

## Meeting of the Cyclone Recovery Committee

**Date:** Wednesday 24 May 2023  
**Time:** 11.30am  
**Venue:** Council Chamber  
Hawke's Bay Regional Council  
159 Dalton Street  
NAPIER

## Agenda

Item	Title	Page
1.	Welcome/Karakia/Notices/Apologies	
2.	Conflict of Interest Declarations	
3.	HB Future Farming Trust presentation	3
<b>Decision Items</b>		
4.	Confirmation of Cyclone Recovery Committee membership	9
<b>Information or Performance Monitoring</b>		
5.	Rapid Rebuild process update	11
6.	Asset Management operational recovery	15
7.	Update on rural and primary sector recovery	17
8.	Land for Life project update	21
9.	Hawke's Bay Regional Council Recovery Manager's update	31
10.	Silt & debris verbal update	
11.	Central government updates	33
12.	Administering the Recovery Agency and recovery funding	37
13.	Cyclone event science impacts	41



**Subject: HB Future Farming Trust Presentation**

**Reason for Report**

1. This item introduces the HB Future Farming Trust presentation on its activities over the last year.

**Decision-making Process**

2. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

**Recommendation**

That the Cyclone Recovery Committee receives and notes the *HB Future Farming Trust presentation*.

**Authored by:**

Leeanne Hooper  
Team Leader Governance

**Approved by:**

Desiree Cull  
Executive Officer To Ce

**Attachment/s**

- 1 [↓](#) HB Future Farming Trust Annual Report 2022





**Hawke's Bay Future Farming Trust**  
TE MATAU A MĀUI AHU WHENUA - HĪKINA TAIAO

**Annual Report – 30 June 2022**

The Trust held twelve monthly meetings over its last financial year, ending 30 June 2022.

Current Trustees are Liz Krawczyk (chair), vice-chair Phil Schofield, treasurer Scott Lawson, John van der Linden, Tim Aitken (replacing Greg Hart), Tom Belford and Will Foley. Backgrounds of all Trustees are furnished in the Trust website: [www.hbfuturefarming.org](http://www.hbfuturefarming.org)

The Trust also maintains a Facebook page at: [www.facebook.com/HBFutureFarming-104458421275553/](https://www.facebook.com/HBFutureFarming-104458421275553/)

Trust activities have been supported on a contract basis by David France, serving as project manager, as described further in this report.

Our **MISSION** is to:

“Promote, inspire and celebrate profitable farming systems that enrich the environment and the community.”

Our **VISION** is to make Hawke's Bay farming the pride of our community by promoting, inspiring, and celebrating profitable farming systems that enrich the environment and our communities.

The Trust builds partnerships to help develop & implement projects that challenge convention, promote holistic farm performance, use state-of-the-art technologies and sustainable farming practices.

We sponsor on-farm research and outcome monitoring. Sponsor and conduct demonstration workshops and field days. Prepare case studies and videos that provide hard evidence about innovative or alternative practices. Communicate leading edge farming information through our website, e-newsletter and social media.

**Projects Undertaken**

The Trust aims to establish to farmers and growers – using evidence we develop here in Hawke's Bay – that more beneficial environmental practices and better financial performance go hand-in-hand.

We work with leading edge farmers and growers, documenting the success of their overall farming systems and – hopefully – making their practices irresistible to others who are watching expectantly or sceptically from the sidelines.

Our Trustees are united in the belief that our long-term focus must be on healthy soils, and the land, plant and animal management practices – label them however you like – that yield healthier, carbon-enriched soils.

Our focus on soil carbon in particular recognises that the benefits of increasing soil carbon – indeed ‘farming’ it – are manifold – deeper rooting systems, increased water and mineral holding capacity, a richer, healthier soil biome ... leading to increased plant resilience to drought and environmental stresses and reduced soil loss and nutrient leaching. A win/win outcome today, with the additional potential for establishing future economic value of on-farm soil carbon in an ETS framework.

To that end, in FY22 we continued to develop two major, multi-year demonstration project proposals to MPI.

### **Carbon Positive**

The first of these, Carbon Positive, a six-year \$3 million project, will be undertaken in partnership with LandWISE, using their experimental farm to compare the results of alternative arable farming practices implemented across ## test plots on the farm. Results examined will include soil carbon and overall soil health, water and nutrient retention, need for external inputs, and crop productivity.

In FY22 the Trust received preliminary confirmation of \$2m in MPI funding. Other partners in the project include Heinz Watties, McCains, Balance and HBRC. We expect formal announcement of the project in early FY23.

### **Farming for Carbon**

Our second proposed major project – aimed at making similar comparisons of alternative farming practices in a catchment-wide, pastoral setting (in partnership with the Mangaone Catchment Group) progressed more slowly in FY22, with indications that it will need to be scaled back to win MPI support.

Re-casting of the project is now underway, with an objective of looking more specifically at documenting soil carbon growth associated with alternative farming practices.

Both of the MPI-involved projects consumed considerable Trust attention and resourcing over FY22. Dave France was retained as a consultant to project manage the development of these projects – programme definition, budgeting, corporate/iwi relationships and funding, MPI negotiation.

### **Soil Carbon Investigation – Dairy farms**

Indicative of the soil carbon investigations the Trust would like to undertake on a wider scale is the project begun in FY21 and continuing this year to assess soil carbon growth on three dairy farms in Patoka owned by John Kamp. Our soil analysis was completed in FY22,

indicating clearly that regenerative practices were indeed yielding more soil carbon as these practices carried on.

The Trust conducted a field day on the property in November attended by 40 guests, and documented the project in this [10-minute video](#) which has received over 1500 views.

### **Workshops**

In July 2021 the Trust sponsored three well-attended HB presentations offering an introduction to alternative pasture and grazing systems that can regenerate better soils and build soil carbon. These workshops were delivered by Siobhan Griffin. Siobhan has spent 25 years managing her own farm. She coaches farmers to build topsoil working with their livestock, grazing deep-rooted and diverse pastures to build and regenerate soil carbon on New Zealand sheep/beef and dairy farms.

### **Other activity**

The Trust is increasingly asked to support other innovative on-farm projects in the region and we have done so with respect to an almond farming trial in CHB and the Regional Council's Managed Aquifer Recharge project, also in CHB. We supplied funding support for water quality monitoring technology to the Mangaone Catchment Group. Also, for HBRC's Regional Water Assessment project, Trustee Phil Schofield completed a desktop review of overseas research on the water retention capacity of carbon-rich soils.

### **Communications**

From a communications standpoint, the Trust is implementing a strong commitment to recognise and celebrate all sorts of initiatives Hawke's Bay farmers and growers are making to improve – which means lessen – their environmental footprint. Those could range from riparian planting or establishing wetlands to improving water efficiency or planting erosion-prone hillsides.

Our website has ramped up in content over the year and now includes over 60 articles, added to weekly, as well as other programme content. The site is supported and promoted by the monthly e-newsletter we initiated in FY22 as well as our Facebook page. A priority for the coming year is building our online audience and stepping up relevant 'local innovation' content reporting.

### **Funding and financials**

The Trust seeks to supplement its initial 3-year funding from HBRC with funding from government and community sources, both for project-specific resources (as noted earlier successfully for the Carbon Positive project) and for long-term operational support.

Regarding the latter, we were pleased to enlist Napier Port, Bayleys Country and Hastings District Council as Sponsors, with their support commencing in the FY22 year. We also receive welcome in-kind support from BM Accounting.

As at 30 June 2022, the Trust had a cash balance of \$322,112. The Trust's financials for fiscal year through 30 June 2022, are prepared by BM Accounting and now under

independent review, as required by our charter. After review, they will be published on the Trust website.

### **Next Steps**

Our immediate focus in the coming year is coming to closure with MPI on our two major project proposals, and formalise and activate the working relationships with our wide range of partners involved in those projects.

