to the Trustees and the Chief Executive. Shar brings significant secretarial experience with legal practitioners, Mayors and senior local government executives.

There has been a lot of thought, discussion, consultation with you via your Board representative, regarding investment strategy. All of your opinions, beliefs and positions have been very carefully considered and from those we now have an





investment strategy. A part of this strategy is to have an entity comprising three Board members and three independents who will enact the investment strategic plan. Their priority is to protect the settlement.

Within our terms of settlement, we are required to begin a consultation process of a constitutional review. Covid-19 interfered with this, which until that time was on track. As I write this report, we are once again on target with this process ready to roll out. This will involve a consultation process with all of our hapū; the appointed facilitator will coordinate hui and collate the data to feed back to the Board. This is a very important step and we hope that you all take part in this procedure so that the guardianship and administration of our settlement is overseen in the way you want. Heretaunga Tamatea Settlement Trust is exactly as the name suggests; an entity that comprises two areas within the term "Large Natural Group". The 'elephant-in-the-room' that should be addressed is the very entity itself, Heretaunga and Tamatea. The constitutional review will give opportunity for that discussion.

In July we fulfilled another milestone, the transfer of \$5 million to a new entity: Te Aute College Sustainability Trust. This Trust comprises representatives of ngā marae o Whatuiāpiti, Pukehou and Kahurānaki, Hāhi Mihingare, Te Aute

Principal (non-voting) and HTST (3-year period). To date, we have also made \$1 million distributions to 7 marae, recognising that in this area of operations we are now behind our target and take this occasion to encourage other marae to complete the documentation and file for their distribution.

Finally, despite receiving considerable criticism for running a Treaty of Waitangi Claim without a strategic plan, I remain convinced that this has been the right move. This has enabled all within the respective hapū of our claimant area to have a say in writing not only the strategic plan, but also the investment strategy and in my humble opinion, this can only be a good thing which gives voice to all the people and not just those who sit on a board.

On behalf of Heretaunga Tamatea Settlement Trust Board, I present the 2020 Annual Report.

In these times of unprecedented disease ravaging the world in which we live, let us keep ourselves and our loved ones safe.

Liz Graham
Chairperson

NGĀ TARATĪ TRUSTEES



Houngarea Marae | Tanira Te Au

2017-2020



Kahurānaki Marae | Leon Hawea

2017-2020



Kairākau Marae | Tuakana August

2019-2022



Kohupātiki Marae | Margaret McGuire

2019-2022



Korongatā Marae | Laura-Margaret Kele

2019-2022



Mangaroa Marae | Cordry Huata

2019-2022



Matahiwi Marae | Taketaketu o Te Rangi Mulligan

2017-2020



Mataweka Marae | Kohine Rata

2017-2020



Mihiroa Marae | Sarah Reo

2017-2020



Omahu Marae | Renata Hakiwai

2017-2020



Pourēre Marae | Henare Kani

2019-2022



Pukehou Marae | Elizabeth Graham

2019-2022



Rākautātahi Marae | Brian Morris

2019-2022



Rongomaraeroa Marae | Dr. David Tipene-Leach

2017-2020



Ruahāpia Marae | Peter Paku

2019-2022



Rūnanga Marae | Noel Berney

2019-2022



Te Tapairu Pā | Waireamana Kara

2017-2020



Taraia Marae | Kane Koko

2019-2022



Te Awhina Marae | John Matthews

2017-2020



Te Rongo a Tahu Marae | John Barry Heperi-Smith

2019-2022



Te Whatuiāpiti Marae | Erin Sandilands

2017-2020



Waimārama Marae | Wikitoria Osbourne

2019-2022



Waipatu Marae | Ngahiwi Tomoana

2017-2020

NGĀ KŌMITI COMMITTEES

John-Barry Heperi-Smith



HTST Member

Sarah Reo



HTST Member

Dr. Annemarie Gillies



Independent Member

Viv Bull



Independent Member

Peter Ellis



Independent Member

Emma Horgan



Secretary

AUDIT & RISK COMMITTEE

John-Barry Heperi-Smith, Sarah Reo, Dr. Annemarie Gillies, Viv Bull and Peter Ellis bring independent legal, accounting and cultural expertise to the HTST Audit & Risk Committee, ensuring the Trust's financial and other affairs are conducted in accordance with all legal and professional requirements.

Established in June 2019, Chairperson – JB and Sarah are the HTST appointees to the committee and Dr. Gillies, Viv and Peter are the independent appointments, selected following a comprehensive recruitment process.

Emma Horgan provides secretarial support to this committee.

The committee meets quarterly, with scope to meet more often if required. John Barry has been happy with progress and the committee's ability to perform its role within culturally sensitive parameters.

INVESTMENT COMMITTEE

HTST has commenced the process for establishing the Investment Committee. Three trustees from HTST have been appointed. These are: Dr. David Tipene-Leach, Renata Hakiwai and Ngahiwi Tomoana. HTST is currently recruiting three (3) independent members to the committee who will be appointed by September 2020.

The Investment Framework has been developed, which comprises of the Investment Strategy, the Statement of Investment Policies and Objectives and the investment scorecard. The scorecard will assist the committee to assess new investment proposals brought to HTST for consideration, either through the trustees, the independents, other individuals or through other means.

Revenue for HTST has largely been generated from a series of multi-term deposits. Following the appointment of the Investment Committee, funds will be placed with Fund Managers. This is expected to lift the return on investment to 4%.

HTST will also embark into direct investment that will include property development, amongst other things. The first investment was the purchase of 22 hectares at 238 Stock Road, Bridge Pa. This asset base will grow once the Deferred Selection Properties become available from August/September 2020.

Dr. David Tipene-Leach



HTST Member

Ngahiwi Tomoana



HTST Member

Renata Hakiwai



HTST Member

The 2019-2020 financial year will be remembered for the Covid-19 pandemic Level 4 lockdown that started on 25 March 2020 and continued for a further seven (7) weeks. In Heretaunga Tamatea the Tihei Mauri Ora distribution centre was established to provide manaakitanga and kaitiakitanga support to whānau and communities.

HTST collaborated with Tihei Mauri Ora and their Community Champions through the distribution of vouchers to assist with food and petrol expenses. This was made possible through funding grants received from the Hastings District Council Rapid Response Fund (\$5,000.00) and \$10,000.00 from the Community Awareness and Preparedness Grant Fund.

A donation of \$5,000.00 was made available to each of its Heretaunga Tamatea marae on application. This is still available to those marae yet to apply. The following marae received the donation:

- Hougarea Marae Committee
- Kahurānaki Marae
- Kohupātiki Marae Trustees
- Korongatā Marae Committee
- Mangaroa Marae

- Mataweka Marae
- Mihiroa Marae Committee
- Ngā Hapū o Rūnanga Trust
- Ngā Karanga Hapū o Kairākau
- Pukehou Marae Trustees
- Rākautātahi Māori Committee
- Rongomaraeroa Marae
- Ruahāpia Māori Committee
- Taraia Marae
- Te Tapairu Pā
- Te Whatuiāpiti Marae
- Waimārama Māori Committee
- Waipatu Marae

HTST also supported families with 44 tonnes of firewood. This was sourced from Pan Pac which operates the Kāweka and Gwavas Crown Forests on licensed land owned by HTST. This was cut and supplied direct to the door steps of our kaumātua and other families.



08-June-2020

www.Covid19.govt.nz

COVID-19

This is the Novel Coronavirus Covid-19 Pandemic, declared March 11th, 2020.

Alert Level 4 26.03.20

Alert Level 3 28.04.20

Alert Level 2 14.05.20

12.08.20

Alert Level 1 08.06.20

NZ: **12 active cases** of Covid-19.

1,729 NZ'ers had Covid-19

22 lives lost

Borders remain closed to the world except for returning kiwis & quarantine:

- *14 days on arrival.*

NGĀ MIHI NUI AOTEAROA



TE MIHI A TE TARI

It seems longer but almost two (2) years has passed since the enactment of the Heretaunga Tamatea Claims Settlement Act 2018. It has been a fulfilling year with a number of key achievements.

The first is the establishment of the joint - management group for Whatumā Lake. Comprising of two members appointed by the Aorangi Māori Trust Board – Dr. Roger Maaka and Arapera Paewai – and two members appointed by HTST – Haana Wilcox and Joanne Heperi – the vision is the restoration of the vibrant lake and wetland ecosystems. The major threats to the lake are the invasion of exotic willows, predators and low summer water levels. Formerly conservation land, the Department of Conservation has contributed to the restoration through grant funding, which together with the HTST contribution, will enable the development of a restoration plan that includes options for maintaining water levels during the summer months.

Another is the establishment of the Te Aute College Sustainability Trust. This Trust was established to manage the \$5 million fund negotiated to support the long term sustainability of the College.

Work continues establishing the framework to manage the settlement redress secured in the Deed of Settlement. Of particular importance are the statutory acknowledgements and recognition to hapū over our rivers, streams, tributaries, scenic reserves as well as relationship agreements with the Crown that recognise partnership arrangements under Te Tiriti o Waitangi.

