



Annual Plan Mahere ā-Tau

2023-2024

Engagement document

Supporting
our region's
recovery

hbrc.govt.nz



HAWKES BAY
REGIONAL COUNCIL

TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI



Rapid Rebuild staff lead with Chair Hinewai Ormsby surveying the stop bank rapid repairs at Omaha.



He karere mai i Te Toihau Message from the Chair

*Tēnā koutou katoa
E mihi ana ki te rohe o Te Matau-a-Māui
Manaakitia tonu tātau i a tātau i te wā nei
Kia kaha, kia māia, kia manawanui.
Taiki e!
Greetings to our people
and place of Hawke’s Bay.
Continue to lean on and into the numerous
caring people in these difficult times.
Be strong, be brave, be steadfast and
together we will overcome.*

For many of us Cyclone Gabrielle is the largest natural disaster of our lifetimes. Comparisons can be made with the Easter floods of 1897, Anzac Day floods in 1938, and Bola in 1988, however Cyclone Gabrielle brought heavier rain in more places in Hawke’s Bay.

What has stood out to me is the way people of Hawke’s Bay continue to connect and support one another over these last four months.

I am also incredibly proud of the hard work of our staff. They worked tirelessly responding to Cyclone Gabrielle – leading the Civil Defence response, assessing and restoring nearly 6km of stopbank breaches across the region, fixing pump stations, restoring rain and river level monitoring sites, dealing with animal carcasses, and removing silt.

The devastating impact on the region will be felt for many years and the hard work continues as we get our organisation in the best possible position to support the region’s recovery.

The unplanned response and remediation efforts have and will continue to have a significant financial impact on our organisation, however it will be some time before we know the full cost. As of 30 June 2023, we will have incurred about \$50 million in unplanned costs because of Cyclone Gabrielle, and we estimate we will face more significant costs in the upcoming year. We are also facing increased insurance premiums and rising interest rates, as many of you will be.

That means we have had to make some tough decisions about our previously planned work for the upcoming year. None of the issues we manage on your behalf have gone away.

We have scrutinised our costs and spending and we have looked hard at and reprioritised our work programmes, see page seven. We have scaled back and deferred some work and are accelerating the pace and scale of other work. We have also taken on additional responsibilities as a result of Cyclone Gabrielle.

In tightening our belts, we have been able to substantially reduce our previously forecast 14.5% average rate increase down to 6% for the coming year.

To help pay for the hefty bill we are facing as a result of the cyclone, we are introducing a cyclone recovery charge of \$75 per SUIP (separately used or inhabited part of a rating unit) in addition to your rates, see page six. This will raise \$5.1 million and will help pay for the response and recovery costs that we don't expect will be covered by other sources.

There is still some uncertainty and costs may change over the coming year as we work through insurance and welfare claims.

We continue to work closely with central government through the Cyclone Recovery Taskforce and regionally with the Hawke's Bay Regional Recovery Agency and other councils to advocate for the region's recovery. This will ensure that community needs are reflected in recovery planning.

Two independent reviews have been initiated to identify where improvements can be made to better safeguard our communities. We encourage you to have your say. The findings will influence investment decisions for many years to come.

We invite your feedback

Like many of you, the Regional Council is facing some hard decisions as a result of Cyclone Gabrielle. This document is an opportunity to share those and explain how we are working differently. We are keen to hear what you think. We also want to know what's important to you in the region's long-term recovery.

See page 11 for how to have your say, or go to hbrc.govt.nz, search: **#haveyoursay**
We look forward to hearing your thoughts.

As a region, we have a huge job ahead of us. We are committed to our region's environmental recovery and to continued collaboration with our communities.

