Agenda Pack

20 August 2021

Peppers Clearwater Resort

Canterbury Mayoral Forum mihi

Ko Ngā Tiritiri o te Moana ngā maunga Ko ngā wai huka ngā awa i rere tonu mai Ko Ngā Pākihi Whakatekateka o Waitaha te whenua Ko Marokura, ko Mahaanui, ko Araiteuru ngā tai Tīhei mauri ora!

The Southern Alps stand above The snow-fed rivers continually flow forth The plains of Waitaha extend out To the tides of Marokura, Mahaanui and Araiteuru Behold, there is life!

Agenda

Canterbury Mayoral Forum

Date: Friday 20 August 2021

Time: 9:00 am to 12:00 pm

Venue: Peppers Clearwater Resort

Attendees: Mayors/Chair:

Sam Broughton (Selwyn, Chair) Nigel Bowen (Timaru, Deputy Chair); Craig Mackle (Kaikōura); Craig Rowley (Waimate); Dan Gordon (Waimakariri); Gary Kircher (Waitaki); Graham Smith (Mackenzie); Jenny Hughey (Environment Canterbury); Lianne Dalziel (Christchurch); Marie Black (Hurunui); Neil Brown (Ashburton)

Chief Executives:

Hamish Riach (Ashburton, Chair CE Forum); Bede Carran (Timaru); David Ward (Selwyn); Dawn Baxendale (Christchurch); Alex Parmley (Waitaki); Hamish Dobbie (Hurunui); Stefanie Rixecker (Environment Canterbury); Suzette van Aswegen (Mackenzie); Will Doughty (Kaikōura); Jim Harland (Waimakariri); Stuart Duncan (Waimate)

In attendance:

Maree McNeilly, Amanda Wall, Rosa Wakefield (Secretariat); Basil Chamberlain (Item 8)

Apologies:

Αμοιοί	yies			
Time	lte	m	Page	Person
8.45	1.	Mihi, welcome, introductions and apologies		Chair
	2.	Confirmation of agenda	1	Chair
8.50	3.	Minutes from the previous meeting	2	Chair
		3.1. Confirmation of minutes of meeting held 28 May 2021		
		3.2. Action points		
	FC	OR DISCUSSION AND DECISION		
8.55	4.	Three Waters - verbal update		Chair
9.10	5.	Climate Change Risk Assessment project update	10	Dan Gordon
9.20	6.	Mayoral Forum mid-term achievements 2019-2021	16	Chair
9.30	7.	Regional Strategic Partnership Fund	27	Chair
9.40	8.	Resource Management Reform update	34	David Ward
9.45	9.	South Island Destination Management Plan – next steps	39	Chair
9.50	10	CREDS update	48	Craig Rowley
	FC	R INFORMATION		
9.55	11	. Canterbury Water Management Strategy update	52	Jenny Hughey
10.05	12	Essential Freshwater Steering Group update	68	Neil Brown
10.15		Morning tea		
10.30	13	. Flooding update and funding of rating districts	70	Jenny Hughey / Basil Chamberlain
11:30	14	. Future for Local Government	136	Chair
11.35	15	Climate Change Steering Group update	139	Dan Gordon
11.40	16	Chief Executives Forum report	141	Hamish Riach
11.45	17	. General business	_	
12:00	Me	eeting close followed by lunch		

Next meetings:	Climate Change Steering Group	17 September	
	Chief Executives Forum	1 November	
	Mayoral Forum	19 November	
	 to be followed by lunch v 	 – to be followed by lunch with Canterbury MPs 	

Draft Minutes

Date:	28 May 2021, 8.30am-10.00am	
Venue:	Peppers Clearwater Resort, Clearwater Avenue, Harewood, Christchurch.	
Attendance:	Mayors/Chair:	
	Sam Broughton (Selwyn, Chair), Nigel Bowen (Timaru), Craig Mackle (Kaikōura), Craig Rowley (Waimate), Dan Gordon (Waimakariri), Gary Kircher (Waitaki), Graham Smith (Mackenzie), Jenny Hughey (Environment Canterbury), Lianne Dalziel (Christchurch), Marie Black (Hurunui), Neil Brown (Ashburton)	
	Chief Executives:	
	Hamish Riach (Ashburton, CEs Forum Chair), Bede Carran (Timaru), David Ward (Selwyn), Dawn Baxendale (Christchurch), Hamish Dobbie (Hurunui), Jim Harland (Waimakariri), Paul Hope (for Fergus Power, Waitaki), Stefanie Rixecker (Environment Canterbury), Will Doughty (Kaikōura)	
	In attendance:	
	Maree McNeilly, Amanda Wall, Rosa Wakefield (Secretariat), Sean Tully (Selwyn – Advisor to Mayor Sam Broughton).	
Apologies:	Fergus Power (Waitaki), Stuart Duncan (Waimate), Suzette van Aswegen (Mackenzie).	

AGENDA ITEM	KEY POINTS DISCUSSED / RESOLVED	ACTION POINTS (Who will action, when?)
1	Welcome, introductions and apologies	
	The Chair welcomed everyone to the meeting.	
	Paul Hope is attending for Fergus Power.	
	Apologies were received from Stuart Duncan and Suzette van Aswegen.	
	The meeting was opened with the Canterbury Mayoral Forum mihi.	