HTST has also continued with the \$1 million distribution programme. Nine (9) marae have received their putea so far, with fourteen (14) remaining distributions to be paid.

Election 2019 saw three (3) new trustees elected at Korongatā Marae, Rūnanga Marae and Taraia Marae. The coming 2020 - 2021 financial year will see Election 2020, where eleven (11) marae have the opportunity to consider their representative for the coming three (3) years.

The promised evaluation of HTST's constitutional arrangements was delayed but this workstream is important and it will be prioritised in the 2020 - 2021 year.



As Chief Executive, the year has been rewarding with steady progress since HTST was established. We have continued to profit every year, even with significant establishment costs and settlement expenses incurred by He Toa Takitini. 2019 - 2020's net profit of \$1.15 million is particularly satisfying with income largely from passive term deposit investments that suffered from global influences and a decline in the official cash rate from 1.75% in 2017 to 0.25%.

We continue to grow our relationships with key organisations including Hawke's Bay Regional Council, Hastings and Central Hawke's Bay District Councils. A key workstream is the formal relationships with government that are commencing with Ministry for Culture & Heritage, Department of Internal Affairs, Archives and Te Papa Tongarewa and Department of Conservation. Later in the year HTST will work with the Ministry for the Environment and the Ministry for Primary Industries. More locally we will define the scope of collaborations with Te Taiwhenua o Heretaunga and our Ngāti Kahunugunu Iwi Incorporated.

Ahead will be the engagement with our marae as we together co-design the framework for protecting our taonga and managing the redress within Heretaunga Tamatea. We also look forward to broadening our Treaty relationships with the private sector. This will be especially important as we move to address pressing issues within our region, including housing and water security.

Particularly satisfying has been the new staff that has joined HTST, commencing with our registrations and communications team in July 2019 and latterly our senior analysts and executive support in 2020. The broad expertise and specialist skill set has nicely complemented the longstanding Meihana Watson and Kahu Chadwick.

HTST has been strongly positioned to move confidently into this next important phase of

growing our influence within our tribal rohe. I am so pleased to welcome the new staff members and the valuable skill sets that they bring to HTST.

The relationship with our governors has also been satisfying with sterling support from HTST Chairperson, Liz Graham, Deputy Chairperson, Cordry Huata, and Treasurer, Erin Sandilands, who continue to be encouraging and complimentary. Thank you. It is our honour to serve you. Together with our Trustees, we look forward to progressing the 2020 - 2021 workplan.

STAYING SAFE AND HEALTHY

Health and safety responsibilities have been a function of the Chief Operations Manager, Meihana Watson. The increased staff levels and the Covid-19 pandemic has prompted a review of the Health & Safety framework with a proposal to establish a committee of independent advisers. The first task will be to establish a framework of critical risks and mitigations to ensure HTST is a safe and healthy workplace.

HTST made significant progress advancing its aspirations set out in the 2018 - 2019 HTST Annual Plan. Major workstreams concerned the establishment programmes. These included the medium-term Five Year Strategic Plan, "Whanake Te Kura 2019 - 2024", the associated Investment Strategy to guide the growth of the asset base and the constitutional review to evaluate the current HTST fundamental arrangements.

INVESTMENT PORTFOLIO

Moving from passive to direct investment..

Managing HTST's investment portfolio has been the responsibility of Kahu Chadwick from March 2017, when the first \$45,500,000 was received, followed by the balance of \$54,500,000 (\$105 million in total) on 22 August 2018. \$8,906,950 in accumulated rentals came across from the Kāweka and Gwavas Crown forests.

For the first three (3) years, HTST's funds have been deposited in a series of terms deposits of various amounts with five of the largest banking institutions that included – Bank of New Zealand, Kiwibank, ASB, ANZ and Westpac. Interest rates have had a credible average of 3.5%. Although considered to be a conservative strategy, the funds were not impacted by the drop in the official cash rate (OCR) to a low of 0.25% that occurred in late 2019 and HTST was spared any significant loss from stock market investments experienced by many other organisations at the time.

Liz Munroe



Kāhu Kōrako
Chief Executive

Meihana Watson



Te Kākākura
Operations Manager

Shar Puketapu-Kingi



Te Miromiro
Executive Assistant

Kahu Chadwick



Te Waka Huia
Finance Operations

Victoria Wilson



Te Toroa
Senior Policy Analyst

Joella Brown



Te Tititipounamu
Senior Policy Analyst

Tane Huata



Te Tūi
Senior Commercial Analyst

Joanna Kaukau



Te Kōpara
Senior Administrator

Te Ara-Ripeka Rangihuna



Manu Tukutuku
Communications

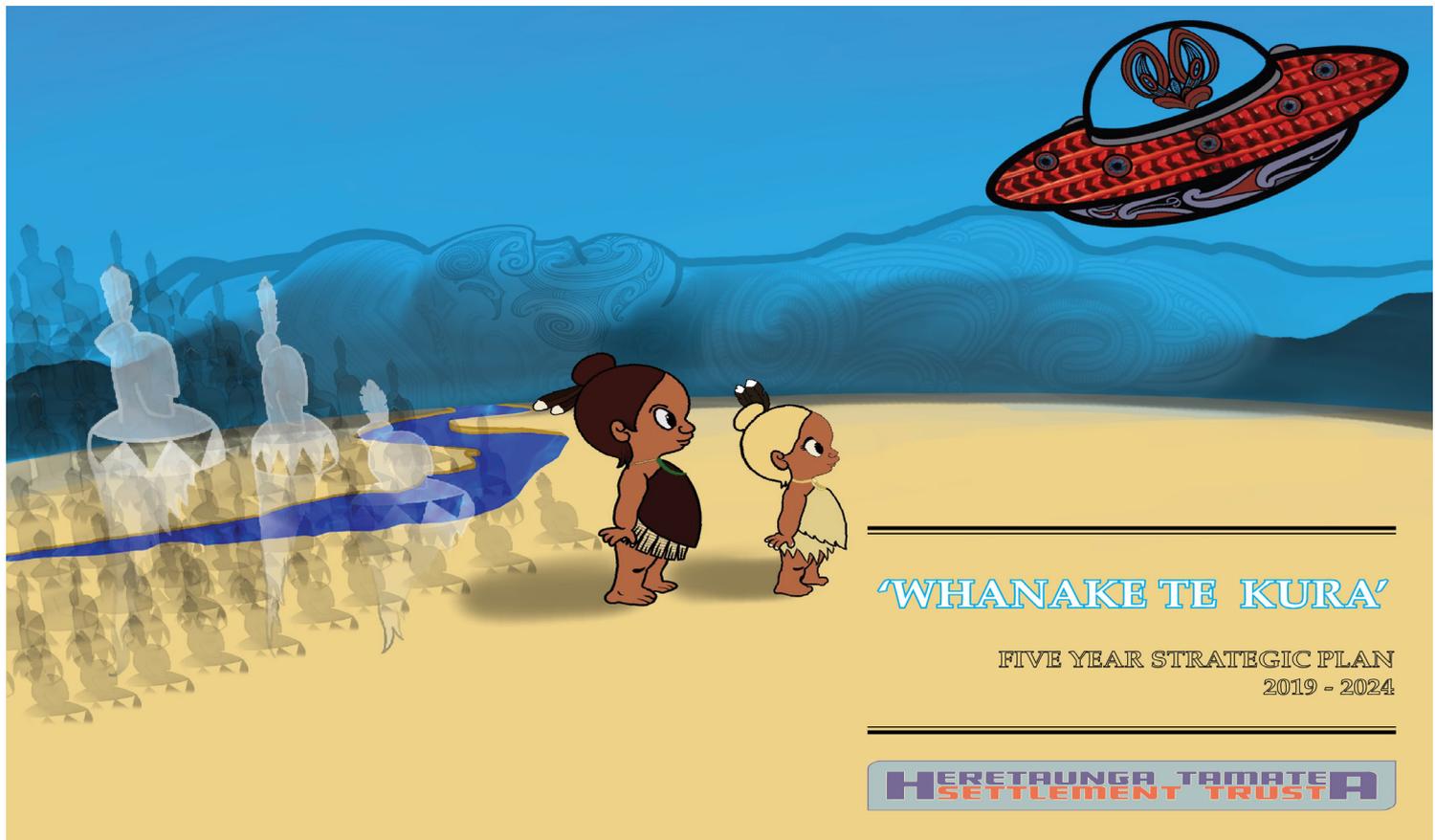
Tyla Walker



Taura Here
Registrations

HERETAUNGA TAMATEA POST SETTLEMENT 2019 - 2020

WHANAKE TE KURA 2019-2024



Our people have been generous over the years giving their time to make their aspirations clear to the Trustees. The medium term vision is contained in HTST's Strategic Plan: Whanake Te Kura 2019 - 2024 and provides both certainty and guidance in respect of the governance and management of the settlement redress and the growth of Heretaunga Tamatea. Planning commenced in 2017 and the plan was presented to Heretaunga Tamatea in September 2019.