We plan to conduct farmer workshops on a regular basis to demonstrate alternative farming practices, as well as sponsor broader public education events regarding Hawke's Bay's farming challenges and future. Our workshop/field day agreement with HB Regenerative Group for the coming year and our August public forum featuring Minister Damien O'Connor and Rod Oram are pertinent examples.

We also anticipate future engagement with catchment groups in the region, as illustrated by our administrative support of the Between 2 Rivers (B2R) catchment group.

We will expand the content on our website and Facebook page, and grow our reach HB farmers and growers and the wider agribusiness community.

We will also review Trust composition and continue to explore ways to involve Māori landowners in our mission.

### **Submitted by:**

Liz Krawczyk (Chair)

Scott Lawson (Treasurer)

Hawke's Bay Future Farming Trust



**Subject: Confirmation of Cyclone Recovery Committee membership**

**Reason for Report**

1. This agenda item provides the means for the Cyclone Recovery Committee (CRC) to confirm its membership including the appointments made by Post Settlement Treaty Entity appointees on the Regional Planning Committee and Taiwhenua/NKII representatives on the Māori Committee.

**Officers' Recommendations**

2. Council officers recommend that the Māori Committee and Regional Planning Committee appointments to the Committee are confirmed.

**Background**

3. The Terms of Reference for the Cyclone Recovery Committee, adopted by the Regional Council by resolution on 29 March 2023, provide for membership to include:
  - 3.1. Up to two appointed members of the Māori Committee, and
  - 3.2. Up to two appointed members of the Regional Planning Committee.

**Decision-making Process**

4. Council and its committees are required to make every decision in accordance with the requirements of the Local Government Act 2002 (the Act). Staff have assessed the requirements in relation to this item and have concluded:
  - 4.1. Councils are required to hold the meetings that are necessary for the good governance of their district or region (LGA sch.7 cl.19(1)).
  - 4.2. Councils may appoint the committees, subcommittees, and other subordinate decision-making bodies that they consider appropriate, including joint committees (LGA sch.7 cl. 30(1)(a)).
  - 4.3. Given the provisions above, the Cyclone Recovery Committee can exercise its discretion and make these decisions without consulting with the community or others having an interest in the decision.

**Recommendations**

That the Cyclone Recovery Committee:

1. Receives and considers the *Confirmation of membership* staff report.
2. Confirms the Cyclone Recovery Committee membership appointments of:
  - 2.1. Tania Hopmans and Keri Ropiha representing the Regional Planning Committee
  - 2.2. Peter Eden and Katarina Kawana representing the Māori Committee.

**Authored by:**

**Leeanne Hooper**  
**Team Leader Governance**

**Approved by:**

**Desiree Cull**  
**Executive Officer to CE**

**Attachment/s**

There are no attachments for this report.

**Subject: Rapid Rebuild Process update**

**Reason for Report**

1. This item introduces a verbal update on the status of the Rapid Rebuild programme of work, which will provide a summary of the forward-looking programme of work as well as some context around where work yet to be completed is located.

**Executive Summary**

2. This paper and accompanying presentation summarise the focus of the Rapid Rebuild Team in terms of work yet to be completed.

**Background**

3. The status of the Rapid Rebuild Programme as at 16 May 2023 is summarised in the attached one-page Situation Report. In summary, 19 breach repairs have been completed, with a further 18 actively under investigation or in construction.
4. A Rapid Rebuild 90-day plan will be incorporated into the presentation to be delivered at the meeting to demonstrate the forward-looking schedule for this programme of work.
5. As demonstrated in the schedule, the scope of the rebuild is now widening to include other rebuild/repair works associated with flood control schemes.

**Decision-making Process**

6. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

**Recommendation**

That the Cyclone Recovery Committee receives and notes the *Rapid Rebuild process update*.

**Authored by:**

**Jon Kingsford**  
**Project Manager**

**Approved by:**

**Chris Dolley**  
**Group Manager Asset Management**

**Attachment/s**

- 1 [↓](#) Rapid Rebuild Situation Report - 16 May 2023



Tuesday, May 16, 2023

## Rapid Rebuild Project Updates

### Overview

Stopbank breach work is progressing at pace across all Hastings and Napier sites. Highest priority sites have either been completed or are nearing completion. New sites are continuously being assessed and added.

### Key Priorities:

Archaeological authority required for Springfield Upper (hold point)

Material investigations and planning across all sites not already in construction.

Continuing to seek sources of suitable material

Continuing to work at pace in anticipation of a cold winter

For geospatial information please see:

<https://govt.nz/our-council/cyclone-gabriele-response/flood-infrastructure-repair/>



57

Total Sites

19

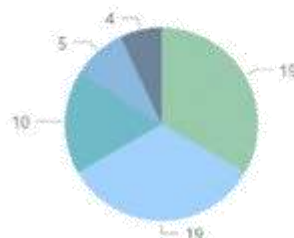
Completed Sites

19

Execution Sites

### Number of Projects by Status

- Complete
- Execution
- Planning
- Investigation
- On Hold



### Completed Projects

Site Name	Repair	Status	Completion Date
Maraenui Golf course - 1	Breach	Complete	2 March 2023
Allen Road	Breach	Complete	8 March 2023
Taradale	Breach	Complete	9 March 2023
Brookfields Lower (Awatoto)	Breach	Complete	24 March 2023
Omahu - Upstream	Breach	Complete	27 March 2023
Powdrell Road stockpile (New Asset)	Breach	Complete	27 March 2023
Maraenui Golf course - 2	Breach	Complete	29 March 2023
Waipawa - Stevensons	Breach	Complete	4 April 2023
Waipawa - Under SH2	Breach	Complete	4 April 2023
Moteo - CH500	Breach	Complete	13 April 2023
Omahu Lower - D.S of Bridge	Breach	Complete	13 April 2023
Dartmoor Upper	Breach	Complete	27 April 2023
Moteo - Vicarage Road	Breach	Complete	27 April 2023
Omarunui - Main breach	Breach	Complete	5 May 2023
Springfield Road Upper - 1	Breach	Complete	5 May 2023
Omahu lower - Scours B,9	Scour	Complete	5 May 2023
Raupare Upper - Site 2 (Fernhill)	Breach	Complete	8 May 2023
Springfield Road Upper - 2	Breach	Complete	12 May 2023
Walker Road Downstream	Breach	Complete	15 May 2023
End			

### In Progress Projects

Site Name	Repair	Status	Expected Finish
Tapairu Road Upper	Breach	Execution	
Dartmoor Upper - 407 Dartmoor	Scour	Execution	
Springfield Road Upper - 3	Scour	Execution	
Springfield Road Lower	Breach	Execution	18 May 2023
Tikokino Road Upper	Breach	Execution	19 May 2023
Waipawa - Coronation Park	Breach	Execution	19 May 2023
Omahu Lower - Muffetts 2 - Breach 4	Breach	Execution	20 May 2023
Dartmoor Upper - 415 Dartmoor	Scour	Execution	20 May 2023
Dartmoor Lower	Breach	Execution	25 May 2023
Pakowhai Outer (TK & NG Confluence)	Breach	Execution	25 May 2023
Pan Pac	Breach	Execution	26 May 2023
Omahu lower - Scour 10	Scour	Execution	26 May 2023
Omahu lower - Scour 7	Scour	Execution	26 May 2023
Raupare Upper - Site 1 (Fernhill)	Breach	Execution	27 May 2023
Omarunui - Lower Site	Breach	Execution	29 May 2023
Moteo - Vicarage Road	Scour	Execution	31 May 2023
Omahu Lower - Taylors - Breach 5	Breach	Execution	2 June 2023
Omahu Lower - Muffetts 1 - Breach 3	Breach	Execution	5 June 2023
Walker Road	Breach	Execution	23 June 2023
Stableford	Breach	Investigation	
Tikokino Road Lower	Breach	Investigation	
Waipawa Upstream Mangaonuku	Breach	Investigation	
Fardon Lower	Scour	Investigation	
Scissons Road	Scour	Investigation	
Franklin	Breach	On Hold	
Kings	Breach	On Hold	
Waiohiki Outer	Breach	On Hold	
Waldrom	Breach	On Hold	
Ebbetts	Breach	Planning	
Stockade Road	Breach	Planning	
Springfield Road Upper - O'Brien's Drain	Repair	Planning	
Omahu Lower - Chesterhope	Scour	Planning	
Omahu lower - Scour 1	Scour	Planning	
Omahu lower - Scour 2	Scour	Planning	
Omahu lower - Scour 3	Scour	Planning	
Omahu lower - Scour 4	Scour	Planning	
Omahu lower - Scour 5 and 6	Scour	Planning	
Dartmoor Upper - Cherry Orchard	Scour	Planning	9 June 2023



**Subject: Asset Management operational recovery**

**Reason for Report**

1. This item introduces a verbal update on the status of the operational recovery programme, including the overall objectives of the programme and the development of the programme-packaging tool, with timeframes.