AGENDA ITEM	KEY POINTS DISCUSSED / RESOLVED	ACTION POINTS (Who will action, when?)
2	Confirmation of agenda The agenda was confirmed. The following items of general business were added:	
	 Housing acceleration fund Potential visits to KiwiRail and Lincoln University 	
	 Advocacy letters to the Minister for Infrastructure and the Minister of Health LGNZ three waters contact Farewell to Fergus Power 	
3	 Confirmation of minutes of meeting held on 19 February 2021. The minutes were confirmed as an accurate record of the meeting. Two updates on actions from the February meeting were discussed: Regional Sector Priorities: Hamish Riach has met with Ben Clark to discuss regional sector priorities. Ben is seeking to create a structure to support ongoing collaboration, which will include some structure through the Chief Executives Forum. At present there is a strong connection with central government agencies, and the intent is to ensure this relationship can endure into the future. Carbon Forestry: The Policy Forum is looking at carbon forestry and is expecting a report back in June. 	
4	Essential Freshwater Steering Group update Neil Brown spoke to the paper. Members agreed to invite Ministers Parker and O'Connor to speak at the next Mayoral Forum dinner. The Canterbury Mayoral Forum agreed to: 1. endorse the terms of reference for the Essential Freshwater Steering Group as agreed by group members at their meeting on 22 March 2021 2. agree to invite two guest speakers to the Canterbury Mayoral Forum dinner on 19 August 2021.	Secretariat: invite Ministers Parker and O'Connor to the next Mayoral Forum dinner.

5	Three Waters service delivery review	
	The Chair spoke to the paper.	
	The Minister of Local Government is planning to come to Christchurch to meet with Canterbury	
	mayors and councillors. Work is underway to find a date - hopefully this will coincide this with an	
	LGNZ workshop. The Minister understands that a compelling case is yet to be made to councils.	
	DIA will be releasing information next week around the case for change at a national level. This	
	information will not be at council level so doesn't provide what we'll need for our communities; DIA	
	is unable to provide more specific information on this without Cabinet approval. LGNZ is ready to	
	support mayors with how to present this to their communities. LGNZ is working with DIA around a	
	package of commitments in the reform, focusing on three main areas: ensuring no-one is worse	
	off; the investment package; and structure around transitions.	
	Members discussed issues around three waters reforms, including:	
	 that the case for change has not been made for councils. Information is needed for 	
	councils to be able to make the best decision for their communities	
	 that it would be naive to treat the national case for water in isolation given the imminent 	
	RM and local government reforms	
	 what tranche 2 funding may be applied to; how funding can be used to benefit 	
	communities	
	 noting that the process the Mayoral Forum review followed sought to find what our 	
	capability is in the framework given, and because the parameters were the same as DIA's	
	the conclusions are similar	
	 noting that there was a statement made early on by DIA around a 40% improvement in 	
	efficiency which can't be backed up, but that this is a red herring as efficiency is not the	
	main driver and there will be some gains	
	• concern around the lack of alternatives which have been explored, noting that a number of	
	structures and options were ruled out by the Government from the outset	
	 concern around the potential price difference for water between the South Island and 	
	Auckland, especially given that one of the principles is equity	
	 what would happen for the rest of the South Island if Christchurch opts out 	
	 what opting out would mean for budget and regulatory risk over time 	
	 who in the industry and in the community might support us in consultation 	
	 that Taituarā and DIA are reconvening their technical group across the country, Rob Kerr 	
	and Jessica Nandu-Templeton are representing Canterbury on this.	
	Thanks were noted to the Chair on his leadership, and to the others who recently met with the	
	Minister, as the Canterbury position is being presented very well.	

AGENDA ITEM	KEY POINTS DISCUSSED / RESOLVED	ACTION POINTS (Who will action, when?)
	All agreed that the joint response to the DIA information on the national case for change is that the information provided so far doesn't give a clear case for change at council level. Mayors will make their own statements.	
	The Forum agreed to note the update provided in the paper.	
6	 CREDS update and mobile blackspot advocacy Craig Rowley spoke to the report, noting the great work done on locating mobile blackspots on Canterbury state highways, and that the E Tipu agriconference and Food and Fibre Challenge went really well. Members noted interest in mapping areas within towns with significant blackspot issues and agreed to ask the CEs Forum to explore whether this can be done in other areas and report back by the end of the year. Waitaki would also like for their whole district to be included in reporting, rather than only the Canterbury half. 	Chief Executives Forum: Seek pricing from Beca on further blackspot mapping in towns and other areas.
	The Forum agreed to:	
	 send letters to the Minister for the Digital Economy and Communications, telecommunications companies and Crown Infrastructure Partners advocating for the top ten mobile blackspots on Canterbury State Highways identified by the Digital Connectivity project to be addressed note updates on other CREDS workstreams. 	

AGENDA ITEM	KEY POINTS DISCUSSED / RESOLVED	ACTION POINTS (Who will action, when?)
7	Chief Executives Forum report	
	Hamish Riach spoke to the paper. One of the themes from CEs Forum was how busy and stretched every council is currently. The Chair also acknowledged the tension between amount of work and resource available.	
	The assessment on carbon footprint and collective measurement of that is being worked on and a report will be coming to the next CEs Forum.	
	The Forum agreed to:	
	 receive the quarterly report from the Chief Executives Forum review and approve a letter to Environment Canterbury about considering climate change in its upcoming Regional Policy Statement review note updates to the three-year work programme. 	
8	Climate Change Steering Group update	
	Dan Gordon spoke to the paper, noting the value of support from TAs in the development of the regional submissions later in the year on the National Emissions Reduction Plan and the National Adaptation Plan. The 'It's Time, Canterbury' launch today was previewed at the last meeting of the Climate Change Councillor group and the formal launch for this follows today's meetings. Dan Gordon acknowledged Chair Jenny Hughey and her team for their work on this campaign.	
	The Forum agreed to:	
	 note the update provided in this paper note regional submissions will be developed for the Mayoral Forum on the: 2.1. National Emissions Reduction Plan 2.2. National Adaptation Plan note a regional submission will be completed by 28 May for the Mayoral Forum on the National Direction on Greenhouse Gas Emissions. 	