INVESTMENT STRATEGY

Key goals in the 2019 - 2020 financial year were the development of the Investment Framework and the appointment of an Investment Committee. These two mechanisms guide the commercial management of the large HTST asset base until such time as the constitutional review has been completed. It is not until then that HTST can consider the establishment of an asset holding company. This interim strategy was informed by hui with other post-settlement governance entities in 2016 - 2017 that advised on different models for asset management. In the meantime, the driving guide is the footprint of Rongokako and enhancing this footprint in every possible space.



\$1M DISTRIBUTION PROGRAMME

Heretaunga Tamatea Settlement Trust extend their congratulations to four marae that received the \$1 million distribution. They were:

- Waimārama Marae
- Hougarea Marae
- Te Rongo A Tahu Marae
- Kairākau Marae

This takes the number of marae that have received their distribution to nine (9), with fourteen (14) marae remaining. At the date of writing this report, two (2) further marae were awaiting final confirmation. They are:

- Rākautātahi Marae
- Pourērere Marae

CONSTITUTIONAL REVIEW

An important commitment given by He Toa Takitini throughout the negotiation was the promise to review the constitutional arrangements that governed the post - settlement governance entity. This was reflected in clause 24 of the HTST Trust Deed and the process will be actioned in the 2020 - 2021 financial year.

A key feature of the review will be to evaluate the status and role of the Heretaunga Tamatea marae, including the groupings of marae in the structure of HTST and ensuring fairness and equity between the Heretaunga and Tamatea marae. Another key piece of work will be an examination of the relationship between HTST and other entities that represent some or all of the members of Heretaunga Tamatea. This will include HTST's relationships with Te Taiwhenua o Heretaunga, Te Taiwhenua o Tamatea and also with Ngāti Kahungunu Iwi Incorporated. Heretaunga Tamatea is in the extraordinarily fortunate position of coming into an existing framework of successful entities that already deliver services and otherwise provide for the people of Heretaunga Tamatea. A core part of the review will look at all options for enhancing or complementing these arrangements.

CULTURAL INVESTMENT

Growth of Te Reo Māori me ngā tikanga and positioning our marae to manage the paepae and other important kaitiaki responsibilities is, and will continue to be, a key aspiration held by all our marae across the Heretaunga Tamatea rohe. The \$1 million distribution programme is a significant enabler in this regard.

HTST engaged in negotiations concerning lands at Te Matā o Rongokako, with HTST prepared to consider purchasing the lands to preserve the interests of mana whenua. Discussions remain in progress with some development in the way of a regional park

with a co-governance mana whenua framework being considered.

Cultural redress negotiated in the settlement has been vested in the name of HTST. These include Point Omahu and Parimahu lands, amongst others. A cultural redress framework has been commissioned to address the major cultural rights secured in the negotiation through Overlay Classifications, Statutory Acknowledgements and Deeds of Recognition. The process for advancing the Gift-Back of Cape Kidnappers is still to be negotiated.

ORGANISATIONAL REVIEW

A fit-for purpose organisation has been uppermost on the minds of Trustees since the establishment of HTST. Interim measures have been taken in the mean time with a full review programmed to follow as part of the Trust Deed/Constitutional Review. Key messages received throughout the negotiation have included the promotion of Tino Rangatiratanga and decentralisation whilst promoting the autonomy of the marae and hapū.



TE AUTE COLLEGE SUSTAINABILITY TRUST



Photo by Te Aute College ©

Ko Kahurānaki, ko Kauhehei, ko Pukenui ngā
maunga,
Ko Roto-ā-Tara te waiū,
Ko Kahungunu te Iwi,
Ko Takitimu te waka,
Ko Te Whatuiāpiti te tangata,
Ko Te Aute te whare wānanga,
Tihei Mauri Ora!

Key amongst the 2019 - 2020 highlights for the Heretaunga Tamatea Settlement Trust (HTST) is the contribution to Ngāti Kahungunu's revered icon, Te Aute College. \$5 million was negotiated with the Crown in the course of the settlement of the comprehensive historical Treaty of Waitangi claims of Heretaunga Tamatea. Although agreed in 2015, transfer of the funds became possible following the enactment of the settlement legislation in 2018 and formation of an appropriate trust early in 2020. The Trustees include representatives from the three manawhenua marae – Pukehou, Te Hauke and Te Whatuiāpiti and also the Archbishop of the Anglican Church, the Honorable Reverend Donald Tamihere, Te Aute Trust Board, the Tumuaki/Principle of Te Aute

College and HTST. The first task for the Trustees is to develop a strategy to ensure the future long term sustainability of Te Aute College. HTST is delighted to assist the College in this way.

Intended by the original land donors to be the exemplar education facility for the uri of Ngāti Kahungunu, the College's fate has not escaped the impact of colonisation flowing from Pākeha settlement. Revenue to the College has been constricted by archaic lease arrangements that denied the College the benefits of market influences with its endowment lands. Maintaining relevance has also been a challenge amongst the increasingly popular, total immersion alternatives sourced in the Te Aho Matua teachings of our tīpuna.

Te Aute College has nonetheless surpassed all obstructions and continues to offer its special character education through collaboration amongst the leadership of the Anglican Church, the government, the Ministry of Education and the manawhenua hapū – Whatuiāpiti, Te Hauke and Pukehou Marae.

Its growth will continue with the transfer to the College of the \$5 million and other funds are expected once the Crown addresses the inequities associated with the Glasgow leases.

Trustees of the Te Aute College Sustainability Trust

Pukehou Marae – Dr. James Graham
Te Hauke Marae – Robin Hape
Te Whatuiāpiti Marae – Erin Sandilands
Te Aute Trust Board – Hon. Archbishop Donald Tamihere, Maui Tangohau
College Principal – Shane Hiha
Heretaunga Tamatea Settlement Trust – Elizabeth Graham



Photo by Te Aute College ©



Photo by PanPac Forest Products Limited ©

Heretaunga Tamatea Settlement Trust purchased 56.66% interest in the Kāweka and Gwavas Crown Forest licensed lands and the interest and associated accumulated rentals were transferred to HTST on 24 August 2018. The purchase price was \$7,989,060; the accumulated rentals were \$8,906,950.

The remaining 43.33% is currently held by the Crown for “other Kāweka Gwavas claimants”. This latter 43.33% is broadly set aside for the Mana Ahuriri negotiation (33.33%) and Taihape claimants for Ngāti Hinemanu Ngāti Paki (10%). The scale of the latter interest is currently being determined by the Waitangi Tribunal. The Tribunal’s findings are expected to be released in late September/early October 2020.

The area of the Kāweka Crown Forest licensed lands is 7521.755 hectares and is adjacent to the Kāweka

Forest Park in the northern part of the Heretaunga rohe.

The area of the Gwavas Crown Forest Licensed lands is 8,425.9508 hectares and is in the southern, Tamatea part of the rohe.

The lands are currently leased by Pan Pac that pay an annual rental and they together make up almost 50% of Pan Pac’s forested operations.

The Kāweka and Gwavas Forestry Company Limited is the Company Trustee established specifically for the purpose of acquiring and holding both forest lands as trustee of the Trust and the accumulated rentals. There is provision for 3 directors in the Company. Two of these directorships are for Heretaunga and Tamatea.



Photo by PanPac Forest Products Limited ©

KGFC Field Day 4 October 2019 - Blowhard Lookout with Kaweka Forest and Range in Background

L-R: Barry Wilson (Mana Ahuriri Trust), Sean Wright (Pan Pac Forestry Manager), Gordon Lash (KGFC - Secretary), Mike Mohi (Pan Pac Cultural Advisor), Joinella Maihi-Carroll (Mana Ahuriri Trust), Dave Coe (Pan Pack Forests Co-Ordinator), Brigid McArthur (KGFC - Crown Director), Cordry Huata (KGFC - HTST Director), Elizabeth Garaham (KGFC - HTST Director)

WHATUMĀ RESTORATION

E Ruhe, kāore he tikanga o o koutou moana ki a au, kei a koutou anō ō koutou moana - kei au ki uta
Promise of Donald McLean that the lake would return to us.
Ruhe - Te Hapuku



Dr. Roger Maaka



AMTB Appointed

Arapera Paewai



AMTB Appointed

Joanne Heperi



HTST Appointed

Haana Wilcox



HTST Appointed

The original owners and their descendants have long sought the return of their taonga, Whatumā, the lake and the lands. Originally filed by the late Ihaia Hutana, the legacy was passed to the late Ahiahi Robertson who continued to advocate for the return of Whatumā. The vesting secured in the comprehensive Treaty Settlement negotiations is therefore significant of 100 hectares of conservation lands. The lands are to be jointly managed by Heretaunga Tamatea Settlement Trust and the Aorangi Māori Trust Board (AMTB).