**Background**

2. A presentation, which will be delivered at the meeting, will summarise:
  - 2.1. the overall objectives of the operational recovery programme
  - 2.2. the process for work development and the work tool, including examples of the work in progress
  - 2.3. work completed to date, reporting mechanisms and timeframes , including the number of assets inspected, the minor work packages completed to date and the GIS reporting tools available on the HBRC website.

**Decision-making Process**

3. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

**Recommendation**

That the Cyclone Recovery Committee receives and notes the *Asset Management operational recovery update*.

**Authored by:**

**James Feary**  
**Operational Response Manager**

**Approved by:**

**Chris Dolley**  
**Group Manager Asset Management**

**Attachment/s**

There are no attachments for this report.





**Subject: Update on rural and primary sector recovery**

**Reason for Report**

1. This item updates the committee on progress in developing a supporting framework and initiating an HBRC Rural Recovery Strategy

**Executive Summary**

2. An HBRC Rural Recovery Strategy is a section of the Regional Resilience Plan, providing an opportunity for Council to engage with and seek feedback from rural communities and support landowners to plan recovery and develop resilient business models.
3. A Rural Recovery Strategy and Implementation Plan will align with HBRC input into the Hawke's Bay Recovery Plan to ensure land use practices are appropriately represented in the Plan.
4. A Strategy may identify additional services and infrastructure required to support a robust recovery model, e.g. improvements in poplar pole nursery capacity to supply the increased demand for tools to address sediment and erosion control, appropriate farm planning framework and tools to support pragmatic land restoration systems within the regulatory framework, and the use of future land use tools like the Land for Life business model.
5. A Rural Recovery Strategy will identify elements where a joined-up approach for delivery to landowners alongside primary sector bodies and organisations (Pastoral, Horticultural, Forestry and Fisheries) can be delivered to maintain consistency and clarity of messages and recommendations.

**Strategic Fit**

6. A Rural Recovery Strategy is aligned to three out of the four top priorities in the 2020 – 2025 Strategic Plan
  - 6.1. Firstly land, through 'climate-smart and sustainable land use' and secondly, 'water quality, safety and climate resilient security' by ensuring recovery is developed to meet water quality targets and objectives.
  - 6.2. Thirdly, a Rural Recovery Strategy will contribute to 'healthy, functioning and climate-resilient biodiversity'.
7. Additionally, an HBRC Rural Recovery Strategy supports the HBRC Cyclone Recovery Committee Terms of Reference, e.g. alignment to Cyclone Gabrielle Recovery responsibilities in providing opportunities to determine and express community voice, a focus on land-use planning and hazard management.

**Background**

8. Cyclone Gabrielle heavily impacted Hawke's Bay region from Monday, 13 February through to Wednesday, 15 February 2023. Multiple farms, orchards, vineyards, rural businesses, and homes across the entire region have been damaged by flood waters and inundated with silt and wood debris.
9. Rural and semi-rural areas have been the most affected. While large areas are impacted, the severity of the impact is variable, with silt in some places being up to 2 or 3 meters high and, in others, only light deposits cover the ground.

10. Hill country erosion has caused significant farming business disruption with severe impacts on business operations due to the loss of fences, access, and farming infrastructure. Across Hawke's Bay, there are approximately 3,656 properties, larger than 20 hectares (pastoral & arable) with 2,482 owners. There is a wide range in impact and recovery needs. However, every rural business will have been impacted either directly or through association by market access, product supply or business interruption.
11. Meat producers were impacted; prime stock ready for slaughter was unable to be transported to slaughter due to on-farm infrastructure and roading damage, and large numbers of agricultural livestock were also caught up in the floods, which resulted in animal carcasses being deposited across the region.
12. Dairy farming businesses were severely impacted, with 27 of the 74 Hawke's Bay dairy farms having to dry off their herds due to the inability of Fonterra to collect milk. Several other dairy farms have been impacted through the loss of pastoral grazing land and supplementary feed reserves.
13. The power of the flood waters, from where they breached the stop banks, tore through orchard, viticultural and horticultural properties, leaving in its wake piles of debris consisting of mixed orchard waste and debris carried from other areas by the flood waters. Cyclone Gabrielle has, directly and indirectly, impacted 1,408 horticulture properties (1,121 owners).
14. The immediate priorities following the establishment of the Cyclone Recovery Committee has been to second appropriate staff from within HBRC to develop a Rural Recovery Team.
15. A foundation principle of Rural Recovery activity is alignment to mana whenua and to undertake functions considering Te Ao Māori kaupapa.

### **Impact Assessment Survey**

16. An online survey of farmers/landowners/growers was undertaken between 12 April and 28 April using an independent contractor to understand the current state and help prioritise the recovery focus. Important to this process was to not duplicate work already undertaken within the horticulture sector to avoid sensitivities with landowners/growers who may have already participated in horticulture-sector initiated surveys.
17. Design of, and input into, the framework for the survey was supported through engagement with the Rural Advisory Group (RAG) (which includes Beef+Lamb NZ, Federated Farmers, DairyNZ, Hastings District Council, CHB District Council, Wairoa District Council, and others).
18. There were 430 respondents representing around 500 different properties with most common predominant land uses being sheep (31%), beef (28%) and lifestyle blocks (22%). 95% stated that their property had been impacted by Cyclone Gabrielle.
19. As part of the survey, respondents were given the opportunity to request contact from a range of primary sector agencies, with 108 of the respondents (25%) requesting a follow-up call from HBRC. Other organisations (B+LNZ, MPI, Federated Farmers) also received requests for follow-up calls, but these averaged fewer than 8 requests.
20. HBRC staff (Recovery Team, Catchment Delivery Teams) have undertaken the call backs and recorded feedback conversations for further impact assessment.
21. Work is underway to analyse the survey outputs (quantitative analysis) and will be reported when analysis is complete.
22. Additionally, Catchment Advisors have contacted landowners who have committed works for this year as part of the Erosion Control Scheme to understand their current situation, and their ability to continue with the programmed work, and to understand the impacts on previously completed works.

## Community Engagement

23. HBRC Rural Recovery and Catchment staff have attended a range of community events, including Wairoa Community Development Trust *Backyard BBQs*, Central Hawke's Bay District Council Community workshops, Rural Community Hub events (Pakowhai, Patoka, Kereru, Tūtira), and Catchment Group events (Tukipo, Porangahau and Maharakeke, Porangahau Coastal, and Sherenden – B2R).
24. Dairy liaison meetings are planned (in consultation with Fonterra and Dairy Farmers) for June, with events proposed for Tūtira, Patoka and Central Hawke's Bay. The workshops will include updates from the HBRC Compliance team, and integration of the HB Dairy Awards, and will be delivered in association with MPI's On Farm Support Team.
25. HBRC is also working closely with Federated Farmers to support their efforts with the *Farmy-Army* providing maps and land-use information to support their farmer support efforts.

## Discussion

26. We intend structuring the HBRC Rural Recovery Strategy on two primary platforms – community engagement and resilient land production businesses.

