

Appointment of a Crown Manager to Hawke's Bay Regional Council

Pursuant to section 258D, and with reference to section 258P of the Local Government Act 2002 ("Act"), the Minister of Local Government gives notice of his appointment of

Lawrence Arden Yule

as Crown Manager to Hawke's Bay Regional Council ("Council").

The role of the Crown Manager is to direct the Council to address any barriers to effective flood management of the Wairoa catchment. This includes facilitating the production of a medium-term flood management plan, actions arising from the reviews of the June 2024 severe weather event and relationship management regarding decisions on flood management.

The term for the Crown Manager appointment and the management period starts on 15 August 2024. The appointment and management period will, unless otherwise advised by the Minister of Local Government, end on 13 February 2026. The Minister of Local Government will undertake a review of the continued need for this appointment in May 2025.

Background

Recent significant weather events have highlighted the vulnerability of Wairoa township to future flood damage. Failure to implement flood protection works would leave a significant part of the town being exposed to an intolerable risk, and therefore uninhabitable. This risk would create an unaffordable burden for Wairoa ratepayers through the Wairoa District Council and Hawke's Bay Regional Council. The impact of June 2024's severe weather event has eroded relations between the Hawke's Bay Regional Council and the Wairoa community, to the extent the Council is unable to deliver consultation and works for flood protection without external intervention.

Pursuant to Part 10 of the Act, the Minister of Local Government believes a significant problem relating to the Council exists, and the nature and extent of the problem is such that the Council is unlikely to effectively address the problem without the appointment of a Crown Manager.

The councils disagree on how the flood protection work should be progressed, and how the Wairoa River bar should be managed. It is clear that resolving this and identifying a path forward will not happen without external input.

After considering these issues, the Minister of Local Government has determined that Ministerial intervention is warranted. These matters constitute a significant problem, one that the Council is unlikely to be able to address without the appointment of a Crown Manager.

Pursuant to section 258D of the Act, the Crown Manager is being appointed to assist the Council in progressing the ongoing management of the catchment for Wairoa township and surrounds.

The Minister of Local Government considers that the assistance of a Crown Manager is required to ensure that the Council meets its obligations to mitigate flooding risks.

Section 258O of the Act requires the Minister of Local Government to publish in the *New Zealand Gazette* a list of matters relevant to determining what action, if any, to take under subpart 1 of Part 10 of the Act, which relates to Ministerial powers of assistance and intervention in relation to local authorities. Section 258P of the Act requires the Minister to have regard to the list of matters published in the [New Zealand Gazette, 23 June 2023, Notice No. 2023-go2697](#).

Wairoa District Council and Hawke's Bay Regional Council have roles and responsibilities for flood risk management including catchment management, flood protection infrastructure and solutions, storm water, land use planning and property level regulation. The councils are expected to confirm how they will use their different levers to provide the best flood resilience solutions for Wairoa including considering how these levers might change over time.

Extent of Authority

The Crown Manager will provide direction to the Council on achieving the best flood resilience solutions including:

- identifying and planning action (if needed) as a result of the reviews into the June 2024 severe weather event;
- developing an active flood resilience plan for Wairoa that is consulted with the community and implemented; and
- establishing arrangements for monitoring the effectiveness of the active management of the flood resilience plan for Wairoa.

In relation to progressing flood protection works funded through the Hawke's Bay North Island Weather Event Crown Funding Agreement 2023 this will include directing the Council on the following matters:

- identifying the best mix of technical solutions to manage Wairoa's flood risk;
- developing implementation plans once a preferred option has been identified; and
- developing a project governance model that reflects existing relationships and includes key stakeholders.

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The Crown Manager will also maintain oversight of the consultation and engagement of the community to inform other actions.

To inform his delivery of the role, the Crown Manager should regularly engage with a representative of each of the Council, Wairoa District Council, and Tātou Tātou o te Wairoa.

The Crown Manager will engage with the Cyclone Recovery Unit and Crown Infrastructure Partners on these responsibilities.

The Crown Manager is therefore able to:

- direct the Council to act to address the risks created by Wairoa townships vulnerability to flooding;
- make recommendations to the Minister of Local Government as to whether the Minister should take any further action in relation to the Council, including whether the Minister should appoint another Ministerial body to the Council; and
- ensure, as far as possible, and to the extent authorised by these terms of reference, that the existing organisational capability of the Council is not diminished.

The Crown Manager's appointment will provide assurance to the Government for the delivery of the \$70 million of funding from North Island Weather Event Crown Funding Agreement, and may provide whatever direction to the Council that is required to ensure this, as it relates to flooding in Wairoa. Per the Act, the Council must cooperate with the Crown Manager to fulfil these terms of reference and comply with the directions of the Crown Manager.

The Crown Manager may provide direction on any matters related to delivery of flood protection in Wairoa, as appropriate. This may include but is not limited to direction on:

- the design of flood protection works
- the efficient and effective planning and resourcing of said works, including the consenting process; and
- implementation of identified solutions.

The Crown Manager is required to collaborate, to the extent that it is relevant, with the Wairoa District Council on progressing the delivery of a flood management catchment plan and flood protection works.

The Crown Manager must ensure that his directions are consistent with the legal obligations of the Council.

The Crown Manager will report to the Council and inform, as appropriate, the Wairoa community at least monthly of the progress of matters within his responsibilities. This must include any directions he has made, to assure the Council and community that their interests are being looked after.

The Crown Manager may work with the Council's chief executive and any other parties, as appropriate, to achieve the objectives of the Terms of Reference. The Crown Manager may also request any assistance from the Department of Internal Affairs, or other parties he considers necessary to fulfil these Terms of Reference.

The Council is required, under section 258D(6) of the Act, to: co-operate with the Crown Manager so that the Crown Manager may fulfil these Terms of Reference; comply with the directions of the Crown Manager; and comply with any reasonable request of the Crown Manager to provide relevant information. Any expense incurred by the Crown Manager to fulfil these Terms of Reference will be recovered by the Crown from the Council as a debt to the Crown.

Term of the Appointment

The term for the Crown Manager appointment and the management period starts on 15 August 2024. The appointment and management period will, unless otherwise advised by the Minister of Local Government, end on 13 February 2026.

The Minister of Local Government may end the appointment and management period early by way of written notice, if the Minister is satisfied that the appointment is no longer required.

Remuneration and costs

The remuneration of the Crown Manager will be paid out of money belonging to the Council pursuant to section 258W of the Act. Remuneration will be paid in accordance with the Cabinet Fees Framework (CO (22) 2) at a rate of \$1,100.00 a day. The Crown Manager is responsible for ensuring any expenses claimed are reasonable and necessary.

Reporting

The Crown Manager must report, as appropriate, to the Minister of Local Government and the Minister for Emergency Management and Recovery at least monthly on the progress in fulfilling his Terms of Reference. The Crown Manager must provide a final report to the Minister of Local Government and the Minister for Emergency Management and Recovery as soon as practicable after the management period ends. The final report must comply with section 258U of the Act. In addition, the Crown Manager must report on any potential problems that remain or any new related problems that have emerged. The final report may make further recommendations to the Minister of Local Government and the Minister for Emergency Management and Recovery.

Protection from Liability

Pursuant to section 258Y of the Act, the Crown Manager will not be liable for any act done or omitted by him in good faith in the performance or intended performance of his functions, responsibilities and duties, or the exercise of his power as a Crown Manager.

Dated at Wellington this 14th day of August 2024.

HON SIMEON BROWN, Minister of Local Government.