A highlight for both HTST and AMTB in 2019 - 2020 is the formation of the Whatumā Lake Management Group. Appointees for AMTB are Dr. Roger Maaka and Arapera Paewai. The appointees for HTST are Joanne Heperi and Haana Wilcox. All appointees are descendants of original owners of the Whatumā lands and their first task is to develop a workplan for addressing the restoration of the lake. This

will include identifying strategic partners who share the aspiration to see the restoration through expertise and resourcing. The Department of Conservation has acknowledged the importance of this taonga to the people of Tamatea through an initial grant of \$20,000 that has been matched by HTST. They will be joined by Central Hawke's Bay District Council as another significant partnership together with the Hawke's Bay Regional Council.

A significant waterway within Tamatea – Central Hawke's Bay, discussions will also explore options to resume ownership of the lake bed, currently owned by a conglomerate of duck shooters. Preliminary investigations will also look into raising the lake levels. During the summer period the lake level was lowered which is now problematic with the prolonged drought conditions and the Ruataniwha aquifer levels also being so low.

238 STOCK ROAD BRIDGE PA



On the 28th of February 2020, HTST made a bid to purchase the 22 hectare property at 238 Stock Road, Bridge Pa as suitable for a future housing development. The attraction of this land is its location at the eastern fringe of Flaxmere and the neighbouring property at 49a Dundee Drive, Flaxmere.

It also presents an opportunity to develop a housing stronghold in collaboration with the Hastings District Council and Kainga Ora that will bring affordable and warm houses to the people of Heretaunga Tamatea.

Both properties were earmarked for a zone change from horticultural land to residential under the Heretaunga Plains Urban Development Strategy (HPUDS) and the Hastings District Operative Plan. The bid was successful and 238 Stock Road went unconditional on the 19th of March 2020 following extensive due diligence. Settlement date was on the 30th of April 2020. The next stage will be to develop a concept plan and an application to change the current land use.



FINANCIAL REPORT SUMMARISED FINANCIAL REPORT 31 MARCH 2020

FINANCIAL SUMMARY

During the financial year 1 April 2019 to 31 March 2020, Heretaunga Tamatea Settlement Trust recorded revenue of \$3,376,326 of which \$3,004,244 was interest income derived from multi-term investments representing an average return of 2.976%. The balance comprised of the annual distribution from the Kaweka Gwavas Crown Forest Limited, totaling \$357,297.00 and \$14,785 as dividend Napier Port and HB Power Consumer Trust.

Total expenses for the year were \$1,715,798 resulting in a nett profit before tax of \$1,660,528. Included in these expenses were the final contribution of \$58,950 toward Settlement Costs associated with final negotiations of outstanding claims and the costs associated with the transfer of redress.

An unqualified audit opinion was issued for the year ended 31 March 2020, as with previous years.

ASSET BASE SHEET

The HTST balance sheet comprises of cash assets, the 22 hectare property at 238 Stock Road, Bridge Pa, a beneficial interest of \$ 7,989,060 in the Kaweka

Gwavas Forestry Trust and an investment in shares with Napier Port of \$ 1,644,231. The Trust Capital is \$ 85,746,828, noting provisions of:

1. \$5,000,000 for the Te Aute College distribution;
2. \$16,000,000 for \$1.0 Marae Distributions;
3. \$1,950,000 for Habitat Restoration;
4. \$50,000 to be used toward the TANK plan change;
5. \$500,000 to invest in Marae and education initiatives; and
6. \$100,000 to be used in the Ngā Ara Tīpuna Pa Project.

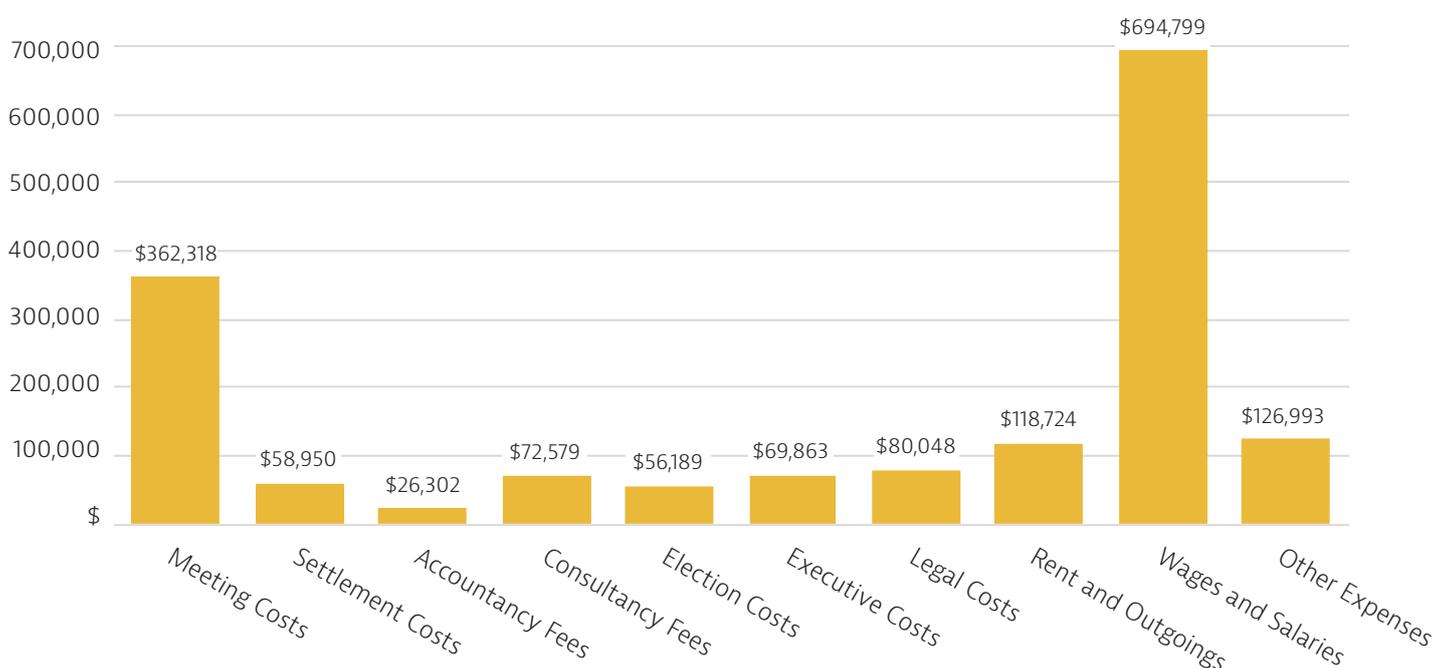
SETTLEMENT COSTS

Settlement Costs in the 2019-2020 financial year totaled \$58,950, comprising of costs associated with outstanding residue claims.

Point Omahu lands and other cultural redress properties were vested in the Trust and are presently subject to a valuation process, including:

- Blackhead Beach property
- Point Omahu property
- Parimāhu Beach property
- Whatumā Lake, as a recreation reserve; and
- Pūrimu Lake property, as a recreation reserve.

EXPENDITURE ANALYSIS



Statement of Profit or Loss

Heretaunga Tamatea Settlement Trust For the year ended 31 March 2020

	NOTES	2020	2019
Income			
Interest Income		3,004,244	2,762,303
Interest Income - Settlement		-	1,857,373
Accumulated Rentals on Crown Forest Licensed Land		-	8,906,950
Trust Distributions Received		357,297	151,570
Other Income		14,785	236
Total Income		3,376,326	13,678,433
Expenses			
Trustee Meeting Costs		362,318	442,123
Settlement Costs		58,950	476,622
Other Expenses	2	1,294,531	1,145,980
Total Expenses		1,715,798	2,064,725
Profit (Loss) Before Taxation		1,660,528	11,613,708
Trustees Income Before Tax		1,660,528	11,613,708
Taxation and Adjustments			
Income Tax Expense	3	584,976	506,998
Total Taxation and Adjustments		584,976	506,998
Net Trustees Income for the Year		1,075,552	11,106,710

Balance Sheet

Heretaunga Tamatea Settlement Trust As at 31 March 2020

	NOTES	31 MAR 2020	31 MAR 2019
Assets			
Bank Accounts		2,515,486	878,340
Term Deposits		96,330,890	102,476,115
Property, Plant and Equipment		3,326,702	20,592
Beneficial Interest - Kaweka Gwavas Forestry Trust		7,989,060	7,989,060
Investment in Shares		1,644,231	-
Other Assets		673,638	827,482
Total Assets		112,480,007	112,191,588
Liabilities			
Current Liabilities		3,283,179	64,543
Provisions	5	23,450,000	27,600,000
Total Liabilities		26,733,179	27,664,543
Net Assets		85,746,828	84,527,045
Trust Funds			
Trust Capital		85,746,828	84,527,045
Total Trust Funds		85,746,828	84,527,045

Notes to the Financial Statements

Heretaunga Tamatea Settlement Trust For the year ended 31 March 2020

1. Related Parties

The following payments have been made to Trustees during the period for meeting fees and travel allowances:

	2020	2019
Summary of Payments		
Trustee Meeting Fees	324,900	404,108
Trustee Meeting Travel Allowances	37,418	38,015
Total Summary of Payments	362,318	442,123

	2020	2019
Related Party Payments		
T August	8,302	12,045
N Berney	8,126	-
E Clarke (Project On The Go Limited)	8,445	17,872
EH Graham	48,464	72,749
R Hakiwai (HTK Hakiwai Limited)	25,226	29,794
L Hawea	8,427	15,076
JB Heperi-Smith	18,717	16,291
C Huata	17,446	36,776
H Kani	11,550	8,929
W Kara	11,611	12,840
L Kele	6,940	-
K Koko	7,960	-
J Matthews	7,650	11,444
M McGuire	13,286	19,125
B Morris (Puangi Limited)	6,214	9,892
T Mulligan (Taketake)	8,744	6,237
W Osborne	12,982	17,382
P Paku	13,730	20,197
C Pene	7,100	14,162
K Rata	16,177	14,656
S Reo	19,160	19,723
E Sandilands	15,849	26,207
T Te Au	10,811	15,095
D Tipene Leach	17,894	9,376
N Tomoana	14,211	8,666
L Tuhi	-	-
A Watene	17,296	27,589
Total Related Party Payments	362,318	442,123

2. Other Expenses

Accountancy Fees	26,302	37,444
Consultancy Fees	72,579	120,712
Election Costs	56,189	-
Executive Costs	69,863	352,561
Legal Expenses	80,048	47,544
Rent and Outgoings	118,724	118,724
Wages and Salaries	694,799	316,161
Other Expenses	126,993	130,187
Total Other Expenses	1,245,497	1,123,334

3. Income Tax

The Trustees have made an election to become a Maori Authority for tax purposes from 1 April 2016. This entitles the Trustees to an income tax rate of 17.5%.

4. Balance Payable on Property Settlement

The Trust is party to a sale and purchase agreement, dated 19 March 2020, for the purchase of a property situated at 238 Stock Road, Hastings. The settlement will take place on 30 April 2020 and the balance of \$2,934,000 is payable.

5. Capital Commitments

The Trust has made a commitment to distribute \$1m, from the proceeds of the crown settlement, to each of the Heretaunga Tamatea Marae. As at 31 March 2020, seven marae have received their distribution and the Trust has made a provision for payment to the remaining sixteen - \$16,000,000.

The Trust has also made provision for the remaining commitments under the settlement agreement - \$7,600,000:

\$50,000, to be used for the TANK Plan changes
\$100,000, to be used in the Nga Ara Tipuna Pa Project
\$500,000, to be used to invest in marae and education initiatives
\$1,950,000, to be used to establish a habitat restoration fund
\$5,000,000, payable to Te Aute College

6. Crown Settlement

Heretaunga Tamatea Settlement Trust was a party to a Deed of Settlement, dated 26 September 2015.

The Cultural Redress section of the Settlement vested the following properties in the Trust:

- a Blackhead property
- an Omahu property
- a Parimahu Beach property
- Lake Hatuma property, as a recreation reserve
- Purimu Lake property, as a recreation reserve

These properties are presently subject to a valuation process.



Bay Audit & Accounting Ltd

REPORT OF THE INDEPENDENT AUDITOR ON THE SUMMARY FINANCIAL STATEMENTS

To the Trustees of Heretaunga Tamatea Settlement Trust

Opinion

The summary financial statements, which comprise the summary balance sheet at 31 March 2020, the summary statement of profit or loss for the year then ended, and related notes, are derived from the audit financial statements of Heretaunga Tamatea Settlement Trust for the year ended 31 March 2020.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements in accordance with FRS-43: Summary Financial Statements issued by the New Zealand Accounting Standards Board.

Summary Financial Statement

The summary financial statements do not contain all the disclosures required by the Special Purpose Financial Reporting Framework for For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon.

We expressed an unmodified audit opinion on the audited financial statements in our report dated 31 July 2020. That report also includes:

- A note regarding the basis of accounting which drew attention to Note 2 to the financial statements, which describes the basis of accounting. The financial statements have been prepared in accordance with the special purpose framework for use by For-Profit Entities (SPFR for FPEs) published by Chartered Accountants Australia and New Zealand. As a result, the financial statements may not be suitable for another purpose.

Restriction on Responsibility

This report is made solely to the Trustees, as a body, in accordance with the Trust Deed of Heretaunga Tamatea Settlement Trust. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trustees as a body, for our work on the summary financial statements and for this report.

Trustees' Responsibility for the Summary Financial Statements

The Trustees are responsible on behalf of the entity for the preparation of the summary financial statements in accordance with FRS-43: Summary Financial Statements.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which are conducted in accordance with International Standard on Auditing (New Zealand) (ISA (NZ)) 810 (Revised), Engagements to Report on Summary Financial Statements.

Other than in our capacity as auditor we have no relationship with, or interest in, Heretaunga Tamatea Settlement Trust.



Bay Audit & Accounting Limited
Napier
31 July 2020

ANNUAL PLAN 2020-2021

TE KURA NUI – Vision REI KURA REI ORA TE MAURI E

Mana Atua • Mana Tipuna • Mana Whenua • Mana Moana • Mana Mauri • Mana Tangata

TE KURA ROA – Mission KIA WHANAKE TE KURA

TE TIKANGA, TE KAWA – Values
KANOHI KI TE KANOHI • PAKIHIWI KI TE PAKIHIWI
HAUMI E, HUI E, TAIKI E!

POU TIKANGA

Cultural Redress
Outstanding Claims
Constitutional Evaluation

POU TAHUA

Investment Framework
Economic Development
Strategy
Asset Management
Framework

POU TAI AO

Redress Management
Framework
River Management Strategy
Ruahine Management
Framework

POU TANGATA

\$1 million Programme
Te Aute Distribution
Collaborative Te Reo
Initiative

POU KITEA

Compliant AGM
Elections 2020
Relationship Agreements
Crown
NKII/TTOH/TTOT
Taonga Repatriation

HTST ANNUAL PLAN 2020-2021

Strategic Pou	Key Projects	Targets by 31 March 2021
POU TIKANGA Cultural	<ul style="list-style-type: none"> Vestings (Blackhead/Point Omahu/Cape Kidnappers) Whatumā/Pūrimu Lakes Outstanding Claims <ul style="list-style-type: none"> Wai 595 Ngatarawa; Wai 402 Ohiti Rd Te Matā o Rongokako 	<ul style="list-style-type: none"> Properties vested Management Plans in place Claims resolved between HTST/HBRC Effective Governance Framework established
POU TAHUA Economic	<ul style="list-style-type: none"> Investment Framework Economic Development Strategy HTST Asset management framework Deferred Selection Properties 	<ul style="list-style-type: none"> Investment Framework developed ROI Strategy agreed and operating Asset Management Framework in place DSP process complete with management framework;
POU TAI AO Environment	<ul style="list-style-type: none"> Settlement Redress (Cultural) Management Framework Ruahine Range Management Framework River Management Strategy for Heretaunga Tamatea 	<ul style="list-style-type: none"> Settlement Redress (Cultural) Management Framework agreed with HTST and Member marae Project Scope for Ruahine Range Management framework completed River Management Strategy for Heretaunga Tamatea developed and adopted
POU TANGATA Our people	<ul style="list-style-type: none"> \$1 million distribution programme Te Aute Distribution Collaborative Te Reo Initiative with MSD 	<ul style="list-style-type: none"> 70% Marae distributions paid Te Aute Distribution Paid Reo Programme / timeframe / providers agreed
POU KITEA Our Presence / Influence	<ul style="list-style-type: none"> HTST AGM <ul style="list-style-type: none"> Audit 2019-2020/Annual Report 2020 HTST Election 2020 Part 2 Constitutional Evaluation Heretaunga Tamatea Relationship Agreements Crown Relations Taonga Repatriation 	<ul style="list-style-type: none"> AGM Held Elections 2020 complete Evaluation completed and being actioned 50% Relationship agreements signed Taonga repatriation process agreed/operative

HTST's Annual Workplan for 2020 - 2021 is extensive. There are a number of significant projects but key features overall of this year's annual plan include a bigger focus on frameworks (to give effect to the cultural redress instruments agreed in the Deed of Settlement) and framing up strong relationship agreements (for establishing the influence and ongoing presence of the post-settlement governance entity within the Heretaunga Tamatea region). We are also clearly moving from the establishment phase toward investment and economic development. The purchase of 238 Stock Road, Bridge Pa is indicative of the move away from passive investments in multi-term deposits to increasing the return through more direct investment as well as managed funds.

CONSTITUTIONAL EVALUATION



Baden Vertongen



Dr. James Graham

The promised constitutional review will commence in August 2020.

The purpose of the review is to co-design a tino rangatiratanga-based governance framework to manage the settlement redress of Heretaunga and Tamatea negotiated with the Crown.