## Community Engagement

27. Community Hubs – maintaining effective operation and support of Community Hubs established by the community in the immediate aftermath of Cyclone Gabrielle. These will primarily be supported through Territorial Authorities and supported by HBRC information, resources, and technical expertise in land management decisions and regulatory frameworks.
28. Catchment Groups/Collectives – HBRC has established and strong links to catchment groups/collectives throughout Hawke's Bay, and this experience presents an opportunity to enhance and grow the communication network. Key staff will maintain contact and act as a key link between these groups and Council.
29. Farmer meetings – HBRC has received invitations from farmer groups to meet and discuss recovery information and resources available to support their business activities (Wairoa 31 May, Elsthorpe in June)
30. Industry Workshops – HBRC, through the RAG network, is partnering in the development and delivery of a series of workshops throughout Hawke's Bay to support recovery. Technical in nature, these workshops will use resources combined from supporting agencies for consistency and clarity of messaging and information (feed budgeting, financial planning, landuse decision-making) and supported by clarity of regulatory and policy requirements.

## Resilient Land Production Businesses

31. The strategy will be aligned to policy and regulation with a strong emphasis on planning for the future. This will be based on individual farm recovery planning that has the portability to transition into Freshwater Farm Plans when these are implemented in Hawke's Bay.
32. HBRC will investigate opportunities to align the strategy with government agencies to provide digital farm-based planning tools where individual farmers/landowners can initiate and manage their own farm recovery plan.
33. The implementation of the Land for Life programme will be accelerated and upscaled from the twelve-farm pilot programme to be delivered at scale where appropriate. This is discussed in detail in Agenda item 9.

## Decision-making Process

34. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

**Recommendation**

That the Cyclone Recovery Committee receives and notes the *Update on Rural and Primary Sector recovery*.

**Authored by:**

**Jolene Townshend**  
**Manager Catchment Operations**

**Richard Wakelin**  
**Manager Rural Recovery**

**Approved by:**

**Iain Maxwell**  
**Group Manager Integrated Catchment**  
**Management**

**Attachment/s**

There are no attachments for this report.

**Subject: Land for Life project update**

**Reason for Report**

1. This item provides the Committee with an update on the Land for Life (formerly Right Tree Right Place) project (project) and outlines its current positioning in relation to regional recovery and direction of travel.

**Executive Summary**

2. The first year of the project worked with an early pilot farm to produce a farm plan that guided initial planting in August 2022. It conducted a farmer survey that supported the development of a pipeline of potential Land for Life farms. In year 2, the project has evolved the farm planning process, developed a farm plan template and completed farm plans on a further 12 pilot farms.
3. The project has developed a model and has momentum and potential to support regional recovery by scaling the project to ~600 farms over three years, providing the opportunity to underpin the rural recovery and future resilience of Hawke's Bay pastoral farmland.
4. A business case (using the Treasury Better Business Case model) is being developed to provide a basis for a go/no go decision for the project and consideration of options to scale the project (50-farm extended pilot, ~600 farm rollout, multi region rollout) and financing models.
5. HBRC's role in relation to a scaled project is aligned to its existing role as a catalyst for land and environmental improvement, quality assurance, monitoring and measurement, and as a critical partner for central government and the wider sector. The business case does not propose that HBRC will be involved in financing on-farm interventions for afforestation.
6. Scaling the project will need additional capacity, expertise, tools and funding: a digital farm planning tool; increased consultancy expertise; funding for farm planning; capacity to manage farmer engagement and collateral development; geospatial and other support functions; monitoring and evaluation programme; possible research; etc. These will be described in the business case.
7. The project will bring further iterations of the options to scale the project and financial models, along with other sections of the business case as they are developed to the June Committee meeting. The business case is due for completion at the end of June, followed by a decision-making period for HBRC, The Nature Conservancy (TNC) and Ministry for Primary Industries (MPI) to consider if and how to progress the project.

**Project background and objectives**

8. The Hawkes Bay region faces significant challenges across a range of environmental issues, including the adverse impacts of slope and soil erosion and sedimentation on water quality, climate change adaption / mitigation and biodiversity loss.
9. The project seeks to address these, through a collaboration between HBRC, TNC, central government, farmers and farming communities, to reduce the region's erosion challenges, address climate change, improve freshwater quality and protect biodiversity. It approaches this through two principal interventions:
  - 9.1. Supporting farmers to plant the right trees in the right places to slow erosion, improve freshwater quality, improve biodiversity and build resilient farms; and

- 9.2. Supporting improvements in pastoral farm systems and regenerative farming practices that are good for farmers' bottom lines and the environment.
10. HBRC and Te Uru Rākau – New Zealand Forest Service (One Billion Tree Fund) jointly funded extensive research involving SCION and several other providers that covered a range of forest systems, financing mechanisms, carbon accounting, woodflow and infrastructure mapping, social research and pasture farming considerations. Spatial layers were produced, along with a case study involving a detailed farm/forestry plan on a farm in northern Hawke's Bay.
11. This work culminated in the development of an earlier business case that was presented to Council during the 2021-31 long term plan process. On the basis of this, Council agreed to fund the project to address the significant erosion problem in Hawke's Bay through demonstrating a successful Land for Life model by refining a planting model with several objectives:
  - 11.1. *To recover its own costs*
  - 11.2. *Encourage planting of trees on erodible land*
  - 11.3. *Stimulate the market to invest in trees on farms that strengthens financial and environmental outcomes*
  - 11.4. *Reducing the need for whole farm afforestation*
  - 11.5. *Plant enough trees to prepare for climate change; and*
  - 11.6. *Significant environmental benefits.*

## **Project status**

12. The early focus with pilot farming work was to develop momentum quickly with the project in order to incorporate the learning from the initial pilot farm into the forward work programme. The project started with an early pilot farm (Waipapa), for which the farm planning process was completed and first trees planted in the ground in August 2022.
13. This early work allowed a more structured approach with digital farm plans that have been developed on a further 12 pilot farms during year-two of the project. The farm plans are the basis for due diligent efforts needed to underpin the business case to scale up the Land for Life concept.
14. A survey of candidate farms and selection process was completed in mid-2022. Key take-outs from the survey included:
  - 14.1. 75% of respondents are very interested in further conversations about the scheme.
  - 14.2. 78% strongly agree that they "would plant more trees or plant at a faster rate if I had greater access to resources (capital, labour, expertise etc)."
  - 14.3. 64% said they would be interested in starting as soon as possible.
15. The survey helped to develop a pipeline of potential Land for Life farms across erosion-prone areas of the region. Farm selection is guided by agreed selection criteria and is based on attributes of the farm and suitability of the farmer as an early adopter and potential champion for the Land for Life model.
16. The farmer survey outputs, farm selection criteria and process, and relationship with TNC were presented to council meetings during the first year of the project.
17. The farm planning process has evolved during the development of 12 farm plans. With guidance from the consulting team a farm plan template has been developed and refined. The farm plans will provide the basis for financial modelling of the investment options and aggregation of environmental benefits from the project.
18. Discussions with banks is helping to guide development of financing mechanisms. Banks recognise the project's farm plan model as being 'gold standard' from what they see in other

regions and are indicating that this would be a favourable tool for lending. They acknowledge a lot of discussion about integrated farm planning across the country, but that Hawke's Bay actually has an integrated farm planning model that has been put into practice. Banks are supporting the Project to consider green financing related models.

19. MPI has continued to partner in the project, assisting as part of the project team, contributing funding and resourcing for business case development to consider scaling the project and participating in strategic discussions about how to leverage and scale the project to support regional recovery and long-term resilience.

