
Tuesday, 14 November 2023

Te Hui o Te Kaunihera ā-Rohe o Heretaunga
Hastings District Council: Council Meeting

Te Rārangi Take

Report to Council

Nā: Craig Mountfort, Stormwater Manager
From: Steve Cave, 3 Waters Manager

Te Take:
Subject: Havelock North Streams Management Strategy

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

Five streams flow through Havelock North with over ninety percent of the stream reaches flowing through private property creating access and maintenance challenges.

- 1.2 Council under a governance agreement with Hawke’s Bay Regional Council (HBRC), signed in December 2003, currently has management responsibility for the Havelock North Streams and Detention Dam assets.
- 1.3 Under the governance agreement, Hastings District Council (HDC) has fulfilled its management and maintenance responsibilities through:
 - 1.3.1 Meeting its network discharge consent and dam consent condition obligations including annual inspection and reporting requirements.
 - 1.3.2 Completing prioritised investigations and approved capital work programmes.
 - 1.3.3 Completing proactive and reactive maintenance programmes.
 - 1.3.4 Administering building and development in accordance with District Plan requirements.
- 1.4 Cyclone Gabrielle struck New Zealand between 13th and 14th February 2023 with devastation resulting in loss of life, homes, possessions, and livelihoods.
- 1.5 The five Havelock North stormwater dams built in the late 1970’s / early 1980’s which feed five streams received heavy loads of rainwater, particularly in the Mangarau Dam. This contributed to flooding at Joll Road and Plassey Street.
- 1.6 The Mangarau dams primary detention area is designed to contain up to a 1:100 year rainfall event at which point the dams spillway may activate. On current information 24hr rainfall in the Mangarau catchment during Cyclone Gabrielle exceeded a 1:250 year event.
- 1.7 Following Cyclone Gabrielle the Havelock North dams have been both structurally and hydraulically assessed by qualified dam engineers. The dams performed satisfactorily.

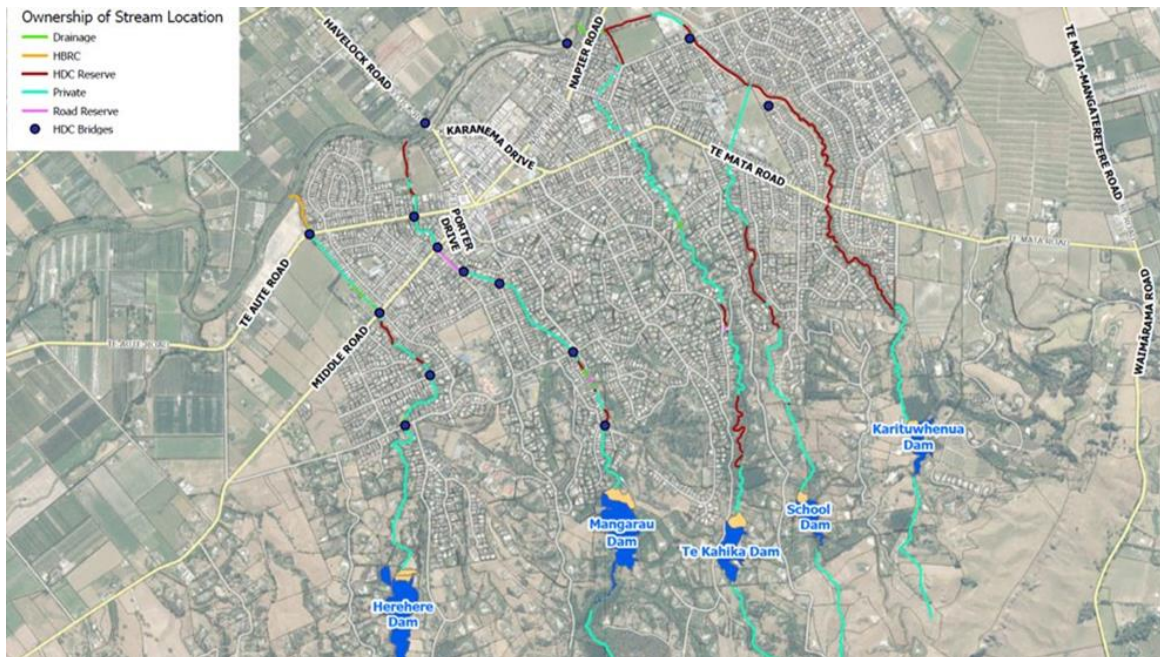
- 1.8 An area of Joll Road and Plassey Street flood-affected properties in the Mangarau Stream catchment were classified as Category 2C under the Cyclone land categorisation process administered by HBRC in June 2023.
- 1.9 2C land categorisation is defined as requiring community level flood mitigation interventions which are effective in managing future severe weather risk events.
- 1.10 The Cyclone has identified a need for a coordinated strategy, plan and work programme for the five Havelock North streams and catchments. The strategy needs to be informed via consultation with community, residents and mana whenua as well as by technical investigations, design and engineering.
- 1.11 This report seeks Council to note that the Chief Executive is prioritising, as part of Council's Cyclone Recovery, Havelock North Stream catchment management and asset management plans under a comprehensive Havelock North Streams Management Strategy (Strategy).