Leading the review will be Baden Vertongen (legal counsel) and Dr. James Graham

Mō ētahi atu whakamārama toro atu ki te tari -
Phone: 06 876 6506
Toll Free: 0800 TAKITINI (0800 825484)
Email: office@heretaungatamatea.iwi.nz

INVESTMENT PORTFOLIO

Heretaunga Tamatea's 2020 Investment portfolio moved beyond 2019's strategy of multi-term deposits of \$102,476,115 with an average return of 3.5%.

The first step was the initial public offering of shares in Napier Port Holdings Limited's (Napier Port). A Priority Offer was made to Iwi within the wider Hawke's Bay/Kahungunu region, with HTST being one of two Iwi to take up the offer.

The second step was the purchase of the orchard/vineyard at 238 Stock Road, Bridge Pa. Whilst

the longer term goal is to embark into property development, the property will be on-leased for an interim period.

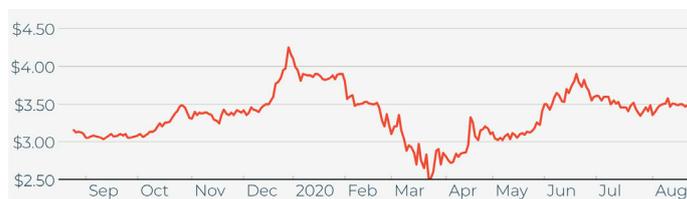
The next steps in implementing the investment strategy will see the placement of funds into Managed Funds with Fund Managers. Discussions have been ongoing for some months. Trustees expect to be better placed to move to the next stage of this process in the coming months.

NAPIER PORT INVESTMENT



HTST's initial investment resulted in 576,923,000 shares being allocated at an opening price of \$2.60.

Since the purchase the share price has fluctuated between \$2.52 and \$4.25.



\$1 MILLION PROGRAM

The set criteria for marae to meet when applying for the funds includes submitting the Marae Charter and Strategic Plan, ensuring tikanga, reo and wairua values flow throughout, putting good systems in place and the like. Seven (7) marae have previously received their \$1m allocation and it was with great pleasure to announce that two (2) more have joined them, bringing the total now to nine (9) marae.

At the Board meeting on Tuesday 26 May 2020, HTST unanimously passed the resolution to approve payment of the \$1m distribution fund to Rākautātahi Marae and Pourērere Marae. They are the first two (2) marae to receive a distribution in the 2020 allocation. Our congratulations are extended to you both.

HTST remains proud of this "first of its kind" plan amongst iwi post settlement groups. We continue to value that this allows great opportunities and

autonomy for the immediate hapū and marae environment.

COLLABORATIVE TE REO INITIATIVE

In accordance with Social Initiatives clauses 5.42 and 5.43 of the Deed Of Settlement HTST and MSD will:

- a. Establish a collaborative Te Reo Māori Initiative with the Work and Income East Coast Regional Office and tertiary providers. The initiative is aimed at enabling job seekers to undertake Te Reo Māori classes and builds on the existing recognition by Work and Income of Te Reo Māori as a work-readiness skill
- b. Work together to identify opportunities to grow the Heretaunga Tamatea cultural capacity
- c. Further build the relationship between HTST, MSD and the Heretaunga Tamatea people
- d. Grow each and every treasure - "Whanake te kura"

Negotiations are to commence with MSD, Work and Income and Eastern Institute of Technology (EIT) with the aim of rolling out an agreed strategy in the coming 2021 - 2022 financial year.

CROWN RELATIONS

HTST is in the process of developing key relationship agreements with local, regional and central government. These relationship agreements will be instrumental in advancing the cultural, social, economic and environmental goals and aspirations of HTST, marae and hapū. This has been highlighted by Covid-19.

HTST is currently in discussions with local and regional councils and other post-settlement governance entities on a regional wide approach to boost the economy post-Covid-19, the Māori economy being the focus for HTST. With the 5th largest settlement in New Zealand, HTST is in an influential position to contribute to economic development discussions within the region in a significant way.

Covid-19 has also presented an opportunity for HTST to pursue a whole of government treaty based relationship agreement. A whole of government approach will provide for a more integrated and holistic approach to support hapū development in Heretaunga Tamatea. HTST will be working with Te Arawhiti, the Office for Māori Crown Relations, to progress this further.

ELECTIONS 2020

Heretaunga Tamatea Settlement Trust holds its Trustee Elections in 3-year rotational cycles. HTST comprises 23 trustees that are elected on the basis of marae representation. 2020 presents the opportunity for the following Heretaunga Tamatea whānau that are registered with HTST and have selected the relevant Marae Electorate to elect trustees to the Heretaunga Tamatea Settlement Trust:

2020 HTST Trustee Elections

- Hougarea Marae
- Kahurānaki Marae
- Matahiwi Marae
- Mataweka Marae
- Mihiroa Marae
- Omahu Marae
- Rongomaraeroa Marae
- Te Awhina Marae
- Te Tapairu Pā
- Te Whatuiāpiti Marae
- Waipatu Marae

IMPORTANT DATES	OPEN	CLOSE
Marae Electorate nomination	Feb	2 Aug
Candidate nominations	3 Aug	21 Aug - 1pm
Candidate Presentations	11 Sep	16 Sep
Voting	11 Sep	9 Oct - 1pm
Vote: Final Count	19 Oct	
Declaration	21 Oct	

REGISTRATIONS

Here at Heretaunga Tamatea we serve 8000+ registered members who whakapapa to our rohe. Those registered with HTST affiliate to one (1) or more of the 43 Hapū and 23 Marae through whakapapa, whāngai or legal adoption. As a registered member of HTST you will be kept informed with publications, newsletters and upcoming hui and events.

Check your registration today

Phone: 06 876 6506

Toll Free: 0800 TAKITINI (0800 825484)

Email: register@heretaungatamatea.iwi.nz

STRENGTHENING OUR INFLUENCE

Strengthening the influence of mana whenua and of HTST within the rohe of Heretaunga Tamatea has been identified as important in the post-settlement environment. The \$1 million distribution to the hapū increases the capacity for increased influence at the marae level. Heretaunga and Tamatea

collectives will work to increase influence in terms of regional autonomy and HTST will look at options for strengthening influence at the wider level again.

This is an important period in the strive for restoration and revitalisation of Tino Rangatiranga.

TAONGA REPATRIATION

Work is underway to repatriate Heretaunga Tamatea tāonga, including the Pukepuke Tangiora taonga, Te Whare o Heretaunga and Te Poho o Kahungunu. Victoria Wilson is leading this important and exciting piece of work which was negotiated as part of the settlement redress. The taonga represent over 140 years of culture and heritage unique to Heretaunga Tamatea. A number of taonga are located in museums, universities and private collections in New Zealand and overseas, while the whereabouts of others is unknown. Key discussions have begun with whānau, Te Papa Museum, Ministry for Culture and Heritage and the Department of Internal Affairs to recover the taonga and return them to Heretaunga Tamatea.

DEFERRED PURCHASE PROGRAMME

HTST notified Land Information New Zealand (LINZ) of the 7 deferred selection properties that the Trust are interested in purchasing on the 16th of December 2019 and this initiated the process of having due diligence and market valuations completed for the properties. Some of these valuations were done in a joint valuation process whereby HTST and LINZ jointly appoint a valuer to determine a market price, while the rest were separate valuations where the properties will settle at an agreed market value.

The 2020 - 2021 financial year will see HTST acquire these properties to increase HTST presence in the area and to address social issues such as housing.

These properties include:

- 21 Boston Crescent, Flaxmere
- 7 Charles Street, Takapau
- 49a Dundee Drive, Flaxmere
- 14 Mangarau Crescent, Havelock North
- Pukeora Scenic Road forest, Waipukurau
- 204-206 Southampton Street East, Hastings
- 78 Stock Road, Longlands