### **Recovery to resilience: Sharpening the focus**

20. Cyclone Gabrielle's destructive force in February struck the region with severe impacts across a significant portion of pastoral farms in the region, including significant erosion-related impacts across hill country farms, and devastating impacts downstream for people and biodiversity.
21. In response to this, Council, TNC and MPI have identified the opportunity to reposition the project to contribute to recovery and long-term resilience of pastoral farms in Hawke's Bay. This repositioning proposes to increase the number of farms in the Land for Life programme from what was envisaged as an expanded pilot of 50 farms to c.600 over a three-year period. A business case to allow partners to consider options to scale and act as a go/no go decision point is described later in this paper.
22. In the context of the primary sector recovery framework led by HBRC and MPI, the project has the opportunity to be a cornerstone component of rural recovery and important tool in the implementation phase of the recovery plan. At scale, the project provides a mechanism to have real impact to the future resilience of Hawke's Bay's farmland, waterways, environment and biodiversity, climate change, communities and wider regional economy. The opportunity to re-imagine a more resilient farm landscape and Hawke's Bay's productive base.

### **How this will work in practice**

23. The Catchment Advisor (CA) team has trusted relationships and capacity across farming communities in the region. A Land for Life scaled-up model will continue to use this valuable capacity. Land for Life will be another tool for CAs to use in their efforts to improve farm resilience and environmental outcomes.
24. The CAs currently undertake 250-300 erosion control jobs per year. They capture farm information in a customer management system and geospatial tool, essentially a lightweight farm plan focused on erosion control as it relates to the tools they have at their disposal. In planning these projects, they consider existing information about the farm: land use class maps, areas of significant value, aerial photography, etc.
25. With Land for Life as a scaled model, if the CA considers that a farm requires a Land for Life orientated remediation for larger scale afforestation and pastoral system interventions, they act as a broker to call in the expertise needed to develop relevant components of more complex farm plans: afforestation options, greenhouse gas and emissions trading scheme implications, nutrient budgets, pasture production management, financial modelling, etc.
26. This is a two-part farm planning process that is summarised as:
  - Stage 1: CA led initial assessment: erosion control scheme focused
  - Stage 2: Consultant led: complete Land for Life farm plan.
27. The farm plan is the pivotal part in the Land for Life model. It effectively articulates a landowner's vision for their land and with support from experts a plan is developed. The plan provides the confidence and knowledge for a landowner to start/continue on their journey of improved land and environmental management. It also deals with compliance aspects of MfE's Fresh Water Farm Plan initiative and greenhouse gas targets.

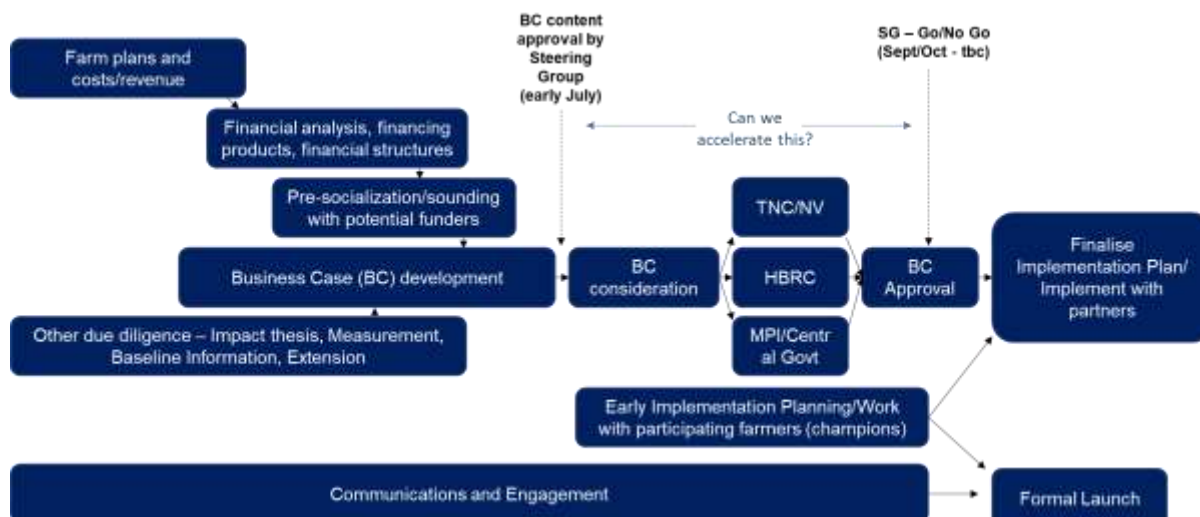
28. Armed with a Land for Life farm plan, a farmer then has a choice about how they finance implementation, whether it be through farm cashflows, lending through their current bank, financing arrangements that Land for Life is considering (discussed later in this paper) or other partnership or joint venture arrangement.
29. Achieving the target of c.600 farm plans over three years will take a more streamlined approach to farm planning. It will require increased capacity and structure around expert capability and other supply chain constraints such as plants and labour, and financing options for farmers, along with partnerships with MPI and industry players.
30. HBRC's role in the Land for Life model is proposed to be one of facilitation of planning by working alongside landowners, acting as a broker service using the CA team, quality assurance of the Land for Life model, access to financing options, and in provision of its current suite of services such as catchment orientated programmes of work, pest management and biodiversity programme assistance, science and environmental monitoring of outcomes. HBRC will be the up-front catalyst to get farm planning done and develop strong relationships with MPI and the sector to deliver the programme.
31. Scaling the project will need additional capacity, expertise, tools and funding: a digital farm planning tool; increased consultancy expertise; funding for farm planning; capacity to manage farmer engagement and collateral development; geospatial and other support functions; monitoring and evaluation programme; possible research; etc. These will be described further in the business case.
32. The implications and mechanics to scale the project are currently being described in a business case. Prior to the cyclone, the project had planned to develop a business case to allow partners and financial organisations consider expanding the pilot to 50 farms. The business case will now present several options to scale the project and accelerate implementation. Developing this business case is the primary focus of the project team currently.

### **Business Case outline**

33. The purpose of the business case is to support a go/no go decision to proceed to implementation of the Land for Life project. This is for joint consideration by HBRC, TNC and MPI, which is coordinating the interests of the Government's natural resource sector agencies.
34. The business case will outline the justification and proposed approach, timing, cost, roles and funding for establishing the Land for Life project, including options to structure an impact investment that leverages private capital against public investment to address challenges in the region. This includes supporting cyclone recovery and building greater resilience into the pastoral farming sectors and environments, and addressing globally, nationally and regionally significant challenges relating to climate change adaption and mitigation, essential freshwater protection, protecting and restoring biodiversity, and building resilience and productivity into our farming systems and communities.
35. The business case follows Government's Better Business Case model, which is broken into a number of cases, each one building on the preceding cases: a strategic case, an economic case, a commercial case, a financial case, managing risk and compliance, phasing and scale-up of the project, next steps and project timeline.
36. HBRC input into the business case is supported by the following teams: catchment, biodiversity, procurement, science, finance, and regional recovery. The business case is due at the end of June 2023 and will present options for joint consideration by HBRC, TNC and MPI. Draft options are presented later in this paper.
37. Following completion of the business case, a three-month decision-making period is factored to allow HBRC, TNC and MPI partners to consider if and how to take the project forward based on the options assessed. Subject to guidance from the partners, in parallel to the decision-making process, the Project will begin work on an implementation plan in preparation for developing a more detailed implementation plan to scale efforts if this is the chosen direction of travel.



38. A illustrated version of the project timeline below.



39. This paper summarises important aspects of the draft strategic and economic cases for Council feedback.

- 39.1. The strategic case outlines strategic drivers for the project and the problem statement along with critical success factors that are used to assess options.
- 39.2. The economic case outlines several options about how to scale the project and financing mechanisms.