2.0 Recommendations - Ngā Tūtohunga

- A) That Council receive the report titled Havelock North Streams Management Strategy dated 14 November 2023.
- B) That Council approve the development of a Havelock North Streams Management Strategy.
- C) That Council approve additional budget of \$550,000 to support the \$250,000 already allocated by officers to progress Strategy, Design, and Planning works for the Havelock North Streams Catchment.
- D) That Council direct the Chief Executive to investigate and as eligible, recover the \$800,000 in funds in Recommendation C from Crown Funding awarded to Hawkes Bay Regional Council for the management and development of the Havelock North Streams Catchment.

3.0 Background – Te Horopaki

- 3.1 Havelock North is located to the southeast of Hastings, at the base of the Kohinurakau Range with Te Mata Peak at its northern end. Five streams (Herehere, Mangarau, Te Kahika, School and Karituwhenua) drain this range, flowing broadly north through Havelock North township and into the Karamu Stream. The catchment is a mix of pastoral farmland, clusters of trees and urban area.
- 3.2 Ninety percent of the streams (flow path) are located within private property. Council can have limited access for identifying maintenance needs and usually relies on the landowner to notify Council regarding maintenance issues. This private property component creates ongoing challenges for effective asset management and fair apportionment of maintenance costs.
- 3.3 The image below illustrates the stream locations and highlights the complex nature of stream ownership where the streams run through both private and public land parcels.



3.4 The table below outlines the key property owners identified as having ownership interests for a segment of a stream (i.e., the land parcel is within 5m of the stream).

Table 1: Property Owners		
LINZ Cadastral Parcel Owner	Number of Parcels	Percentage
Hastings District Council	43	6%
Havelock North Town Board	1	<1%
Hawkes Bay Trustee Company	5	<1%
Housing New Zealand	5	<1%
Private landowners	649	92%
Total	703	100%