Ngā mihi nui

Hinewai Ormsby
Te Toihau
Chair




The Waipawa River

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Ō tātau kaikaunihera

Our councillors

Hinewai Ormsby
Chair - Ahuriri/Napier

Will Foley
Deputy Chair -
Tamatea/Central
Hawke's Bay

Xan Harding
Councillor -
Heretaunga/Hastings

Thompson Hokianga
Councillor -
Māui ki te Tonga Māori
Constituency

Neil Kirton
Councillor - Ahuriri/
Napier

Charles Lambert
Councillor -
Māui ki te Raki Māori
Constituency

Jock Mackintosh
Councillor -
Heretaunga/Hastings

Di Roadley
Councillor - Wairoa

Sophie Siers
Councillor -
Heretaunga/Hastings

Jerf van Beek
Councillor - Ngaururora

Martin Williams
Councillor -
Ahuriri/Napier



Te huri kaweka a Huripari Kapiriera

Devastation of Cyclone Gabrielle

Cyclone Gabrielle swept through the upper and eastern North Island in mid-February 2023. It was one of the worst storms to hit Aotearoa New Zealand in living history, creating widespread and significant damage, with Hawke's Bay one of the hardest hit regions.

The cyclone delivered gale-force winds and staggering amounts of rain in Hawke's Bay over a relatively short period of time – significantly more than was forecast in some areas. Hawke's Bay Regional Council rainfall data shows the cyclone was one of the most significant weather events to impact the region since records began.

The volume of water coming through the region's rivers at speed was much larger than stopbanks were designed for, noting some areas don't have stopbanks and the stopbanks we do have are built to an agreed standard. This caused overtopping and erosion in several places across the region with nearly 6 kilometres of our 248km stopbank network breached and 28km weakened.

At the onset of the cyclone, Hawke's Bay had already experienced the wettest six-month period on record.

Intense rain and rapidly rising rivers lead to extensive and widespread flooding. Every district within the region was affected to varying degrees, with some areas devastatingly impacted.

Hawke's Bay Civil Defence Emergency Management (HBCDEM) declared a State of Emergency on Tuesday 14 February at 4.31am. A State of National Emergency was then declared by NEMA (National Emergency Management Agency) at 8.43am the same day. The declaration was in place for one month.

Hawke's Bay sadly experienced the loss of eight lives. Many homes, businesses, and livelihoods were badly damaged or destroyed. Many communities were cut off with state highways, roads, and bridges unsurpassable. Homes were also without power and communications.

Rainfall during Gabrielle exceeded forecasts at the Glengarry gauge, one of the monitoring sites for the Esk Valley, by more than 250mm. It received 501mm over 24 hours – equal to nearly 6 months of rainfall.

The Fairview gauge, one of the monitoring sites for Wairoa, recorded 432mm over 24 hours, which is more than double the previous highest 24-hour total recorded at the site (206mm).

The LK4 Ngaroto Tūtaekurī gauge, one of the monitoring sites for the Ngaruroro/Tūtaekurī rivers, recorded 397mm over 24 hours, which is about 2.5 times the previous highest total (156mm).

The Waipoapoa gauge, one of the monitoring sites for the Tukituki River, recorded 393mm over 24 hours, which is nearly 3 times the average total for all of February in just one day.





Tā mātou whakautu

Our response



HBRC contributed significantly to the region’s response. As administrator of the Hawke’s Bay Civil Defence Emergency Management Group (HBCDEM) on behalf of the region’s councils, our Civil Defence staff led the emergency management response. We also ran our own operational response with the immediate focus on repairing damaged stopbanks.

Hawke’s Bay Civil Defence

More than 1000 people worked with our team of 12 Civil Defence staff on what was the most complex and large-scale response ever mounted in Hawke’s Bay.

The multi-agency operation relied heavily on staff from the emergency management sector, the Defence Force, central government agencies, emergency services, our local councils, volunteers, and people who simply decided to roll up their sleeves and help.

Shifts ran around the clock for the first three weeks at the Group Emergency Coordination Centre, at the Civil Defence building in Hastings. In total the centre operated for 11 weeks.

A Regional Distribution Centre was set up at Tomoana Showgrounds Hawke’s Bay. The centre, a partnership between HBCDEM and Ngāti Kahungunu’s Tihei Mauri Ora Response Centre, provided rapid relief and critical welfare supplies and services to rural isolated communities.

Supporting our isolated communities was an ongoing focus and presented some incredibly complex logistical challenges.