Photo by Amber Aranui ©

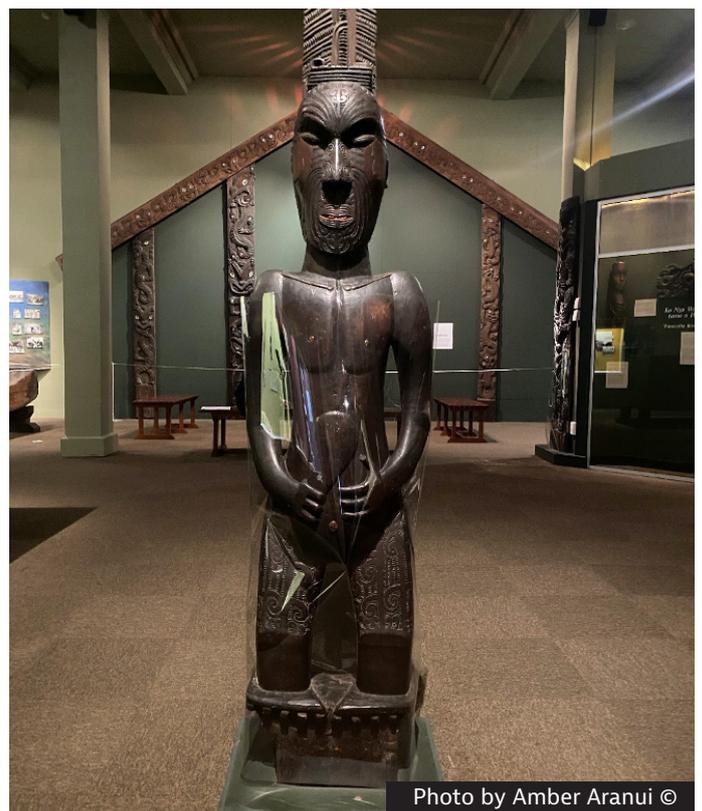


Photo by Amber Aranui ©



Deed of Settlement

BETWEEN THE CROWN AND HERETAUNGA TAMATEA

Background

Heretaunga Tamatea and its hapū is one of six large natural groupings negotiating the settlement of the historical Treaty of Waitangi claims of Ngāti Kahungunu. Heretaunga Tamatea's area of interest extends from the Tūtaekurī River in the north following the ridge of the Ruahine Range south to Takapau and turns seawards to Pōrangahau in the south. The rohe includes five major river systems - the Tūtaekurī, the Ngaruroro, the Tukituki, the Maraetōtara and the Pōrangahau/Tāurekaitai - and comprises an alluvial plains system powered by the Heretaunga and the Ruataniwha aquifers. Heretaunga Tamatea have a population of approximately 15,900 people (2013 Census).

Heretaunga Tamatea mandated He Toa Takitini to negotiate a Deed of Settlement with the Crown, by undertaking consultations and meetings amongst claimant groups on 25 August 2010.

The Crown conditionally recognised the mandate of He Toa Takitini on 15 October 2010 and, following further mandating hui for members of Heretaunga Tamatea living outside the Heretaunga Tamatea area of interest, unconditionally recognised this mandate on 4 February 2011.

The mandated negotiators and the Crown by terms of negotiation dated 19 December 2011, agreed on the scope, objectives, and general procedures for the negotiations. On 11 June 2014, Heretaunga Tamatea and the Crown signed an agreement in principle that they were willing to enter into a Deed of Settlement on the basis set out in the agreement. Since the agreement in principle, He Toa Takitini and the Crown have in good faith conducted extensive negotiations and negotiated and initialled a Deed of Settlement.

The trustees of the Heretaunga Tamatea Settlement Trust, the post-settlement governance entity, will manage the settlement assets.

The Office of Treaty Settlements, with the support of the Department of Conservation and other government agencies, represented the Crown in day-to-day negotiations.

The Minister for Treaty of Waitangi Negotiations, Hon Christopher Finlayson, represented the Crown in high-level negotiations with Heretaunga Tamatea.

Summary of the historical background to the claims by Heretaunga Tamatea

Heretaunga Tamatea was a community of proud and self-sustaining independent hapū with an economy and polity consistent with tikanga Māori and traditional practices of the time.

In the late 1840s, Heretaunga Tamatea rangatira invited the Crown to acquire land in their rohe in the expectation of gaining economic opportunities from European settlement. During negotiations for its first land purchase in Heretaunga Tamatea in 1851, the Crown encouraged customary owners to accept a low price for their land in order to gain access to these anticipated benefits. Days before the Waipukurau deed was signed in 1851, Crown officials arranged for a large area to be added to the block without the knowledge of the area's occupants.

During the 1850s, the Crown purchased large areas of land in Heretaunga Tamatea. In a number of instances the Crown acquired land secretly without seeking the consent of all customary owners. The Crown continued purchasing land despite being aware that its approach to negotiations was creating tensions among hapū and their rangatira, and in 1857 these tensions led to fighting in which a number of people, including leading rangatira, were killed. Following this, Heretaunga Tamatea rangatira made internal political arrangements to preserve their remaining lands, and by 1860 land sales in Heretaunga Tamatea had stopped.

The Native Lands Act 1865 provided for title to Māori land, previously held in customary collective tenure, to be awarded to no more than 10 individual grantees as absolute owners (the 'ten-owner rule'). The hapū of Heretaunga Tamatea understood that individual grantees were to act as trustees for their wider communities. However, the Native Lands Act 1865 enabled the shares of individual grantees to be alienated without the consent of the other grantees or other right-holders not named on the title.

The Native Lands Act 1865 did not prevent some settlers using practices such as extending credit to grantees, and then using those debts to acquire the freehold of grantees' shares. Some observers stated that many of the grantees who took goods on credit or signed mortgages were pressured to do so, or did not fully understand the potential ramifications of the documents they were signing. By such means, Heretaunga Tamatea hapū were soon dispossessed of further large areas of land. After 1865, the Crown and private parties also purchased a number of the areas that Māori had asked to be reserved from the sales of the 1850s. Other reserved areas became the subject of long-running disputes due to surveying errors or a failure to complete surveys.

The Crown was slow to address the dispossession of hapū under the ten-owner rule despite strong protests from the hapū of Heretaunga Tamatea. Those measures it did take provided little relief for the hapū of Heretaunga Tamatea because they were not retrospective, or did not apply where land had already been alienated.

In the 1870s, Heretaunga Tamatea rangatira established the Repudiation movement which sought to revoke earlier land transactions, and to address broader issues around the alienation of Māori-owned land by promoting collective decision making and political organisation. This movement was soon taken up by a number of other North Island tribes. In the 1880s and 1890s, the Kotahitanga movement adopted a similar approach, and in 1892 the first Māori Paremata (Parliament) was held at Waipatu near modern-day Hastings.

By 1900, approximately 1.2 million acres out of 1.4 million acres of Heretaunga Tamatea land had passed from Māori ownership, mostly through purchases carried out by the Crown. In the early 20th century, the Crown continued to purchase Māori-owned land in Heretaunga Tamatea, until by 1930 approximately 6% remained. During the 20th and 21st centuries, Heretaunga Tamatea hapū and whānau have suffered social, economic, and cultural marginalisation, and today more than half of their people live outside the traditional rohe.

Summary of the Heretaunga Tamatea settlement

Overview

The Heretaunga Tamatea Deed of Settlement will be the final settlement of all historical claims of Heretaunga Tamatea resulting from acts or omissions by the Crown before 21 September 1992 and is made up of a package that includes:

- an agreed historical account, acknowledgements and apology
- cultural redress
- financial and commercial redress.

The benefits of the settlement will be available to all members of Heretaunga Tamatea, wherever they live. The redress was negotiated by He Toa Takitini, the mandated entity.

Crown acknowledgements and apology

The Deed of Settlement contains acknowledgements that historical Crown actions or omissions caused prejudice to Heretaunga Tamatea or breached the Treaty of Waitangi and its principles.

The Deed of Settlement also includes a Crown apology to Heretaunga Tamatea for its acts and omissions which breached the Crown's obligations under the Treaty of Waitangi and for the damage that those actions caused to Heretaunga Tamatea. These actions include using secret transactions and other divisive tactics to purchase huge areas of Heretaunga Tamatea land, and continuing to negotiate disputed purchases – despite being warned that its actions were creating serious tensions – that ultimately led to war among Heretaunga people in 1857. The Crown also apologises for introducing Native Land Laws that facilitated the further dispossession of the hapū of Heretaunga Tamatea, and for continuing to purchase land until by 1930 the whānau and hapū of Heretaunga Tamatea were virtually landless. The Deed also includes an apology for the damage that the Crown's breaches of the Treaty of Waitangi have caused to generations of Heretaunga Tamatea people, including severely limiting their economic and social opportunities and eroding their tribal structures

Cultural redress

Cultural redress recognises the traditional, historical, cultural and spiritual association of Heretaunga Tamatea with places and sites owned by the Crown within their primary area of interest. This allows Heretaunga Tamatea and the Crown to protect and enhance the conservation values associated with these sites.

SITES VESTED IN HERETAUNGA TAMATEA

The Deed of Settlement provides for the vesting of five Crown owned sites to Heretaunga Tamatea. The settlement legislation will vest these sites in the post settlement governance entity, Heretaunga Tamatea Settlement Trust, on settlement date.

The following sites will be vested in fee simple in Heretaunga Tamatea:

- Blackhead property
- Omaha property
- Parimāhu Beach property

The following sites will be vested as a recreation reserves in Heretaunga Tamatea:

- Lake Hatuma (Whatumā) property
- Pūrimu Lake property

VEST AND GIFT BACK

- Cape Kidnappers Gannet Protection Reserve
- Cape Kidnappers Nature Reserve

OVERLAY CLASSIFICATIONS

An overlay classification acknowledges the traditional, cultural, spiritual and historical association of Heretaunga Tamatea with certain sites of significance. Overlay classifications apply to conservation land and require the New Zealand Conservation Authority (and any other relevant conservation board) to have particular regard to Heretaunga Tamatea values and protection principles. The settlement provides for the following overlay classifications:

- A'Deanes Bush Scenic Reserve
- Cape Kidnappers Gannet Protection Reserve
- Cape Kidnappers Nature Reserve
- Gwavas Conservation Area

STATUTORY ACKNOWLEDGEMENTS

The Statutory Acknowledgements are acknowledgements by the Crown of statements by Heretaunga Tamatea of their special cultural, historical, or traditional association with certain areas of Crown-owned land.