AGENDA ITEM	KEY POINTS DISCUSSED / RESOLVED	ACTION POINTS (Who will action, when?)
9	 Update on Canterbury Biodiversity Champions Jenny Hughey spoke to the paper, noting that the champions are enthusiastic about their work. Dan Gordon advised that Waimakariri have developed a register linking public land and biodiversity and are partnering with Ngai Tuāhuriri and private landowners. Funds have been set aside for fencing and protecting waterways. Environment Canterbury supports this and will be doing this with Environment Canterbury-owned land across the region. The Chair noted that a linked-up approach is valuable to ensure we're not doubling up on biodiversity initiatives, and that if work is allocated to Environment Canterbury rather than district councils we need to support appropriate Environment Canterbury rates to do this work. The Forum agreed to: note that the Biodiversity Champions are currently focused on gathering information across Canterbury councils to better understand biodiversity priorities, actions, challenges and opportunities note that the Biodiversity Champions are considering several opportunities to build a shared regional approach to biodiversity across councils. 	
10	CWMS update	
	The report was taken as read.	
	Stefanie Rixecker spoke to the CWMS planning programme, which aligns the CWMS with the national direction over the next four years. The CEs Forum approved this programme, and it has been shared with zone committees and the Ministerial freshwater group.	
	This year is focused on building relationships around Te Mana o Te Wai. They have been working with Te Rōpu Tuia and the upoko of papatipu rūnanga on this. In 2022/23 Freshwater Management Units will be drafted in conjunction with Ngāi Tahu and then will work with communities. Canterbury is ahead of other regions on these already.	
	The Minister would prefer for these freshwater plans to be made earlier, but because we already have the framework and want to take communities with us we will be doing it in 2024.	
	The Forum agreed to note the update provided in the paper.	

AGENDA ITEM	KEY POINTS DISCUSSED / RESOLVED	ACTION POINTS (Who will action, when?)
11	Budget 2021 update The Chair advised that he met with Warren Gilbertson from MBIE around the new Regional Strategic Partnership Fund, which consists of \$200m of funding on a non-grant basis. Members noted concern around the amount of work required to apply for a relatively small loan which will then require more work to co-fund and deliver. ChristchurchNZ may look at developing something in this space.	Secretariat: provide feedback from the Forum to Warren Gilbertson on concerns around the Regional Strategic Partnership Fund. Maintain a watching brief on the fund. Lianne Dalziel: Talk to ChristchurchNZ about whether they would seek funding from the Regional Strategic Partnership Fund and
	That the Canterbury Mayoral Forum:	report back to the secretariat.
	 note the update on the Government's Wellbeing Budget 2021 -Securing our Recovery request the secretariat to keep a watching brief on the Regional Strategic 	
	Partnership Fund announcement and consider what would be required for the Canterbury Mayoral Forum to secure funding through this fund.	

AGENDA ITEM	KEY POINTS DISCUSSED / RESOLVED	ACTION POINTS (Who will action, when?)
18	General business Housing acceleration fund Minister Woods noted a lack of feedback from the South Island around the housing acceleration fund. The Forum asked the secretariat to collate responses from Canterbury and provide to LGNZ and the Minister's office. Freight tour Members requested the KiwiRail part of the freight tour which was unable to happen in February be scheduled. Letter to Minister Robertson The Forum will write to Minister Robertson in his role as shareholding Minister for KiwiRail to highlight issues around cycleways, culverts under railway lines, crossings, rail bus and their respective intersections with rail corridors. Lincoln University Lincoln University is keen to share their energy farm and zero waste farm work with Mayoral Forum members. Members discussed the possibility of a tour of tertiary institutions in September or October, including Ara and Canterbury University. LGNZ three waters contact LGNZ have asked each mayoral group to have a key contact for ongoing communication around three waters. All agreed that the Chair should continue in this role. Minister of Health With proposed changes in health it would be good to connect with the Minister of Health and understand where the thinking around health in our communities is at. Farewell to Fergus Power Fergus Power's contribution to the Forum was noted, including his fresh perspective and the value this provided to the group. A gift was presented to Gary Kircher for Fergus. Paul Hope will be acting CE of Waitaki District Council until Al	 Secretariat: collect Canterbury response around housing acceleration fund and provide to LGNZ. Secretariat: Set up part two of the freight tour, part of a day at KiwiRail. Secretariat: Draft a letter to Minister Robertson and circulate to members for approval. Secretariat: explore options for visits to Canterbury tertiary campuses in September or October.
	The meeting closed at 9.52am.	

Item 5

Date:20 August 2021Presented by:Dan Gordon, Chair Climate Change Steering Group

Canterbury Climate Change Risk Assessment update

Purpose

1. This paper updates the Canterbury Mayoral Forum on the Canterbury Climate Change Risk Assessment project and seeks advice on the signoff process and public communication options for the project deliverables.

Recommendations

That the Canterbury Mayoral Forum:

- 1. endorse the process for approving the deliverables of the Canterbury Climate Change Risk Assessment
- 2. provide advice on the preferred future public communications and engagement approach for the Canterbury Climate Change Risk Assessment deliverables
- 3. delegate approval of the public communications and engagement approach to the Canterbury Climate Change Steering Group.

Key points

- 2. The Canterbury Climate Change Risk Assessment is nearing completion. The project included an extensive engagement programme involving hui and workshops with the project steering group, rūnanga steering group, mana whenua, youth and sector expert groups.
- 3. The Canterbury Climate Change Working Group will present final deliverables (technical report, risk register and public-facing communications materials) for approval by the Chief Executives Forum and endorsement by the Mayoral Forum in November, ahead of public release.
- 4. The Mayoral Forum will lead the public release of the assessment. The preparation and production of supporting communications materials will be a collaborative process with councils and Ngāi Tahu (building on experience of the regional climate change risk screening and *It's Time, Canterbury* campaign); feedback is sought on the Forum's preference for 'scale and volume' of publicity and the level of related engagement.

Background

- 5. On 27 July 2020, the Canterbury Chief Executives Forum:
 - approved the scope for the second stage of the Canterbury Climate Change Risk Assessment – a detailed risk and urgency assessment to give Canterbury an improved understanding of the priority climate risks and opportunities to support adaptation planning across the region, and
 - resolved to fund this by a levy on member councils based on the current allocation formula for the regional forums budget.
- 6. The Canterbury Mayoral Forum endorsed and released the Canterbury Climate Change Risk Screening interim reports on 21 August 2020.
- 7. On 4 June 2021, the Climate Change Steering Group (CCSG) discussed the approach for approval of the deliverables and public communications options for the second stage risk assessment. The CCSG agreed to seek advice from the Chief Executives Forum on communications options for public release prior to considering this matter again at its September meeting.
- 8. The Chief Executives Forum met on 2 August 2021 and indicated their preference for a proactive release and engagement for the climate change risk assessment deliverables.