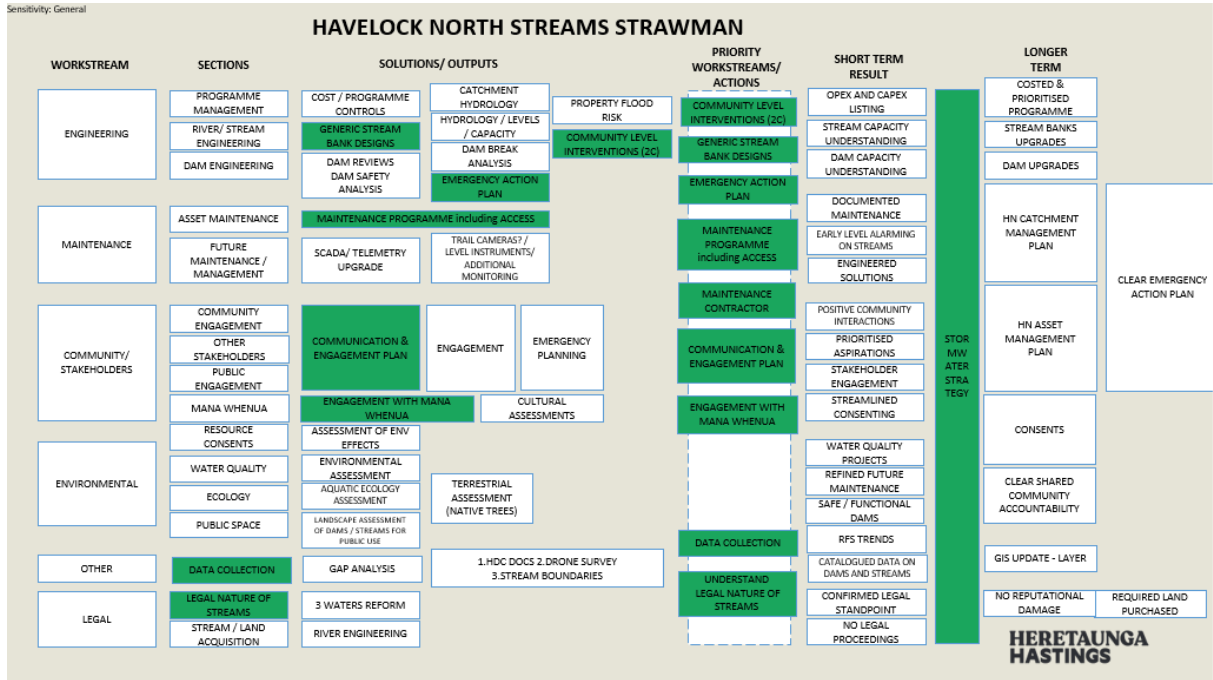
- 3.5 Following a significant storm event in 1974 where approximately 162mm of rain fell in a 24hr period, flood control dams were constructed upstream of the urban area on each of the five Havelock North streams. The dams were constructed in the late 1970's / early 1980's, to protect Havelock North during significant storm events.
- 3.6 Historically, the management of the Havelock North streams and stream assets, including the dam facilities, was the responsibility of HBRC. In December 2003 asset management responsibility shifted to HDC through a governance agreement (the Agreement). HBRC's obligation as consenting authority for the Stormwater Network Discharge Consent and the Dam Resource Consents remained with HBRC.
- 3.7 Note, the Agreement includes detention facilities at Te Awanga and Clifton. These are out of scope of this Report.
- 3.8 The Agreement describes HDC asset management responsibility as including:
 - 3.8.1 Maintenance of the streams and associated flood mitigation works (including the 5 Havelock North flood detention dams) such that they have no less than the current capacity to safely convey floodwater to the Karamu Stream.
 - 3.8.2 Any improvement work for enhancement of the stream environment, water and flood control, and for bed or bank stability or improvement.