### Strategic case

- 40. The Hawke's Bay region faces significant challenges around the adverse impacts of erosion, including loss of productive soils and associated sedimentation on freshwater quality, downstream impacts on communities and biodiversity (freshwater and marine), and strategic challenges in relation to climate change adaption / mitigation and wider biodiversity loss.
- 41. The project delivers directly against the four focus areas outlined in HBRC's strategic plan:
  - 41.1. Water quality, safety and climate-resilient security
  - 41.2. Climate-smart and sustainable land use
  - 41.3. Healthy, smart and climate-resilient biodiversity
  - 41.4. Sustainable and climate-resilient infrastructure (supported through increased protection of infrastructure from buffering to flood flows from rain events and through reduced woody debris in flood waters).
- 42. The region faces a significant recovery effort following Cyclone Gabrielle, and an opportunity to build back better in a way that further strengthens climate-resilience of our pastoral farms, rural communities and environments. The frequency and severity of climatic events is set to rise as a result of climate change (including increases to rainfall intensity and drought severity) and brings into focus the critical need to accelerate such improvements.
- 43. The business case summarises the problem statement, investment objectives and anticipated benefits as outlined in the following diagram.



44. The business case will consider several options for scaling the project. These options will be considered against critical success factors. Draft critical success factors listed in the following table are a threshold that any option must meet to be considered.

Key success factor	Description of factor(s)
<b>Strategic fit and significant and measurable environmental benefits delivered</b>	<p>The programme substantively contributes to achieving strategic goals and outcomes of central government, HBRC and TNC.</p> <p>Significant environmental benefits are achieved, including climate change mitigation and adaption benefits, addressing issues on highly erodible land, including biodiversity benefits to fresh water and marine ecosystems.</p>
<b>Overall value for money and alignment:</b>	<p>Investment options are economically viable (for the farmer and other investors).</p> <p>There is alignment between what investments will deliver and investor interests.</p> <p>The distribution of landowner preferences (environmental, financial and social) aligns within the project's viable operating limits.</p>
<b>Affordability and incentives:</b>	<p>Key programme interventions are cost-effective and scalable.</p> <p>Farmer demand for the programme is sufficient to meet strategic outcomes that are sought.</p> <p>There are strong incentives for farmer participation (e.g., regulatory, market).</p>

Key success factor	Description of factor(s)
<b>Achievability and social license:</b>	Supply chain and system constraints are proactively addressed. Landowners/farmers buy in and have trust and confidence in proposed investments. There is social license to proceed with investments, including critical support of mana whenua, local communities and key opinion leaders.
<b>Ensure strong Treaty of Waitangi partnership</b>	Te Ao Māori is embraced. Equitable opportunities are available for Māori landowners to participate in Land for Life. Māori Agri-business and investors are engaged by the programme and have equitable opportunities to participate.

45. Council is invited to provide feedback on the draft problem statement, investment objectives, anticipated benefits and critical success factors outlined above.

### Economic case

46. This paper presents draft options as a heads up to Council on the direction of travel for scaling the project and invites early feedback. Council will have the opportunity to revisit the options at its June meeting.
47. The first set of three options relate to scaling the project:
- 47.1. to c.600 farms to provide impact in the face of regional recovery
  - 47.2. increase the pilot to the original 50 farms, or
  - 47.3. scale up to a multi-regional roll out across the lower east coast of New Zealand that bore the brunt of Cyclone Gabrielle (Wairarapa, Tararua, Hawke's Bay and Tairāwhiti).
48. The second set of options relate to financing models. The paper does not propose that HBRC will be involved with financing on-farm interventions such as afforestation. As described earlier, HBRC's role is aligned to its existing role as a catalyst for land and environmental improvement, quality assurance, monitoring and measurement, and partner with central government and the wider sector.
49. Other organisations are better placed to be involved in financing, such as banks, central government, post settlement iwi entities, HBRC, existing forestry funding partners and other impact investment orientated mechanisms. A special purpose investment vehicle may be needed to facilitate landowner financing.
50. The Initial Assessment Report identified the scale of the problem to be addressed pre-Cyclone Gabrielle was such that an investment in the order of \$400-500m would be needed, covering 361,000-462,000 hectares of vulnerable land. This level of investment was considered neither realistic nor achievable for more traditional 'grant' funding models alone, hence, HBRC and TNC agreed to consider a range of 'impact investment' models (financial structure options), which are also summarised below and will be further explored in the financial case when it is developed.
51. Options to scale the project are outlined following.

### Option 1: Progressive region-wide roll out (Hawke's Bay)

52. This option entails progressive roll-out of afforestation and pastoral interventions to support cyclone recovery and build climate-resilience. Roll-out would be to c.600 farms over three years, with a two-stage farm planning process (an initial high level farm plan that enables access to relevant government grants and recovery support, then a comprehensive farm plan that enables full participation in the impact investment and focus on resilience – refer below), and establishing a financial structure (including financing options for farmers) and a supporting

technical assistance programme (see further sub-options in relation to these below).

### **Option 2: Pilot in the Hawke's Bay region**

53. This option entails piloting the project across approximately 50 farms (in total, including the first 12 farms the Land for Life team is already working with), covering an estimated 37,500ha, with a comprehensive farm-planning process, and establishing a financial structure (including financing options for farmers) and a supporting technical assistance programme (see further sub-options in relation to these below).

### **Option 3: Multi-region role out (Cyclone Impacted NI East Coast Regions)**

54. This option entails progressive roll-out of afforestation and pastoral interventions to support cyclone recovery and build climate-resilience as per Option 1 but making this available to farmers in cyclone-impacted regions on the North Island East Coast, including Hawke's Bay and Gisborne regions and down the East Coast of the North Island (parts of Manawatu-Whanganui and Wellington regions).
55. In combination with any of these options to scale the project, four financial structure options have been identified.

### **A: Investment Vehicle to provide relevant funding and support to farmers**

56. This entails establishing a suitable special purpose vehicle that secures funding (e.g., through a mix of debt, equity, grant and/or philanthropic funding sources), and provides both financing and delivery of afforestation and regenerative farming services (potentially through partnerships or service delivery arrangements with third party developers and others).

### **B: Direct lending from banks**

57. This entails establishing partnerships with rural banks that enable direct lending from banks to farmers (e.g., to create confidence through farm planning process and technical assistance, including measurement reporting and verification), with farmers then undertaking the work themselves or arranging their own service providers, and HBRC/TNC/MPI establishing a technical assistance programme for farmers.

### **C: On-lending model**

58. This option entails using an HBRC (affiliated) entity (e.g. HBRIC) as an intermediary to on-lend capital to the farmers for specific interventions related to the Land for Life project. The intermediary itself could use a combination of funding (receiving funding from banks and/or using its own capital) to advance loans to the farmers.
59. Council is invited to provide feedback on options to scale the project and financing models.

### **Next Steps**

60. Based on feedback from the Committee at this meeting, the project team will continue to develop the business plan with a view to bringing another iteration of draft options back to the Committee at its June meeting along with other relevant parts of the business case as they are developed.
61. The business case will be presented for Council for further consideration at July, August and September meetings following feedback at each meeting.

### **Decision-making Process**

62. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

**Recommendation**

That the Cyclone Recovery Committee:

1. receives and notes the *Land for Life project update* staff report
2. Considers and provides feedback on the draft strategic drivers, problem statement and critical success factors outlined in the strategic case section of this paper.
3. Considers and provides guidance on the draft options to scale the Project and provide financing for on-farm implementation.
4. Notes the intention to present updated draft options and relevant business case content to the June meeting of the Cyclone Recovery Committee.
5. Notes the decision-making process about if and how to proceed with the project will be carried out by Council at meetings in July, August and September 2023, following completion of the business case.

**Authored by:**

**Michael Bassett-Foss**  
**RTRP Project Manager**

**Approved by:**

**Iain Maxwell**  
**Group Manager Integrated Catchment**  
**Management**

**Attachment/s**

There are no attachments for this report.



**Subject: Hawke's Bay Regional Council Recovery Manager's update**

**Reason for Report**

1. This item provides the Cyclone Recovery Committee with a verbal update that informs next steps following the submission of the first edition of Hawke's Bay Regional Council's Environmental Resilience Plan to the HB Regional Recovery Agency (HBRRA).