Canterbury climate change risk assessment progress update

- 9. Tonkin and Taylor (T+T) has been contracted to undertake the risk assessment to identify the key risks and opportunities from climate change to Canterbury's environment, communities and economy. The team is completing an extensive engagement programme to validate the risks identified in the assessment. This programme includes:
 - setting up and running a Rūnanga Steering Group and Project Steering Group
 - rūnanga risk hui
 - subject-matter expert workshops
 - youth workshop.
- 10. The Rūnanga Steering Group was formed to develop an integrated framework incorporating Ngāi Tahu values and mātauranga Māori into the Canterbury climate change risk assessment while aligning with the national climate change risk assessment framework.
- The engagement programme has taken longer than initially planned. The risk assessment was intended to be completed mid-2021 but will now be completed in September 2021 and presented for endorsement to the Mayoral Forum meeting in November 2021.

- 12. Draft deliverables completed so far include the integrated framework, register of risks and technical report. Other deliverables, including public-facing material and infographics, are due in September.
- 13. The draft technical report is currently being reviewed by the Project Steering Group and Rūnanga Steering Group. It is structured based on the risks from climate change to the values in the integrated framework, such as Wai (water), Hapori (Sense of community), and Ōhanga (prosperity). Detailed narratives describing the nature of the risks, including an indication of areas in Canterbury where the risks are most relevant, and the decision urgency (the degree to which further action is needed) are included.

Initial results of the Canterbury climate change risk assessment

- 14. T+T have provided a draft risk register (as at 27 July 2021), which provides insight into the expected results. However, it should be noted that these may change as T+T finalise the results.
- 15. Initial results show 10 risks from climate-induced hazards which are currently high or extreme in Canterbury. This rises to 55 high or extreme risks by 2050, and 91 by 2100.





Approach to approving risk assessment deliverables

18. A comprehensive approach for approval of the risk assessment project's deliverables is outlined below. This includes a schedule of briefings by members of the Canterbury climate change working group with key groups and councils to ensure all are briefed ahead of endorsement of the risk assessment deliverables by the Mayoral Forum and public release.

Group	Date of meeting	Торіс
		Approval of public communications option. Present deliverables (draft report and T+T public-facing materials).
Climate Change Steering Group		Note these will also be presented to Te Rōpū Tuia (Environment Canterbury-papatipu rūnanga governance group) and Te Paiherenga (Environment Canterbury-papatipu rūnanga operational group) in September
Individual Canterbury councils	Sept-Nov	Present draft report and public-facing materials (incorporating feedback from the above groups) to key staff and elected members.
CEs Forum	1/11/2021	Approve report and public-facing materials.
Mayoral Forum	19/11/2021	Endorse report and public-facing materials.

Public communication of results

- 19. In 2020, there was a low-key, 'soft' release of the risk screening results, due to the interim nature of the reports and pandemic response occurring at the time. Risk screening results have, since then, been incorporated into public information on the *It's Time, Canterbury* website.
- 20. A similar approach could be taken with the risk assessment results, but this is not recommended the regional and national climate change responses have built momentum, and a 'soft' release may not achieve the objective to promote improved understanding of the risks from climate change for Canterbury.
- 21. The project team sought feedback from the Canterbury Climate Change Steering Group and Canterbury Chief Executives Forum on the following options for the public communications of the assessment results. The options affect the 'scale and volume' of publicity, and the level of associated engagement.
 - **Proactive release** the risk assessment deliverables are published on the Mayoral Forum website, with supporting publicity such as a media release and interviews, op-ed, shared stakeholder emails, social media, etc.
 - **Proactive release and engagement** as above, with additional activities that build relationships and momentum of climate change conversations. This could include a technical webinar, grass-roots meetings (youth, climate

champions/activists, targeted industry/stakeholder meetings, and/or a public event of some kind to mark the release of results).

- 22. It is also envisaged that the risk assessment will yield new content for the '*It's Time, Canterbury*' campaign.
- 23. The preferred option is for a proactive release (at a minimum), with options for engagement, including specific needs relating to high and extreme risks. These will be refined once the draft technical report is reviewed, and key results known.
- 24. Due to the timing of the draft technical report review feedback is sought from the Mayoral Forum on these high-level options and delegation of approval of the detailed public communications and engagement approach to the Canterbury Climate Change Steering Group (at its 17 September meeting).

Cost, compliance and communication

Financial implications

- 25. Environment Canterbury invoiced councils for the Canterbury Climate Change Risk Assessment, as agreed by the Chief Executives Forum on 27 July 2020.
- 26. Further funding of up to \$10k, if required for additional engagement activities, is available from the regional forums' budget.

Risk assessment and legal compliance

- 27. The legal risk for releasing the results of the Canterbury Climate Change Risk Assessment is low as the findings cannot be used as an evidentiary base for spatial planning as they are not sufficiently detailed.
- 28. There is potentially high public interest in the results. Environment Canterbury staff will provide communications support to the Mayoral Forum and, with your agreement, will work with the Canterbury Climate Change Steering Group on the communications package.
- 29. Staff will prepare a holding statement in the event the results are prematurely released. It is recommended Dr. Tim Davie, as convenor of the Canterbury Climate Change Working Group, acts as spokesperson if this occurs. This allows the Mayoral Forum to make its own statement, at the appropriate time.

Significance and engagement

30. As mentioned above the project team engaged with Ngāi Tahu via a Rūnanga Steering Group and staff will brief Te Rōpū Tuia (Environment Canterbury-papatipu rūnanga governance group) and Te Paiherenga (Environment Canterbury-papatipu rūnanga operational group) in September.