- 3.8.3 Development and implementation of mechanisms to control the impact of development on water quality and quantity flowing into the streams.
- 3.9 From the time of accepting responsibility through the Agreement, HDC has fulfilled its management and maintenance responsibilities through:
- 3.9.1 Meeting its network discharge consent and dam consent condition obligations including annual inspection and reporting requirements.
- 3.9.2 Completing prioritised investigations and approved capital work programmes.
- 3.9.3 Completing proactive and reactive maintenance programmes.
- 3.9.4 Administering building and development in accordance with District Plan requirements.
- 3.10 Cyclone Gabrielle struck New Zealand between 13th and 14th February 2023. During this event, over 280mm of rain fell in Havelock North catchments over a 24 hour period. Flood estimation places this rainfall in excess of a 1 in 250 year event (this calculation does not consider future climate change factors).
- 3.11 Through the cyclone event the five Havelock North detention dams, which feed into the five Havelock North streams, operated by detaining stormwater from the upstream catchment areas. The Mangarau dam was most impacted with the detention area filling to spillway design level set to contain a 1 in 100 year event. The spillway subsequently activated for the first time since the dam was constructed discharging additional stormwater flows into the downstream environment.
- 3.12 The structural integrity of the dams was assessed immediately following cyclone Gabrielle by suitably qualified dam engineers. A subsequent Intermediate Dam Safety Review commented on dam performance concluding that the five Havelock North dams performed satisfactorily through Cyclone Gabrielle. A number of recommended maintenance and repair items were identified through these inspections which are either completed, under action or under consideration.
- 3.13 The downstream effect of the Mangarau dam spillway activating, along with other contributing factors, resulted in significant flooding of property at Joll Road and Plassey Street. A number of flood-affected properties in an area along Joll Road and Plassey Street were subsequently classified as Category 2C in June 2023 through the HBRC led Land Categorisation process. 2C land categorisation is defined as requiring community level interventions which are effective in managing a future severe weather risk event.
- 3.14 HBRC engaged Tonkin & Taylor to provide engineering consultancy services for identification and review of flood protection options for the Category 2C properties adjacent to the Mangarau Stream. The work has focussed on identifying options that could be implemented with the aim of providing flood protection to a 1% AEP (Annual Exceedance Probability) level of service. The Tonkin & Taylor report is in draft and presently being finalised with an expected completion date of 30 November 2023.
- 3.15 Note, an annual exceedance probability is the probability of an event occurring in any given year. A 1% AEP means there is a 1% chance in any given year of the event occurring.
- 3.16 It is noted that other discreet areas and properties in Havelock North outside of the Mangarau catchment were affected by flooding and other impacts associated with the cyclone deluge however these were not directly related to the operation of the dams.
- 3.17 Following the Cyclone Gabrielle event in February 2023, a Council workshop was held on 20th June 2023 to provide an overview and update on the Havelock North streams, their history and current state, the recent cyclone event and the HDC response to date.
- 3.18 The workshop highlighted a lack of clarity around stream ownership, legislative operating environment, access and related management and maintenance responsibilities for community and Council. The workshop further covered the initial direction and appetite for future management, planning and improvements to the Havelock North streams and stormwater system.

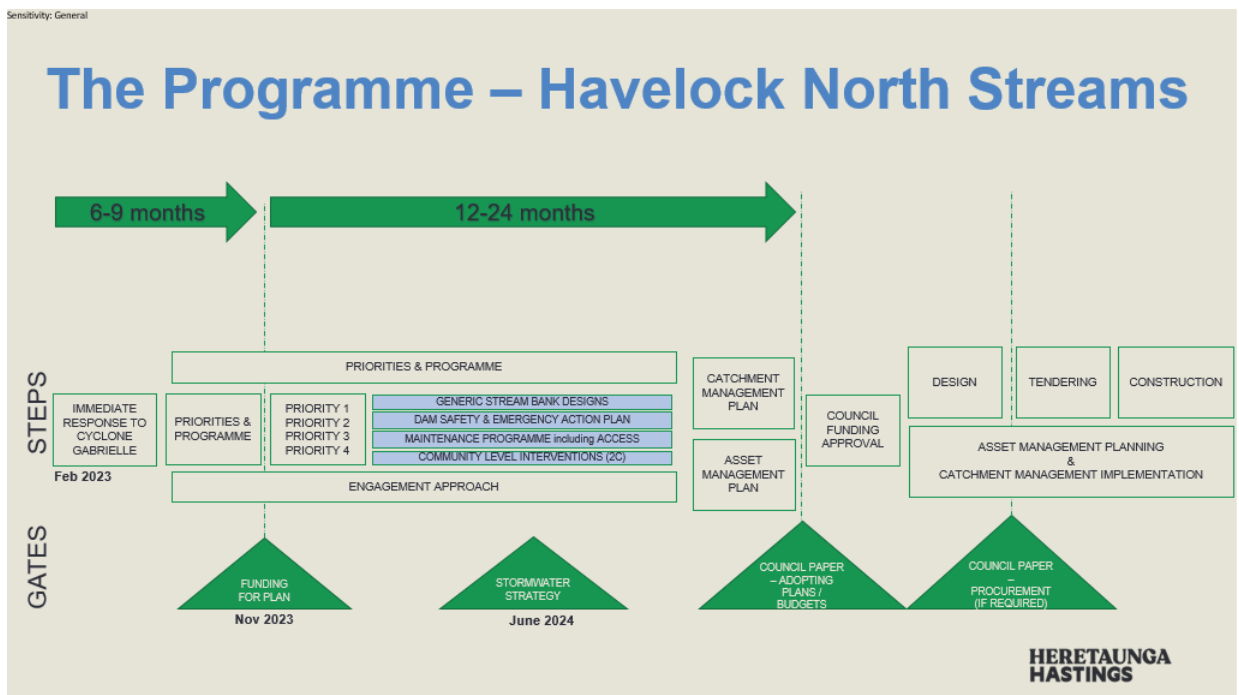
- 3.19 Clarifying roles and responsibilities for both the community and Council along with establishing clear levels of service and providing for future community safety and resilience was cited as the primary driver for improvement and requirement for a comprehensive Havelock North Streams Management Strategy.
- 3.20 On 13 October 2023, Chief Executives from both HDC and HBRC, along with relevant Council Officers from both organisations, met and discussed, at a high level, the current appropriateness and relevance of the Agreement and specifically whether Havelock North streams and dams asset management responsibilities should remain with HDC.
- 3.21 The decision was reached that the Governance Agreement remain in place as per status quo for the immediate future. This decision was made considering the need to provide clarity to community, the need to progress priority work programmes to enhance community resilience and safety from future storm events and the need to manage uncertainty around 3 waters reform as this relates to the Havelock North Streams.
- 3.22 The Crown has allocated funding of \$10m to HBRC for management of the Havelock North Streams Catchment. A satisfactory business case is required for allocation of these funds for projects for the Catchment.