At the peak of the response, teams worked with Fire and Emergency New Zealand to coordinate up to 25 helicopter supply missions a day, using New Zealand Defence Force and civilian helicopters. That moved to a weekly supply cycle.

The operation of the Regional Distribution Centre for rapid relief is something that’s never been done before. The lessons identified from it will have national significance for New Zealand’s emergency management system.

Hawke’s Bay Regional Council

We also ran our own Emergency Operations Centre, as all councils are required to, which also stood up a 24/7 response.

A huge effort by a crew of around 160 people, including consultants and contractors, worked tirelessly for three months repairing stopbanks. They undertook six-plus months’ work in that time.

With 30 breaches in our stopbanks, the initial focus in the first three to four weeks was to construct temporary flood protection. The focus then turned to completing permanent repairs.

Another priority was repairing flooded and damaged pump stations. Forty mobile diesel pumps were brought in to help.

Staff also worked rapidly to restore 113 of our rain and river level monitoring sites. The remote monitoring sites were recording but the information was delayed for approximately five days before being transmitted back to Regional Council.

Cyclone Gabrielle dumped huge volumes of silt in the region and created vast amounts of waste. We helped our rural communities by collecting and disposing of silt, we collected thousands of animal carcasses, and coordinated the removal of fence posts and wire where large quantities had been ripped and strewn across vineyards, farms, and orchards. We worked with local councils on disposal of wood waste from beaches and rivers.

The region’s mayors and the Regional Council Chair reactivated the Hawke’s Bay Disaster Relief Trust. Behind the scenes, we continue to manage this on behalf of the local councils. As of 2 June 2023, the fund had distributed \$3 million to 4055 applicants.



Tā te huripari whakararu i te mahere pūtea

Cyclone shock for our budget

Prior to Cyclone Gabrielle we, like many others, were already facing increased insurance premiums, and rising inflation and interest rates.

We were managing our budget to keep our average rates increase for 2023-2024 near what we had forecast in our Long Term Plan 2021-2031.

Cyclone Gabrielle struck, and in response to the devastation it brought to our region we have spent a significant amount on unplanned work.

As of 30 June 2023 we will have incurred about \$50 million in unplanned costs for response and subsequent recovery work. This includes more than \$27 million on emergency repairs and rebuilding flood infrastructure, more than \$9 million for Civil Defence's work, and more than \$5 million on removing and managing waste, including silt, animal carcasses, wood, and fence posts and wire.

We estimate we will face further significant unplanned costs during the coming year.

We are trying to claim back as much as we can through the Government, NEMA (National Emergency Management Agency), and commercial insurance. We are also exploring all other possible funding avenues to offset costs as much as we can to reduce the burden on our ratepayers.

We do however expect there will be a shortfall between our costs and what we can be reimbursed or secure external funding for.

Developing our budget for 2023-2024 has been incredibly challenging. There is still a lot of uncertainty and costs may change during this Annual Plan process and during the financial year.

We are also very aware of the cost-of-living pressures and the impact of the cyclone on the community. We want to strike a balance between keeping rates contained where we can, and resourcing for unplanned cyclone work.

6% average rate increase

We have been able to substantially reduce our previously forecast average rates increase of 14.5% down to 6%.

To do this we had to make some hard decisions about what work we do in 2023-2024 and where we can cut costs, see page seven.

We have a no-frills budget that focuses on our core business and supporting the region's recovery.

Rate increases vary between properties and can be higher or lower than the average.

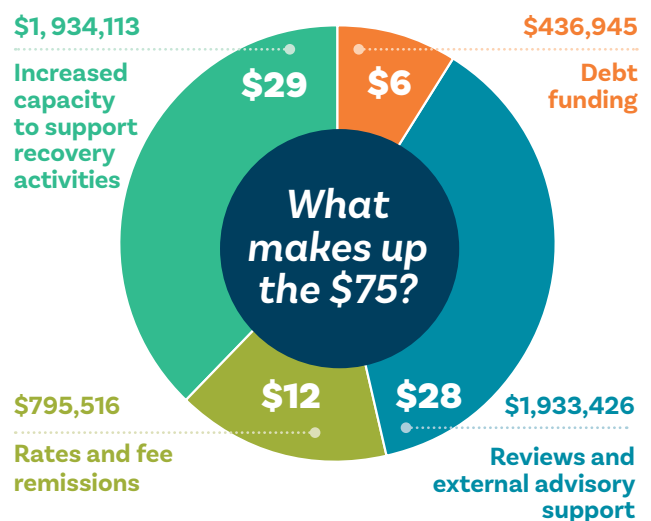
For example:

1. Your rates depend on the range of services provided in your area.
2. You may have made changes to your property such as renovations, which will impact on your rating valuation.
3. If your property is in the Hastings District, the general revaluation may impact your rates, if your property value increased more than the average percentage.
4. Some targeted rates will increase more due to previous decisions to smooth the impact of targeted rates to rebuild reserves.

Regional recovery charge

In addition to the rate increase, we will be invoicing our ratepayers a regional recovery charge of \$75 per SUIP (separately used or inhabited part of a rating unit).

This will raise \$5.1 million to help meet the bill we've been left with because of Cyclone Gabrielle and supporting the region's recovery.



Tough choices

Outlined below is some of the key work we plan to pause, scale back, or defer as we cut costs for 2023-2024.

Infrastructure assets

- Defer construction expenditure for Ahuriri and Wairoa regional parks to the following financial year. We will continue however to support the Ahuriri Regional Park Joint Committee with technical resources and committed project management costs.
- Defer extension of the Ngaruroro Explorer cycleway to later in 2023.
- Reduce maintenance of flood protection and drainage schemes such as beach raking, drain excavation, spraying due to work already done post-cyclone and an accelerated renewal programme.

Biodiversity, pest control, and land management

- Reduce funding for 2023-2024 only on Priority Ecosystem sites. Following the cyclone, the priority is to repair existing sites, such as fencing, to secure investment already made versus restoring new sites.
- Reduce funding in pest animal and pest plant activities and research while staff are redeployed to rural recovery.
- Reduce farm environmental management plan audit engagements (provided the Government agrees to delay farm plan implementation deadlines).
- Reduce catchment delivery research and our environmental enhancement programme.
- Discontinue the Professorial Chair contract with University of Waikato.

Public transport

- Defer the Napier pilot of MyWay Hawke's Bay (on-demand public transport service) until further central government funding can be secured.

Grants for the Sustainable Homes programme

- Apply a cap of \$5 million on the total amount we lend to eligible ratepayers for our Sustainable Homes scheme.

Internal operational costs

- Reduce some ICT service software development.
- Reduce staff training budget for the short term and not fill some vacancies.

Other budget levers

- Take up general rates smoothing loan funding not drawn in years one and two of our Long Term Plan 2021-2031.
- Extend internal loan repayments from 10 years to 20 years.

Clifton to Tangoio Coastal Hazards Strategy

Coastal communities continue to face ongoing and, in some cases, urgent, coastal hazard risks and issues. An adaptive 100-year strategy has been in development with the community since 2014. We now plan to notify the Strategy and consult on HBRC taking on the new activity of implementing the Strategy in August/September 2024, with rate funding and the transfer of existing coastal hazard assets from Napier City and Hastings District councils from 1 July 2025.

Clive River dredging

In May 2022 we withdrew our resource consent application for the planned dredge of the Clive River in response to concerns about the effects on our coastal environment. The need to dredge is a legacy of past decisions to divert the Ngaruroro River and is done for recreational, cultural, and amenity benefits. Work is ongoing to move to land-based disposal which is significantly more expensive. We will continue to talk to users and the community as we try and find a viable solution.

Rates support for those in financial hardship

We are understanding and responsive of people's circumstances, particularly if your house, business, productive land, livelihood, or employment have been affected by Cyclone Gabrielle.

Rates invoices for 2023-2024 will be issued in August 2023. We invite and encourage those ratepayers who are experiencing financial hardship as a result of the cyclone to contact our rates team for a confidential discussion about how we can assist you.

We have increased our team's capacity to ensure we can respond and are available to talk with you.