Next steps

- 31. Feedback from the Mayoral Forum will be incorporated into advice to the Climate Change Steering Group.
- 32. Draft project deliverables will be provided to the Climate Change Steering Group in September. Final project deliverables will be provided to the Chief Executives Forum for consideration on 1 November 2021 and Mayoral Forum for endorsement on 19 November 2021.

Date:20 August 2021Presented by:Hamish Riach, Chair, Chief Executives Forum

Canterbury Mayoral Forum mid-term achievements 2019-2021

Purpose

1. This paper reviews progress in implementing the Canterbury Local Authorities' Triennial Agreement 2017–19 and provides a draft mid-term report for consideration and approval.

Recommendations

That the Canterbury Mayoral Forum:

- 1. review the draft mid-term report and advise of any amendments
- 2. approve the mid-term report for publication on the Canterbury Mayoral Forum website and sharing with member councils
- promote the Mayoral Forum mid-term achievements with supporting media release(s) and encourage councils to share the achievements widely with their networks.

Mid-term review

- 2. In past terms, the Mayoral Forum has published a mid-term report on its achievements in the first half of the local government term. The report is made available to member councils and on the <u>www.canterburymayors.org.nz</u> website¹.
- 3. A draft mid-term report is attached for review and approval. The report follows the same template as past reports and is structured around the priorities identified in the *Mayoral Forum's Plan for Canterbury 2020-22*.

Publication of report

- 4. The Chief Executives Forum suggested that the Mayoral Forum publicly promotes the achievements, and member councils be encouraged to share and promote them widely within their networks.
- 5. Subject to the view of the Mayoral Forum, to effectively promote the achievements the Secretariat proposes to:

¹ The previous report was published in May 2018 and is available at this link: <u>https://canterburymayors.org.nz/wp-content/uploads/CMF-mid-term-review-May-2018.pdf</u>

- prepare media release (s), to be approved by the Forum, to promote the mid-term achievements at the time it is published on the Mayoral Forum website
- encourage and support each member council to share the mid-term achievements widely through their networks and across a range of platforms.

Next steps

- 6. The next steps are to:
 - incorporate feedback received from Mayoral Forum members into the mid-term report and finalise the document for publication
 - publish it on the regional forums website
 - circulate the mid-term achievements document to member councils
 - prepare media release(s) to promote the achievements and encourage and support member councils to share the report, and/or any other promotion tactics the Mayoral Forum wishes to engage.

Attachment

• Draft Canterbury Mayoral Forum mid-term achievements 2019-2021

A strong regional economy with resilient, connected communities and a better quality of life, for all.

Attachment 1 – Canterbury Mayoral Forum mid-term achievements 2019-2021

1. This report provides a summary of progress and achievements of the Canterbury Mayoral Forum at the mid-point of the 2019-2022 local government term.

Regional forums

- 2. The Canterbury Local Authorities' Triennial Agreement 2019–22 mandates the work of the Canterbury Mayoral Forum, Chief Executives Forum, Policy Forum, Corporate Forum, Operations Forum and other regional and sub-regional forums and working groups (see Appendix 1). Regional forums generally meet quarterly.
- 3. As agreed in the Mayoral Forum Charter of Purpose, Environment Canterbury hosts a permanent regional forums secretariat: 2 FTE staff (funded through the regional general rate) and a CREDS Project Manager (fixed term, funded by a grant from the Provincial Growth Fund until August 2021 and following adoption of the Environment Canterbury Long Term Plan permanent thereafter).

Plan for Canterbury

- 4. In September 2020, the Mayoral Forum launched its Plan for Canterbury.
- 5. The Plan sets out the Mayoral Forum's vision for sustainable development with shared prosperity, resilient communities and proud identity. To expand on this, the Mayoral Forum's vision is that in Canterbury, all of us together:
 - care for our natural resources to secure both present and future opportunities
 - create shared economic prosperity so no one is left behind
 - nurture caring, hope and kindness, standing strong together to withstand and adapt to challenges and change
 - celebrate our diverse identities and take pride in our common identity as Cantabrians.
- 6. For the remainder of this local government term (2020–22), the Forum will focus on five priorities where it can make a difference through leadership, advocacy and enabling partnerships. The priorities are:

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323

Ashburton District Council • Canterbury Regional Council • Christchurch City Council • Hurunui District Council Kaikōura District Council • Mackenzie District Council • Selywn District Council • Timaru District Council Waimakariri District Council • Waimate District Council • Waitaki District Council

- a. Sustainable environmental management of our habitats (land, air, water and ecosystems), focusing on land use and freshwater management.
- b. Shared economic prosperity through sustainable, value-added primary production, high-value manufacturing, high-value tourism, growing attracting and retaining a skilled workforce and attracting new businesses.
- c. Better freight transport options mode shift to optimise movement of long-distance freight by rail and coastal shipping to improve road safety, decrease carbon emissions and reduce wear and tear on the region's roads.
- d. Climate change mitigation and adaptation reducing our carbon footprint, building community resilience and making our infrastructure as strong as it can be.
- e. Three Waters services securing safe drinking-water supplies, and ensuring that infrastructure, institutional arrangements and regulation enable the sustainable management of drinking water, wastewater and stormwater in Canterbury.
- 7. The Mayoral Forum's three-year work programme reflects priorities identified in the plan, and delivery of this is overseen by the Chief Executives Forum, which reports quarterly to the Mayoral Forum.

Sustainable environmental management of our habitats

Oversight of CWMS

- 8. The Mayoral Forum has maintained active oversight of the implementation of the CWMS, receiving regular and comprehensive reporting on progress. To re-engage communities and stakeholders to nurture commitment to delivering the CWMS, the Mayoral Forum endorsed revised terms of reference for Zone Committees in November 2020.
- In May 2019, the Mayoral Forum signed off on a review of the CWMS and agreed goals for 2025 and 2030. Environment Canterbury will lead development of an implementation plan (with resource implications), to inform development of councils' annual plans for 2020/21 and Long-term Plans for 2021–28.
- 10. The Mayoral Forum continues to work in partnership with Environment Canterbury on assessing the implications of Essential Freshwater reforms on the direction and implementation of the CWMS into the future.