**Executive Summary**

2. This paper summarises the focus of the Recovery Team in this next phase following the development of the Environmental Resilience Plan (ed. 1).

**Background**

3. The Environmental Resilience Plan was submitted to HBRRA by the deadline of 28 April 2023. Since then, the Recovery Team's focus has been on the development of our community communication and engagement strategy guided by HBRRA.
4. HBRRA will lead regional community communications and engagement with regards to land classification. Shanahan Consultants has been contracted to develop the overarching communications strategy for all councils to follow.
5. HBRC is connected and working closely with other councils to combine community engagement efforts. HBRC staff involved in recovery will continue to join TLAs and key partnering agencies through their initial 'debrief phase' to listen to communities and gather their feedback and incorporate this into their community impact assessment data. This partnership approach will continue into future phases of engagement.
6. HBRC staff have also participated in Facebook live sessions, and plan to use other tools to connect with communities, such as the Social Pinpoint app, to gather community feedback.
7. An update by the Rural Recovery team will be provided in addition to this update.
8. How we partner and support mana whenua during the recovery phase is being worked through by our Māori Partnerships team and within the Te Kupenga forum. The Māori Committee has been asked to provide feedback on how HBRC should approach engagement for co-authoring of the next plan, which is the expectation of HBRRA.
9. We are still waiting for guidance from HBRRA on the expectations around the next edition of the Environmental Resilience Plan. The HBRRA is analysing all the plans submitted by councils and some iwi groups and combining these into a Regional Recovery Plan that is to be submitted to central government by 30 June 2023. We expect guidance on edition 2 of the plan to be shared in June.

**Decision Making Process**

10. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision making provisions do not apply.

**Recommendation**

That the Cyclone Recovery Committee receives and notes the *Hawke's Bay Regional Council Recovery Manager's update*.

**Authored by:**

**Julie-Anne Mcphee**  
**Recovery Programme Manager**

**Approved by:**

**Louise McPhail**  
**HBRC Recovery Manager**

**Attachment/s**

There are no attachments for this report.



**Subject: Central government updates**

**Reason for Report**

1. This item provides the means for staff to update the Committee on central government announcements and related activities.

**Discussion**

2. This update will discuss funding and funding sources (refer attached) as well as the findings of the ministerial inquiry into forestry slash.

**Government funding announcements**

3. On 14 May 2023, the government announced a North Island weather events response and recovery package (attached).
4. Information on the criteria and process for allocation of funds is currently limited, but we hope to have more information before this meeting.
5. Council officers are keeping an active watch on developments, collating information and developing scoping documents in anticipation of potential funding bids that we may lodge.

**Summary of funds and how they may relate to our activities**

6. The funds that are most likely to support our cyclone recovery work are listed below, with an initial assessment of Council activities that may be eligible for funding bids.
7. \$100m 'Local Government Flood Resilience Co-Investment Fund'. This initiative provides funding, held in contingency, for Crown co-investment with local authorities in areas impacted by the recent North Island weather events to support the proactive management of climate-exacerbated flood risk.
  - 7.1. This may provide financial support for the repairs and improvements that are required in our drainage and flood protection schemes.
8. \$30m 'Providing Recovery Support'. This initiative provides funding to support the recovery needs for rural businesses and communities impacted by the North Island weather events.
  - 8.1. The criteria for this funding may align with the work our rural support teams are undertaking, to enable the 'build back' of resilient land production businesses.
  - 8.2. Further detail on this work is in the paper to this committee 'Update on rural and primary sector recovery' under the section 'Resilient Land Production Businesses'.
9. \$5.4m 'Supporting Under-Serviced Rural Communities'. This initiative provides funding to support the recovery of under-serviced rural communities that have been impacted by the North Island weather events. Funding will cover the creation of centralised community hubs, as well as improved access to critical recovery services and reliable telecommunications.
  - 9.1. This may provide the financial and operational support required for the continuation of Rural Community Hubs that were established in the aftermath of Cyclone Gabrielle.
  - 9.2. In addition, it may supply further financial and technical support for the established Catchment Groups and Collectives that provide an invaluable community engagement model to help farmers and growers meet regulatory and farm system requirements.

- 9.3. Further detail on this work is in the paper to this committee 'Update on rural and primary sector recovery' under the section 'Community engagement'.
10. \$950k Heritage New Zealand Pouhere Taonga. This initiative provides funding for Heritage New Zealand Pouhere Taonga to meet the additional demand related to the North Island weather events, in particular for archaeological authority processes, which support the timely delivery of infrastructure recovery projects.
  - 10.1. Our teams may be able to access this fund for any archaeological assessments that are required during our recovery work.
11. \$12.5m Department of Conservation Response and Rebuild. This initiative provides funding to plan and rebuild biodiversity, heritage, visitor and other conservation sites and assets that were damaged or destroyed in the North Island weather events. Funding will support critical response and recovery work across the North Island Conservation Districts that sustained damage.
  - 11.1. Where possible, we will align our work with Department of Conservation efforts. Council's Science team is currently liaising with their Department of Conservation colleagues to inform the impact assessment. The work to restore biodiversity will be a collaborative effort between our Science, Catchment Operations teams and the Department of Conservation.
12. \$5.6m Purchase of Imagery and Repairs to Crown Property. This initiative provides funding for the purchase and publication of satellite and Light Detection and Ranging (LiDAR) imagery, and urgent repairs to Crown property due to damage from the North Island weather events.
  - 12.1. This may enable the acquisition of LiDAR and aerial imagery datasets to inform our priorities and to support our recovery activities.
13. \$20m Regional and Local Support. This initiative provides funding to support the regional and local recovery structures to allow for centrally supported, locally led recovery assistance for severe weather events. These structures will work to assist their relevant regional Ministerial lead to advise on recovery activities, alongside different responsible stakeholders and affected parties (e.g. government, councils, iwi and community groups).
  - 13.1. This may provide the funds required to operate our Regional Recovery Agency.
14. Further funding announcements have also been announced for:
  - 14.1. Erosion Control Scheme – a \$3.638m boost has been allocated for HBRC
  - 14.2. Woody debris - \$10m will go to Gisborne District Council and Hawke's Bay Regional Council to take short to medium term measures that limit the damage of any further movement of woody debris material. More information below.

### **Ministerial Inquiry into Land Use (MIILU) in Tairāwhiti and Wairoa districts**

15. On Friday 12 May 2023, the Ministerial Inquiry Panel released its report 'Outrage to Optimism', with nearly 50 recommendations for Ministers to consider.
16. Environment Minister Hon David Parker said "Ministers will now promptly and carefully consider the report and make decisions on its recommendations, to be announced as soon as possible." (Media Statement)
17. Parker also said "the report will immediately inform the current review of the National Environmental Standard on Plantation Forestry."
18. The Panel's recommendations are wide ranging and include: a call for an immediate halt to widescale clear felling of forestry and replace it with a mosaic of staged logging; to transition extreme erosion zones out of pasture and production forestry into permanent forest; and a broad package of government support for clean-up, infrastructure and economic development in the region.

19. Many of the findings and recommendations specifically relate to Tairāwhiti and/or Gisborne District Council. Not all recommendations apply to Wairoa District or HBRC's activities. Council staff are currently reviewing the Panel's report and evaluating implications for HBRC's roles and operations.
20. Forestry Minister Hon Peeni Henare has announced that \$10 million from Budget 2023 is earmarked for cleaning up woody debris to prevent further damage and prepare for future events.
21. The fund will go to Gisborne District Council and Hawke's Bay Regional Council to take short to medium term measures that limit the damage of any further movement of woody debris material. Measures will include removal, disposal and/or containment.
22. Councils will need to work with iwi in deciding how the clean-up is prioritised and sequenced. Local contractors will be engaged to assist with debris removal, chipping, and haulage.
23. Indicative costs estimate the fund will enable the removal of up to 70,000 tonnes of woody debris from high-risk areas in rivers and catchment systems within the Gisborne District Council and Hawke's Bay Regional Council territories.
24. Forestry slash is only one component of woody debris. The composition of the woody debris differs from catchment to catchment and is largely the result of whatever tree species is dominant in the catchment upstream.
- 24.1. Source: Funding to clean up slash and debris in Tairāwhiti and Hawke's Bay, 14 May 2023  
<https://www.beehive.govt.nz/release/funding-clean-slash-and-debris-tair%C4%81whiti-and-hawke%E2%80%99s-bay>

### Decision-making Process

25. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

### Recommendation

That the Cyclone Recovery Committee receives and notes the *Central government updates*.