4.0 Discussion – *Te Matapakitanga*

- 4.1 It is intended that the proposed Havelock North Streams Management Strategy and associated work programme will address a number of priority items including:
 - 4.1.1 Documenting a clear Havelock North streams management strategy to provide guidance and future reference for community and Council
 - 4.1.2 Structured engagement with community and key stakeholders with regards to the Havelock North streams future management and maintenance
 - 4.1.3 Refreshed maintenance programmes and contractor engagement
 - 4.1.4 Improving maintenance access to the Havelock North streams
 - 4.1.5 Reviewing relevant agreements with HBRC and clarifying respective local authority roles and responsibilities
 - 4.1.6 Enabling and supporting private landowner maintenance and rebuild of stream banks and improvement of water quality
 - 4.1.7 Active engagement with affected communities regarding 'risk reduction and mitigation'
 - 4.1.8 Facilitating readiness and preparedness for response for future events.
 - 4.1.9 Identifying, prioritising and implementing future upgrade requirements for the dams and streams
- 4.2 The diagram below provides an overview of the components of the work programme. The programme is complex with a high number of potential stakeholders. Highlighted items are those which are prioritised for immediate progression in the 2023/2024 financial year and for which additional project funding is being sought.



- 4.3 A potential layer of additional complexity is the need to integrate recommendations from the HBRC initiated Tonkin and Taylor report referenced in 3.11, and which pertain to a specific reach of the Mangarau Stream, into the Havelock North Streams Management Strategy.
- 4.4 A business case to secure funding to implement interventions identified in the Tonkin and Taylor report will be required in addition to the proposed Havelock North Streams Management Strategy.
- 4.5 Council Officers are working with relevant HBRC Officers to ensure integration occurs noting there is high likelihood that HDC will be responsible for implementing the recommendations from the Tonkin and Taylor report when finalised.
- 4.6 It is anticipated that the full Havelock North Streams Management Strategy will take 18-24 months to complete. The critical path below provides a summary of key milestones.