Biodiversity champions

11. The Mayoral Forum supported the formation of a working group of Canterbury councillors to increase governance-level engagement on biodiversity issues and opportunities across all Canterbury councils. This working group, the Biodiversity Champions, responds to a need for local government to work closely together to implement new national direction for biodiversity and support the revitalisation of the Canterbury Biodiversity Strategy.

Advocacy on Essential Freshwater reforms

12. To acknowledge the impact of these reforms on communities across the region, the Mayoral Forum established an Essential Freshwater Steering Group to oversee a regional response to

the Essential Freshwater package with a focus on community engagement and the development of a Communications Plan. The Group has met twice this year.

13. Freshwater reforms were a key focus of the August 2021 Mayoral Forum meeting, where Hon David Parker, Minister for the Environment spoke to members on the reforms.

Shared economic prosperity

- 14. Canterbury councils and local rūnanga invest considerable time and effort in building and maintaining authentic partnerships for the benefit of the region. It was in this spirit that the Mayoral Forum and the Chairs of the ten Canterbury Papatipu Rūnanga have also begun building a closer relationship as a collective to work together for the greater wellbeing of Canterbury's people and land. The group has agreed to meet twice a year to establish an enduring and trusted partnership.
- 15. The Mayoral Forum supported and helped leverage funding to Canterbury councils from Crown Infrastructure Partners' shovel-ready fund. The Ashburton, Hurunui, Kaikōura, Timaru and Waimakariri District Councils, Christchurch City Council and Environment Canterbury secured a total of \$127m in funding on projects the Forum supported, including:
 - a co-ordinated package of flood protection works across Canterbury (Environment Canterbury, \$15.5m)
 - South Express and Nor'West Arc cycleway routes (Christchurch City Council, \$18m as part of a wider package of cycleway funding)
 - Ashburton District Civic Centre and Library upgrade (Ashburton District Council, \$20m)
 - Conical Hill flyline in Hanmer Springs (Hurunui District Council, \$2m)
 - Kaikōura Aquatic Centre (Kaikōura District Council, \$1m)
 - Theatre Royal update and new heritage facility (Timaru District Council, \$11.6m)
 - Kaiapoi stormwater and flood protection works (Waimakariri District Council, \$9m)
 - accelerated rollout of the Rural Broadband Initiative phase 2 (\$50m).
- 16. The Forum has advocated with ministers for education and immigration policies that deliver a skilled workforce now and into the future. It continues to support the Education and Training Governance Group and maintains links with the interim Regional Skills Leadership Group.
- 17. Maintaining momentum and finalising CREDS projects also continued. Details on this work are provided later in this report.
- The Mayoral Forum supported collaboration on development of 2021-24 Long-term Plans by reconvening the Long-Term Plan Working Group, chaired by a member of the Chief Executives Forum.

Better freight transport options

19. The Mayoral Forum together with the Regional Transport Committee (RTC) hosted a freight tour of key Canterbury freight facilities, covering Christchurch International Airport, Lyttelton Port, Move Logistics and PrimePort Timaru. The tour was attended by members of the Mayoral Forum and RTC, along with some local MPs.

- 20. The Mayoral Forum and RTC met with the Minister of Transport in May to discuss a wide range of transport matters affecting the region. Ongoing engagement with the Minister and transport officials will enable further conversations on matters of mutual interest.
- 21. The Mayoral Forum has supported advocacy by the RTC to have greater engagement with KiwiRail, including advocating for KiwiRail to have a seat at the RTC table.

Climate change mitigation and adaptation

- 22. The regional Climate Change Working Group established by the Chief Executives Forum in 2017 and the Climate Change Steering Group established by the Mayoral Forum in 2019 continue to address climate change adaptation for Canterbury.
- 23. The Steering Group established a group of Canterbury climate change councillors to ensure ongoing connections across the region on climate matters. The Group meets twice yearly, and includes presentations from guest speakers, including the Climate Change Commission.
- 24. The Steering Group has ensured the Mayoral Forum has a strong voice with central government on climate change matters, including coordinating regional submissions on government-led climate initiatives. The Mayoral Forum led the launch of the 'It's Time, Canterbury' climate change engagement campaign in May.
- 25. The Steering Group has also maintained a watching brief on the Mayoral Forum's initiative to complete a detailed regional climate change risk assessment, providing advice and guidance throughout the process. The finalised risk assessment reports will be presented to the Mayoral Forum in November.

Three Waters services

- 26. In light of the Government's three waters reform agenda, the Mayoral Forum convened a Three Waters Steering Group to oversee the delivery of the Canterbury Three Waters Service Delivery Review project. This project was undertaken in partnership with Ngāi Tahu. The project was undertaken to understand the probable impacts of the government's three waters reform on Canterbury councils. The Three Waters Service Delivery Review project was completed in May 2021.
- 27. Mayoral Forum collaboration with papatipu rūnanga and other councils on the path forward for three waters service delivery will continue into the second half of the local government term as the reform programme progresses.

Canterbury Regional Economic Development Strategy (CREDS)

- 28. The Canterbury Regional Economic Development Strategy (CREDS) was introduced in August 2015 and established a number of initiatives for the Mayoral Forum. Delivery of projects initiated under the CREDS continued into the current local government term.
- 29. The following projects are complete:
 - mapping of Canterbury's state highway's for mobile blackspots, with the top ten mobile blackspots agreed by stakeholders from Canterbury councils and emergency management agencies, and advocacy undertaken to resolve these gaps

- with the agreement of all South Island Mayors and Chairs, a South Island Destination Management Plan for sustainable tourism was developed, with support from the Ministry of Business, Innovation and Employment (MBIE), the Department of Conservation, the New Zealand Transport Agency (NZTA) and Tourism New Zealand. COVID-19 interrupted progress with the Plan, though work on an appropriate approach to sustainable tourism continues.
- ChristchurchNZ along with the University of Canterbury and Lincoln University will continue to resource a more specific Job Ready programme over the next two years that will mentor international student graduates into jobs. A work integrated learning model programme is being developed which will eventually replace Job Ready.
- 30. Following the establishment of Aoraki Development's My Next Move youth transitions programme in South Canterbury, the programme is being adapted for other regions, and has received Ministry of Social Development funding for the next two years.
- 31. ChristchurchNZ and the University of Canterbury are delivering a multi-year project to boost value-added production focused on food, fibre and agritech and high-value manufacturing. This includes exploration of industry 'clusters' that exist and exploring how best to support and grow them; facilitating industry events, including the Food and Fibre Challenge, which saw over 50 high-quality entries, many of whom are now being mentored to grow their businesses; and the production of industry roadmaps that will support new businesses in finding the right pathways to market. The project is due to complete by mid-2022.