### Authored by:

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### Attachment/s

There are no attachments for this report.



**Subject: Administering the Recovery Agency and recovery funding**

**Reason for Report**

1. The purpose of this paper is to outline:
  - 1.1. the role that HBRC is intending to play in assisting the Hawke's Bay Regional Recovery Agency as the administrator for the Agency
  - 1.2. options for what, if any role HBRC should play as Lead Agency for recovery funding, and
  - 1.3. the role that HBRC is playing in the receipt and oversight of the government relief for silt and debris.

**Background**

2. The National State of Emergency over the Hawke's Bay region ended on Tuesday 14 March, 28 days after it was declared. A national transition period was announced which allows for national-led support and resources to be coordinated and will last until 1 June 2023.
3. On 13 March 2023, Keriana Brooking was announced as interim Recovery Manager with the mandate to stand up an entity to coordinate resources and planning regionally. Keriana accepted handover of the recovery from HBCDEM Group Controller on 14 March 2023.
4. The Hawke's Bay Regional Recovery Agency (the RRA) has been established by the Matariki Governance Group (under the Hawke's Bay Recovery Framework) to coordinate recovery planning across Hawke's Bay.
5. The RRA will be governed by an Oversight Group and the Matariki Governance Group, and funded by the Crown via the Cyclone Taskforce.
6. The RRA has commenced local-level recovery planning by requesting short-term Locality Plans for the Hastings, Napier, Central Hawke's Bay and Wairoa areas (with a region-wide environment and catchment plan from Hawke's Bay Regional Council) and building capacity and governance to support the recovery of Hawke's Bay.
7. Currently, the RRA is not a registered legal entity, and therefore has no legal status as a stand-alone entity, does not have a bank account, registration, financials or ability to execute agreements.

**Role as Lead Agency for Funding**

8. The Regional Recovery Agency is yet to formalise itself as a legal entity and is currently analysing options for what structure is possible going forward, including such options as a Council Controlled Organisation (CCO) under the Local Government Act 2002 (LGA).
9. There are several benefits to establishing the RRA as a CCO – including providing an independent legal form to lead recovery activities at 'arm's length' from councils and providing an agile legal form that is not subject to the full reporting requirements under the LGA.
10. To meet the government's desire and public calls for funding, and given the absence of a legal status for the RRA, Hawke's Bay Regional Council has taken a lead role with the support of all Hawke's Bay councils, to assist with coordination of immediate funding coming to our region.
11. On 10 May 2023, HBRC signed into a funding agreement between HBRC and DIA for severe

weather event recovery activities. Funding of administrative costs will be allocated through the funding agreements with other Councils and requested through to the Recovery Agency.

12. While HBRC has signed this agreement under the HBRC entity name (due to timing), it would be preferable to ring-fence this activity into a CCO in trust on behalf of Matariki (or other). Benefits of a CCO include:
  - 12.1. CCOs enable entities to be agile to undertake their operations as they are not subject to the full set of decision-making requirements under the LGA.
  - 12.2. CCOs provide a discrete and accountable legal entity that would be readily able to be an employer and contracting party and would have an independent formal board, with flexible board appointment arrangements. This Board would be that of the current Recovery Agency chaired by Blair O’Keefe.
  - 12.3. The form of a CCO follows a well-established and understood framework that is directly accountable to its local authority owners and these owners will have a direct ability to influence the way the CCO is run.
  - 12.4. Setting up a CCO to ring-fence this activity provides an independent legal structure to coordinate recovery planning and implementation at arm’s length from local authority shareholders.
  - 12.5. There is flexibility to consider future opportunities for joint ventures or partnerships at ‘arm’s length’.
13. However, there are disadvantages to a CCO structure that should also be noted – these will need to be considered and addressed as part of formalising the establishment as a CCO:
  - 13.1. The RRA will need to prepare its own accountability documents (including statements of intent and annual reports) to outline its operations and activities involve – these activities require effort that is not being directed towards coordination activities
  - 13.2. Consultation will need to be undertaken under section 82 of the LGA to establish the RRA as a CCO – which may take several weeks to complete.
14. In anticipation, and to mitigate the risk that Matariki is unable to create a legal entity, HBRC is proposing to consult as part of our Annual Plan on potentially choosing to create a CCO for this activity.
15. Again, it is expected that any assistance by way of legal structures, administration and ‘clearing house’ activities performed by HBRC will be reimbursed as services to the Entity.
16. We will use the opportunity via Annual Plan consultation to signal the Council’s new role as administering authority and clearing house and preference to set up a CCO to manage this.

#### **Lead Agency for Funding – Sediment and Debris**

17. On 10 May 2023, HBRC signed a funding agreement between HBRC and DIA for severe weather event recovery activities specifically to facilitate silt and debris funding for Residential and Local Government sites only, and funding is \$70.6m (GST Inc).
18. An HBRC bank account (tagged as *Recovery Agency*) is being used to receive and facilitate this funding until such a time as agreement is met between Councils as to how the \$70.6m will be allocated.
19. Collection of debris and silt is not something HBRC has done before. Rather than treat it as a new activity and trigger the consultation provisions required under section 16 of the LGA, we are aligning this work with our compliance and pollution response work. We considered initiating an Order in Council process with the Department of Internal Affairs, to seek relief from s16 requirements but, on balance, we considered that the activity is not significant enough to trigger s16 in terms of its impact on council’s finance and resources, given it is fully cost recovered and is for a discrete period of time.

20. HBRC is consulting on our annual plan, and for completeness, will use this opportunity to signal an extension to our compliance and pollution response work.
21. Residential and local government sediment and debris funding will be distributed in bulk to territorial authorities using an allocation model agreed between Council CEOs.
22. The commercial sediment and debris allocation may be centrally managed via HBRC. We are working with the other TAs and key stakeholders to determine criteria and processes for the distribution of this allocation.

### **Decision-making Process**

23. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

### **Recommendation**

That the Cyclone Recovery Committee receives and notes the *Administering the Recovery Agency and recovery funding* staff report.

### **Authored by:**

**Andrew Siddles**  
Chief Information Officer

### **Approved by:**

**Susie Young**  
Group Manager Corporate Services

### **Attachment/s**

There are no attachments for this report.





**Subject: Cyclone event science impacts**

**Reason for Report**

1. This item introduces a presentation about Cyclone Gabrielle's science impacts.

**Discussion**

2. Post Gabrielle the Ministry for Business, Innovation and Employment (MBIE) has released funding for disaster impact science programmes to universities and Crown Research Institutes.
3. HBRC is contributing in-kind support for this work.
4. Science staff have been working across the affected regions through the sector's Chief Science Advisor, Dr Chris Daughney, to coordinate and align the investment package with the sector's science needs.
5. Staff will present an outline of the new science investment and programmes.

**Decision-making Process**

6. Staff have assessed the requirements of the Local Government Act 2002 in relation to this item and have concluded that, as this report is for information only, the decision-making provisions do not apply.

**Recommendation**

That the Cyclone Recovery Committee receives and notes the *Cyclone event science impacts* staff presentation.

**Authored by:**

**Anna Madarasz-Smith**  
**Manager Science**

**Approved by:**

**Iain Maxwell**  
**Group Manager Integrated Catchment**  
**Management**

**Attachment/s**

There are no attachments for this report.