- 4.7 Officers recommend a budget allocation of \$800,000 for the 2023/2024 financial year to progress the development of the Havelock North Streams Management Strategy and delivery of the associated 2023/2024 priority work programme.
- 4.8 Budget provision is being established through LTP planning process for completion of the proposed management strategy in the 2024/2025 financial year.
- 4.9 The \$800,000 is being part funded by reallocating existing 2023/2024 stormwater funding of \$250,000. This funding is being primarily reallocated from existing budget for capital work investigations on the Havelock North streams which will be superseded by the Havelock North Stream Management Strategy priority work programme.
- 4.10 An additional \$550,000 is unbudgeted and proposed to be loan funded. Implications of loan funding are listed below.
- 4.10.1 Cost to rate payers to fund \$550,000 is approximately \$40,500pa which equates to a 0.04% rate increase (at a 5.5% interest rate over 25 years)
- 4.10.2 Stormwater is a Rating Area 1 General Rate activity so presently all Hasting District ratepayers in RA1 would pay towards Havelock North streams not just Havelock North residents.
- 4.10.3 Under the Havelock North Streams Management Strategy it is expected that an increase in annual maintenance funding for the Havelock North Streams will be required. Presently approximately \$100,000 per annum is budgeted for Havelock North Stream maintenance.
- 4.11 The Crown has allocated funding of \$10m to HBRC for management of the Havelock North Streams Catchment. A satisfactory business case is required for allocation of these funds for projects for the Catchment. Officers will submit business cases as appropriate to receive reimbursement from the Crown funding.
- 4.12 Officers recommend that Council prioritises, as part of its Cyclone Recovery, Havelock North Stream catchment management and asset management plans under a comprehensive Havelock North Streams Management Strategy. This work is already underway at the operational level.

5.0 Strategic Risk Assessment

5.1 Impact of Strategic Risks

5.2 The need for greater understanding and information in parallel with current management arrangements for the Havelock North Streams have contributed to a lack of clarity about roles and responsibility for all stakeholders. This uncertainty has the effect of aggravating the following strategic risks:

- Significant operational service failure
- Failure of climate adaptation

5.3 As Council has a Conservative risk appetite relating to areas of core service delivery, such as storm water management and consenting, it is important that the current uncertainty is reduced so that current risk levels remain within a tolerable range.

5.4 Management Strategy Risk Profile

5.5 When considering the risk areas that will benefit from implementing a comprehensive strategy for managing the Havelock North Stream system in comparison to the threats (or downsides), the following balance emerges.

Risk Based Decision-Making Guide

Decision: Havelock North Stream Management Strategy.

Benefit Areas that may improve.	Threat Areas that may suffer.
Almost Certain Service Level (Grey) Community Safety (Orange)	Almost Certain
Probable Consent Decisions (Green)	Probable
Likely Proactive Lead (Blue)	Likely
Possible	Possible Affordability (Yellow)
Rare	Rare

Risk Factors

- Safety
- Compliance
- Finance
- Service
- Reputation

5.6 As illustrated in the risk based decision-making guide above, implementing the strategy will have the following benefits:

5.6.1 The primary focus of the strategy is to clearly define and implement a suitable service level for performance of the streams. By defining and implementing an agreed service level the risk to the community of undesirable impacts should be reduced. In addition, clarity on the service level will inherently reduce the risk of potential service level failures in the future.

5.6.2 Completing all the work scoped within the management strategy will deliver greater clarity on the stream peak flows and behaviour. This will support better resource and building consent decision making, helping to further reduce community exposure to flooding hazards.

5.6.3 Taking a leadership role by retaining ownership of the stream management and committing the resources required to deliver a comprehensive management strategy will resolve the current uncertainty over roles and responsibilities. This clarity in roles will support effective action to ensure current and future community expectations and compliance obligations are achieved, which should have a positive impact on Council reputation.

5.7 The only material downside threat that will need to be managed associated with the Strategy is the potential cost of implementation. Considering the current demands on Council finances associated with cyclone recovery, if this expenditure is not managed effectively, it is possible that this activity could contribute to unwanted rates increase. Therefore, suitable funding mechanisms will be needed that minimise the cost to the general ratepayer and avoid subsidising private landowners.

5.8 Based on this strategic risk assessment the likely benefits to the community and Council risk exposures far outweigh the threats, and therefore, developing a strategy is a strong risk mitigation and needed to achieve the conservative risk appetite for this service.

6.0 Options – Ngā Kōwhiringa

Option One - Recommended Option - Te Kōwhiringa Tuatahi – Te Kōwhiringa Tūtohunga

- 6.1 Note the Chief Executive is prioritising, as part of Councils Cyclone Recovery, Havelock North Stream Catchment Management and Asset management plans under a comprehensive Havelock North Streams Management Strategy.