COVID-19 response

- 32. The Mayoral Forum increased its meeting frequency during the COVID-19 lockdown to ensure members could stay across developing regional issues.
- 33. The Forum identified the need for high-level oversight of COVID-19 readiness, response, recovery and renewal and a mechanism for communication between central and local government in Canterbury. This resulted in the formation of a Canterbury COVID-19 Oversight Group, co-chaired by the Chair of the Chief Executives Forum.
- 34. The Mayoral Forum also took the following actions in response to the impact of COVID-19 on the Canterbury region since March 2020:
 - set up a shared workspace for Canterbury communications managers to coordinate and align communications in the region
 - advocated strongly for councils in regard to the timing of annual plans and LTPs, and implications for audit, rates and council finances
 - advocated for mayors to receive confidential pre-release information on virus cases in their regions to avoid TAs finding out details though the media
 - advocated for an accelerated roll-out of the Rural Broadband Initiative phase 2, and for progressing the Woodend bypass on State Highway 1 with central government
 - advocated for rural communities on extensions to essential business categories
 - provided general letters of support for employees at some Canterbury businesses, as well as letters of support for Entrada Travel Group and Sounds Air for financial aid/loans from central government
 - advocated for the plight of migrant workers with work visas who are unable to (re-)enter the country, and the resulting impact on economic recovery

- advocated for fair phasing and prioritisation of Essential Freshwater reform implementation in Canterbury
- supported the establishment of an interim Regional Skills Leadership group, co-chaired by the Chair of the Chief Executives Forum.

Other initiatives

- 35. The following initiatives, identified in the previous local government term, are "business as usual" for the regional forums reporting through to the Mayoral Forum:
 - health and safety collaboration
 - collaboration on stormwater management planning and consenting
 - co-ordination of natural hazard risk management
 - continuing to build on the Canterbury Maps shared service
 - collaboration in procurement and contract management
 - contaminated land shared services
 - regional economic development indicators monitoring
 - regional leadership and support for strategic information and records management
 - building control and regulatory co-ordination
 - collaborative resource management planning and decision-making.

Standing together for Canterbury

- 36. The Canterbury Policy Forum monitors central government policy and regulatory initiatives impacting on Canterbury and co-ordinates the development of regional submissions. Joint advocacy ('one strong voice for Canterbury') has been a strength of the Mayoral Forum.
- 37. The following table summarises Mayoral Forum engagement and advocacy since local body elections in October 2019.

Date	Audience	Subject
Oct 2019	Ministry for the Environment	Submission on Action for Healthy Waterways discussion document
Dec 2019	New Zealand Institute of Skills and Technology (NZIST)	Letter of support for Ōtautahi/Christchurch as permanent location of the NZIST headquarters
Feb 2020	Resource Management Review Panel	Submission on Transforming the Resource Management System: Issues and Options Paper
Feb 2020	Minister for Greater Christchurch Regeneration, Energy and Resources, and Research, Science and Innovation	Spoke at Mayoral Forum dinner
Mar 2020	Canterbury Museum	Letter of support for Canterbury Museum's redevelopment project
Mar 2020	Ministry for the Environment	Submission on Proposed National Environment Standard for the outdoor storage of tyres
Mar 2020	Canterbury Joint Waste Committee	Letter on Amberley tyre pile clean up

Date	Audience	Subject
Mar 2020	Waste Minimisation Fund / Contaminated Sites Remediation Fund, Ministry for the Environment	Support for application from Accountability Action for Amberley tyre pile clean up
Mar 2020	Minister of Transport	Support for funding application: Upper Orari Bridge (SH79) two laning
Apr 2020	Crown Infrastructure Partners	Letters of support for applications to the shovel-ready fund for Christchurch City Council, Environment Canterbury and Ashburton, Hurunui, Kaikōura, Selwyn, Timaru, and Waimakariri District Councils, as well as the Wheels for Waipara cycleway project, the Woodend bypass, SH1, and support for an accelerated rollout of the Rural Broadband Initiative phase 2
Apr 2020	Minister for the Environment, Minister of Agriculture	Letter about the implementation of Essential Freshwater package
May 2020	Entrada Travel Group	Letter of support for Entrada Travel Group as an essential service
May 2020	Sounds Air	Letter of support for Sounds Air as an essential service
May 2020	Leader of the National Party	Congratulations on appointment and invitation to Mayoral Forum dinner
Jun 2020	Minister of Immigration	Letter about the return of essential dairy workers to New Zealand
Jun 2020	Chair of the Climate Change Commission	Informal discussion of the work of the Climate Change Commission
Jul 2020	Kaiwhakahaere, Ngāi Tahu	Mayoral Forum engagement with papatipu rūnanga
Jul 2020	Minister for Infrastructure; Minister for Regional Economic Development	Letter about shovel-ready projects and COVID-19 recovery
Aug 2020	Greater Christchurch Group, Department of Prime Minister and Cabinet	Letter about S.71 proposal: Commercial film/video production facilities in Christchurch
Sep 2020	Minister of Conservation, Minister for Land Information, Associate Minister for the Environment	Attended Mayoral Forum.
Sep 2020	Minister of Internal Affairs	Letter about the future of tourism and freedom camping
Sep 2020	Minister of Local Government; Chair Joint Three Waters Steering Committee, Department of Internal Affairs	Letter about Three Waters reform: regional allocation Canterbury
Sep 2020	Minister of Health	Letter about Canterbury District Health Board
Oct 2020	Kaiwhakahaere, Ngāi Tahu	Letter about Mayoral Forum engagement with papatipu rūnanga
Nov 2020	Electorate and list MPs in Canterbury	Briefing letters introducing the Mayoral Forum, its work and priorities; lunch with the Mayoral Forum