These acknowledgements are recognised under the Resource Management Act 1991 and the Heritage New Zealand Pouhere Taonga Act 2014.

The authorities who give resource consents under these Acts, the Environment Court and Heritage New Zealand, must also have regard to these statements for certain purposes.

The Deed of Settlement provides for 27 Statutory Acknowledgements covering:

- Clive River and its tributaries
- Elsthorpe Scenic Reserve
- Hiranui Scenic Reserve
- Inglis Bush Scenic Reserve
- Kāhika Conservation Area
- Karamū Stream (with official name Karamu Stream) and its tributaries
- Part of Kāweka State Forest Park (with official name Kaweka State Forest Park)
- Māharakeke Stream (with recorded name Maharakeke Stream) and its tributaries
- Mākāretu River (with recorded name Makaretu River) and its tributaries within the Heretaunga Tamatea area of interest
- Maraetōtara River and its tributaries (with recorded name Maraetotara River)
- Maraetōtara Scenic Reserve (with official name Maraetotara Scenic Reserve)
- Maraetōtara Gorge Scenic Reserve (with official name Maraetotara Gorge Scenic Reserve)

- Mātai Moana Scenic Reserve (with official name Matai Moana Scenic Reserve)
- McLeans Bush Scenic Reserve
- Mohi Bush Scenic Reserve
- Monckton Scenic Reserve
- Ngaruroro River and its tributaries within the Heretaunga Tamatea area of interest
- Parkers Bush Scenic Reserve
- Pōrangahau/Tāurekaitai River (with recorded name Porangahau River) and its tributaries
- Ruahine Forest (East) Conservation Area
- Part of Ruahine Forest Park
- Springhill Scenic Reserve
- Te Aute Conservation Area
- Tukipō River (with recorded name Tukipo River) and its tributaries
- Tukituki River and its tributaries within the Heretaunga Tamatea area of interest
- Tūtaekuri River (with official name Tutaekuri River) and its tributaries within the Heretaunga Tamatea area of interest
- Waipawa River and its tributaries within the Heretaunga Tamatea area of interest

DEEDS OF RECOGNITION

Deeds of recognition require the Crown to consult with Heretaunga Tamatea, and have regard for Heretaunga Tamatea's special association with a site or place and specify Heretaunga Tamatea input into the management of those areas administered by the Department of Conservation or the Commissioner of Crown Lands.

The Deed of Settlement provides for 20 Deeds of Recognition covering:

- Clive River and its tributaries
- Elsthorpe Scenic Reserve
- Hiranui Scenic Reserve
- Inglis Bush Scenic Reserve
- Kāhika Conservation Area
- Karamū Stream (with official name Karamu Stream) and its tributaries
- Part of Kāweka State Forest Park (with official name Kaweka State Forest Park) Maraetōtara Scenic Reserve (with official name Maraetotara Scenic Reserve)
- Maraetōtara Gorge Scenic Reserve (with official name Maraetotara Gorge Scenic Reserve)
- Mātai Moana Scenic Reserve (with official name Matai Moana Scenic Reserve)
- McLeans Bush Scenic Reserve
- Mohi Bush Scenic Reserve
- Monckton Scenic Reserve
- Ngaruroro River and its tributaries within the Heretaunga Tamatea area of interest
- Parkers Bush Scenic Reserve
- Ruahine Forest (East) Conservation Area
- Part of Ruahine Forest Park
- Springhill Scenic Reserve

- Te Aute Conservation Area
- Tūtaekuri River (with official name Tutaekuri River) and its tributaries within the Heretaunga Tamatea area of interest

RELATIONSHIP STATEMENT

The commitment to a post-settlement relationship with each of the Department of Conservation, the Ministry for the Environment, Ministry of Social Development, the Department of Internal Affairs, the Museum of New Zealand Te Papa Tongarewa, the Ministry for Primary Industries and the Ministry for Culture and Heritage.

PLACE NAME CHANGES

The Deed of Settlement includes a commitment to make 11 name changes.

Financial and commercial redress

This redress recognises the losses suffered by Heretaunga Tamatea arising from the breaches by the Crown of its Treaty of Waitangi obligations. It will provide Heretaunga Tamatea with resources to assist them in developing their economic and social well-being.

Financial and commercial redress of \$100 million, including the purchase of Kaweka and Gwavas Crown Forest land with Ahuriri Hapū and the right to purchase a number of Crown properties, plus interest on the financial and commercial redress accrued since the signing of the Agreement in Principle. A further \$5 million will be set aside to support the long-term sustainability of Te Aute College.

DEFERRED SELECTION PROPERTIES

Heretaunga Tamatea has the option to purchase six Office of Treaty Settlements Landbank-owned properties but does not have to confirm an intention to purchase these before settlement. The decision to purchase can be deferred for up to 18 months after settlement date.

RIGHT OF FIRST REFUSAL (RFR)

Heretaunga Tamatea has a right of first refusal for 174 years over the Hawke's Bay Regional Prison.



Questions and Answers

1. What is the overall package of redress?

The settlement package is made up of:

- Acknowledgements and an apology by the Crown for the Crown's acts and omissions that caused prejudice to Heretaunga Tamatea and breached the Treaty of Waitangi and its principles
- Cultural redress, including an historical account, five significant site vestings, overlay classifications, statutory acknowledgements, deed of recognitions and geographic name changes
- Financial and commercial redress of \$100 million, including the purchase of Kaweka and Gwavas Crown Forest land with Ahuriri Hapū and the right to purchase a number of Crown properties, plus interest on the financial and commercial redress accrued since the signing of the Agreement in Principle. A further \$5 million will be set aside to support the long-term sustainability of Te Aute College.

2. Is there any private land involved?

No.

3. Are the public's rights affected?

In general, all existing public-access rights in relation to areas affected by this settlement will be preserved.

4. What happens to memorials on private titles?

The legislative restrictions (memorials) placed on the title of Crown properties and some former Crown properties now in private ownership will be removed once all Treaty claims in the area have been settled.

5. Does the Kaweka and Gwavas Crown Forest land include the Kaweka State Forest Park? Why is this being transferred?

Kaweka and Gwavas Crown Forest Licensed lands are legally separate from the Kaweka State Forest Park and the Gwavas Conservation Area. Heretaunga Tamatea will receive an overlay classification over the Gwavas Conservation Area and a deed of recognition and a statutory acknowledgement for parts of the Kaweka State Forest Park but these remain Conservation lands.

The Kaweka and Gwavas Crown Forest Licensed Lands are entirely within the Heretaunga Tamatea and Ahuriri Hapū areas of interest. The two parties will form a joint company to collectively own and manage the Crown Forest land. Heretaunga Tamatea will have a 66.66% shareholding and Ahuriri Hapū will have a 33.34% shareholding.

6. Are any place names changed? Why are they changing?

Place name changes acknowledge the history and association Heretaunga Tamatea have with sites within their rohe. This association was often undermined or cut off altogether by Crown actions. Place name changes recognise Heretaunga Tamatea associations with important sites in the rohe. The approved place name changes are:

Existing name (official and recorded local use)	Proposed name
Cape Kidnappers	Cape Kidnappers / Te Kauwae-a-Māui
Capstan Rock	Muhuaka / Capstan Rock
Flat Rock	Puapua
Hakakino	Hakikino
Kuku Reef/Rocks	Paparewa
Lake Hatuma	Lake Whatumā
Motuokura	Te Motu-o-Kura / Bare Island
Mount Erin	Kohinurākau or Kōhinerākau (alternative names)
Nga Puhake-o-te-ora	Ngā Puha-ake-o-te-ora
Puhokio Stream	Pouhōkio Stream
Waihakura	Te Wai-a-Kura

7. Does Heretaunga Tamatea have the right to come back and make further claims about the behaviour of the Crown in the 19th and 20th centuries?

No. If a Deed of Settlement is ratified and passed into law, the parties agree it will be a final and comprehensive settlement of all the historical (relating to events before 21 September 1992) Treaty of Waitangi claims Heretaunga Tamatea. The settlement legislation, once passed, will prevent the iwi and hapū of Heretaunga Tamatea from re-litigating the historical claims before the Waitangi Tribunal or the courts.

The settlement package does not prevent Heretaunga Tamatea from pursuing claims against the Crown for acts or omissions after 21 September 1992, including claims based on the continued existence of aboriginal title or customary rights relating to land or water. The Crown also retains the right to dispute such claims or the existence of such title rights.

8. Who benefits from the settlement?

All members of Heretaunga Tamatea, wherever they may now live.

This and other settlement summaries are also available at www.ots.govt.nz

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**HERETAUNGA TAMATEA
SETTLEMENT TRUST**