A budget of \$800,000 consisting of \$200,000 for project management, coordination, partnership and engagement and \$600,000 for initial priority works proposed. \$250,000 is funded from existing budgets, and \$550,000 is unbudgeted and proposed to be loan funded.

Advantages

- Clear strategy and work programme to recover from the cyclone and help ensure community safety from future flood events.

Disadvantages

- No known disadvantages.
- Additional financial implications due to unbudgeted expenditure.

Option Two – Status Quo - Te Kōwhiringa Tuarua – Te Āhukatanga o nāianeī

- 6.2 No allocation of funding to deliver a Havelock North Stream Management Strategy and associated work programme.

Advantages

- Council makes no financial allocation additional to the \$250,000 that has been allocated.

Disadvantages

- Officers recommend the Strategy is a Council Cyclone Recovery priority, so a failure to deliver the complete Strategy and work programme, potentially raises Council's risk profile in respect of community safety and response to future disaster events.

7.0 Next steps – Te Anga Whakamua

- 7.1 If approved, officers will proceed with prioritised work actions which require financial disbursements.

Attachments:

There are no attachments for this report.

Summary of Considerations - He Whakarāpopoto Whakaarohanga

Fit with purpose of Local Government - E noho hāngai pū ai ki te Rangatōpū-ā-Rohe

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by

(and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

[Link to the Council’s Community Outcomes – Ngā Hononga ki Ngā Putanga ā-Hapori](#)

This proposal promotes the environmental wellbeing of communities in the present and for the future, while meeting regulatory requirements, building resilience and adding to the recovery journey of our community.

Māori Impact Statement - Te Tauākī Kaupapa Māori

Section 77 (1) c: of the Local Government Act 2002 reads ‘a significant decision in relation to land or a body of water, must take into account the relationship of Māori and their culture and traditions with their ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga.’ This statement guides the need to engage mana whenua of Karanema Havelock North for projects relating to land and water. A Cultural Aspirations Report for the Karanema Reserve Area has been commissioned through the Reserve Management Planning process for the Havelock North hills reserves. This Cultural Aspirations Report holds a number of aspirations relating to the Havelock hills waterways, and these aspirations must be taken into consideration for this project.

The impact of Cyclone Gabrielle to their ancestral land, water, sites, waahi tapu, valued flora and fauna, will also be worked through with mana whenua as a part of this project.

Sustainability - Te Toitūtanga

By progressing with this project, environmental sustainability can be considered for the future of the Havelock North Streams. Works will improve flood resilience and capacity across the five main Havelock North streams and benefit to the community.

Financial considerations - Ngā Whakaarohanga Ahumoni

Discussed in the Report, \$550,000 is proposed as unbudgeted and is proposed to be loan funded.

Significance and Engagement - Te Hiranga me te Tūhonotanga

This decision/report has been assessed under the Council's Significance and Engagement Policy as being of some significance, engagement is proposed to be further undertaken through the strategy work proposed, and through the land categorisation work led by HBRC.

Consultation – internal and/or external - Whakawhiti Whakaaro-ā-roto / ā-waho

Engagement with communities of interest is ongoing and the programme strategy proposes to increase and coordinate further engagement into the proposed strategy.

Risks

Opportunity: Ability to progress a workstream with upgrades that relate to options required for land categorisation, and for a heightened business as usual to protect communities to an agreed level of service.

REWARD – Te Utu	RISK – Te Tūraru
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<ul style="list-style-type: none"> - Strategy and plan(s) specific to Havelock North streams - Better understanding of the asset - Progress dam safety requirements - Provide clarity on ownership and maintenance - Improve resilience - Improve environmental outcomes - Less reactive 	<ul style="list-style-type: none"> - A level of risk will remain regardless of solutions implemented – engaging community understanding on this - Uncertainty of constructability of solutions recommended from 2c Land categorisation options report - Funding constraints - Community pressure - Water reform, and future ownership and responsibility
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Rural Community Board – Te Poari Tuawhenua-ā-Hapori

No specific impacts on Rural Community Board.