Ngā panonitanga mahi i muri mai i a Huripari Kapiriera

Working differently after Cyclone Gabrielle

We are changing the way we work as we focus on supporting our communities and environment to recover from Cyclone Gabrielle and become stronger and more resilient.

Fundamental to our recovery work is our Environmental Resilience Plan. Central government funding is critical for us to implement the Plan. Our Plan, along with other local council plans, will be combined into a Regional Recovery Plan by the Hawke's Bay Regional Recovery Agency. This Plan will drive the recovery work for Hawke's Bay.

Supporting the Hawke's Bay Regional Recovery Agency

The Hawke's Bay Regional Recovery Agency will also use the Regional Recovery Plan to advocate for further Government funding.

The Regional Recovery Agency however is not currently a registered legal entity, and therefore has no legal status, no bank account, or the ability to execute agreements with any stakeholders such as the Government (for funding agreements) or contractors (to legalise work agreements).

Central government, with the support of other councils and the Matariki Governance Group, requested that HBRC manage and administer the Regional Recovery Agency. We are able to provide the required services and have regional jurisdiction.

Importantly, doing this provides flexibility to progress the recovery while other arrangements for the Regional Recovery Agency are explored.

This means we are assisting to manage recovery money the Government allocates to the region. For example, we are holding in trust \$105 million recently allocated to Hawke's Bay councils to support the processing and disposal of silt and debris.

We are also undertaking back-office support activities such as IT support, procurement, accounts payable, human resource support, and board reporting.

We want to advise you of this role, as it is not included in our Long Term Plan 2021-2031, but we believe it's a vital activity to help with Hawke's Bay's recovery.

Technical assessments for land categorisation

Two of our key roles as a regional council are flood hazard modelling and mapping, and providing the technical assessment to support decision making on credible and affordable options for flood protection. Both are informing land-use categorisation for properties affected by the cyclone and land-use planning more generally.

Land-use categorisation is determining productive land uses and where homes can be rebuilt. While we alone won't be making decisions on land-use categorisation our technical assessments are a critical input.



Rethinking flood protection

Climate change is increasing the likelihood and severity of rainfall events. Therefore, the risk of future rainfall events exceeding the design capacity of our flood protection is increasing.

Reconfiguring our flood protection so it responds in a known way in future overdesign events (where for example, there is much more rain than forecast) will be a significant focus for us going forward. This builds on work already underway to improve the resilience of our existing schemes such as the work to increase stopbanks in Taradale and gravel extraction work in Upper Tukituki, made possible with significant central government co-funding. The Taradale stopbank was upgraded to a 0.2% likelihood of flooding in any given year (or 1-in-500-year level of flood protection) before the cyclone and saved the Taradale community from catastrophic flooding.

Recently the Government announced \$100 million for flood protection for all regions affected by Cyclone Gabrielle. This is critical to helping us get this work done.

Reviews of all our flood infrastructure – stopbanks, river channels, drains, pump stations, hydraulic structures, and culverts – both individually, and also how they performed as a whole, will also inform how we rethink our work. As part of this, we are coming to the community to hear your experiences and what flood protection you would like to see.

Keeping our communities safe

Additional money has been allocated in this Annual Plan to immediately boost capacity in our Civil Defence team. We will be seeking further increased funding in our next long-term plan.

The focus for the team following Cyclone Gabrielle is to build on and accelerate the work they already do in working with communities to help build resilience to disasters, being prepared for our next event, and embed the operational learnings from this event.

With our councils and emergency services, staff will work with marae and rural communities in places that could be isolated in the event of a natural disaster.

The importance of having communities prepared and able to support themselves was highlighted by Cyclone Gabrielle where many communities set up their own hubs when they were cut off and not accessible by road. The hubs were able to be used as distribution points when helicopters started dropping in essential supplies.

Cleaning up – silt and waste

Hawke's Bay is facing an enormous silt and waste clean-up. We estimate there is about 3.5 million cubic metres of silt to be cleaned up following Cyclone Gabrielle.

We have been collecting and disposing of silt as an extension of our pollution response work enabled by central government funding.

As well as tough financial decisions, we are collectively facing tough decisions about how to deal with waste. Recently we put an exception in place for flood damaged properties within airsheds to responsibly burn waste this winter. Items that can be burned include trees, vines, prunings, vegetation, and untreated timber. Consents are not required.

The Ministry for the Environment is proposing a temporary rule change over burning mixed waste.

Supporting our rural recovery

Our Integrated Catchment Management teams have reoriented their planned work and redeployed many staff to support our rural community and environmental long-term recovery as best we can.

We're working closely with our farmers and growers, catchment groups, and rural community hubs to understand their ongoing needs so we can:

- connect them to the appropriate services such as financial support, feed planning, and considering future land use
- assist with developing individual farm recovery plans that are able to transition into Freshwater Farm Plans
- partner with them on appropriate Regional Council programmes such as our Hill Country Erosion scheme and Land for Life.

All of this will feed into our Rural Recovery Strategy and implementation plan to support investment and allocation of resources to support the recovery.

We will be working with urgency in partnerships with tangata whenua, mana whenua, and landowners to explore options for whole catchments to get trees into the ground and keep soil out of the water.



**Tukua mai ō
whakaaro**

**Have
your say**

We invite your feedback

We've changed the direction of our Annual Plan following Cyclone Gabrielle.

We've made some hard decisions and cut costs. We've changed the way we work so we can focus on our core business and support the region's recovery as best we can.

As a result, we have been able to reduce our average rates increase to 6% - down from the 14.5% increase signalled in our Long Term Plan 2023-2031.

We are introducing a cyclone recovery charge of \$75 to give us all a head start on the substantial costs we know are coming as a result of the cyclone.

Feedback timeline

- **16 June**
Feedback process opens
- **2 July (8pm)**
Feedback process closes
- **19 July**
Council considers and deliberates on feedback
- **26 July**
Council adopts
Annual Plan 2023-2024

Find out more

Keep an eye on our posts on Facebook@HBRegionalCouncil. Replies and comments are reviewed and considered by our councillors.

Reviews

Reviews are important after natural disasters of this scale so we can see where improvements can be made to keep our communities safe and to support long-term investment decisions.

Two key independent reviews are planned and will be funded through the regional recovery charge, see page six. They are:

- 1) HBRC Flood Protection Assets and Drainage Performance Review
- 2) Review of the Hawke's Bay Civil Defence Emergency Management (HBCDEM) Group operational response to Cyclone Gabrielle

We are also undertaking internal reviews which will inform the two independent reviews above, for example, a review of our telemetry system which transmits and records monitoring information such as rainfall.

Annual Plan 2023-2024 Feedback form

The easiest way is online at hbrc.govt.nz



Have your say! Please give us your feedback by 8pm on Sunday 2 July 2023. This includes online, email, hand-delivered, and mailed feedback forms.

First name: Last name:

Email:.....

Address:.....

If you are submitting as the official spokesperson on behalf of an organisation, please give the organisation name here:

- Constituency: Wairoa Ahuriri-Napier Heretaunga-Hastings Ngaruroro
 Tamatea-Central Hawke's Bay Māui ki te Tonga Māori Māui ki te Raki Māori not sure out of region
- Are you a Hawke's Bay ratepayer? Yes No

What is important to you in the region's recovery from Cyclone Gabrielle?

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Tell us what you think of the focus of our Annual Plan

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Need more room? You can attach extra pages, just make sure they include your name and address.

Privacy Statement - Submissions are public information. Your name and feedback will be included in public documents as part of the decision-making process. All other personal details will remain private. This information will be held by Hawke's Bay Regional Council but only for the purpose of this feedback process.

- Online:** hbrc.govt.nz, search: #haveyoursay or scan our QR code
- Email:** haveyoursay@hbrc.govt.nz
- Post:** Hawke's Bay Regional Council, Private Bag 6006, Napier 4142
- Hand deliver:** 159 Dalton Street, Napier
- HBRC must receive your submission by 8pm on Sunday 2 July 2023.**






HAWKES BAY
REGIONAL COUNCIL

TE KAUNIHERA Ā-ROHE O TE MATAU-A-MĀUI