Date	Audience	Subject
Dec 2020	Incoming Ministers	Briefing letters introducing the Mayoral Forum, its work and priorities, and request to meet with the Mayoral Forum
Feb 2021	Minister of Local Government	Letter about Three Waters Reform consultation
Feb 2021	Electorate and list MPs in Canterbury	Invitation on freight tour (a couple attended).
Mar 2021	Health Select Committee	Submission on the Water Services Bill
Mar 2021	Climate Change Commission	Submission on the Climate Change Commission's draft advice package to the Government
May 2021	MBIE	Submission on the Government's freedom camping discussion document
May 2021	MfE	Submission on proposed National Direction for industrial greenhouse gases
May 2021	Ministry of Transport	Joint submission with Regional Transport Committee on Hīkina te Kohupara discussion document (transport emissions)
May 2021	Ministers, Crown Infrastructure Partners and telecommunications companies	Advocacy letters seeking action on mobile blackspot areas on Canterbury state highways
May 2021	Minister of Transport	Letter about integrated transport in Canterbury, <i>Hīkina te Kohupara – Kia</i> <i>mauri ora ai te iwi – Transport Emissions:</i> <i>pathways to Net Zero by 2050</i> , integrated freight in Canterbury.
May 2021	Minister of Housing; Research & Innovation; Energy & Resources	Meeting to discuss spatial planning, social housing, innovation and economic performance, and rural doctors.
Jun 2021	Infrastructure Commission	Submission on draft 30-year infrastructure strategy
Jun 2021	Waka Kotahi; Minister of Transport	Advocacy letter on Waka Kotahi's NLTP funding
Jun 2021	Minister for Emergency Management	Advocacy letters on Canterbury flooding and funding
Jul 2021	Minister of Health	Advocacy letter on ambulance funding
Aug 2021	Ministry for the Environment	Submission on the draft Natural and Built Environments Bill exposure draft

Appendix: Regional forums and working groups (as at May 2021)



REGIONAL FORUMS SECRETARIAT (hosted by Environment Canterbury)		
Maree McNeilly	Principal Advisor	027 381 8924
Amanda Wall	Senior Advisor	027 234 6381
Rosa Wakefield	Project Coordinator	027 381 9406
secretariat@canterburymayors.org.nz https://www.canterburymayors.org.nz/		

Item 7

Date:20 August 2021Presented by:Sam Broughton, Chair

Regional Strategic Partnership Fund

Purpose

1. To update the Canterbury Mayoral Forum on the Regional Strategic Partnership Fund and seek advice on approach for identification of potential projects and project prioritisation, including opportunities for broader engagement on priorities.

Recommendations

That the Canterbury Mayoral Forum:

- 1. note the update on the Regional Strategic Partnership Fund and new Regional Economic Development Senior Official
- 2. provide feedback to Canterbury economic development agencies and council Economic Development staff on the Alternative Energy Region proposals
- 3. agree to facilitate a discussion with Ngāi Tahu and other stakeholders, based on the Mayoral Forum's Plan for Canterbury, around specific regional priorities for Canterbury for potential central government funding and support.

Key points

- 2. The Regional Strategic Partnership Fund (RSPF) is a \$200 million fund from the Ministry of Business, Innovation and Employment (MBIE) to support regions to make steps towards achieving their potential, through partnering with regions to develop regionally specific projects that support improved economic outcomes.
- 3. The RSPF's objective is to build more Productive, Resilient, Inclusive, Sustainable and Māori-enabling (PRISM) regional economies by delivering local approaches tailored to a region's particular needs and advantages. Further details of the fund are provided at Attachment 1.

Background

4. The RSPF fund was discussed at the May Mayoral Forum meeting. Concerns were raised by members around the amount of work that would be required to apply for a

relatively small amount of seed funding that would then require more work to co-fund and deliver. These concerns have been conveyed to MBIE.

- 5. Kānoa (MBIE's Regional Economic Development and Investment Unit) has indicated that the Canterbury Mayoral Forum is the right forum for projects to be promoted to the fund. However, there would likely need to be engagement with both Ngāi Tahu, other stakeholders and the business community on any projects that are to be promoted.
- 6. Kānoa will support regions to strengthen regional planning documents and identify economic development priorities and co-funding to assist economic growth for their region. To this end they have facilitated a meeting between Canterbury economic development agencies to discuss possible priorities to be considered by the Mayoral Forum as potential strategic priorities for the fund. These are discussed at paragraphs 11-13.

Regional Economic Development Senior Official

- 7. Cabinet has decided to retain the Senior Regional Official (SRO) position, renamed Regional Economic Development Senior Official (REDSO), to support the RSPF and the work of Kānoa. The REDSO is a way for regions to be connected into Wellington and for the REDSO to be an advocate and conduit for the region into Wellington.
- 8. Paul Stocks, Deputy Secretary Labour, Science and Enterprise at MBIE is the new Regional Economic Development REDSO for Canterbury.
- 9. Hamish Riach and I met with Paul and Warren Gilbertson (Principal Regional Advisor, MBIE, Christchurch) on 5 August at Selwyn District Council. Discussion was wideranging, including the Mayoral Forum's Plan for Canterbury, Regional Strategic Partnership Fund, economic development opportunities, immigration, rate of central government reform programme and subsequent impact on councils to respond.
- 10. It was proposed that an invitation be extended to Paul to attend the November Mayoral Forum meeting to introduce himself and his role to all Forum members.

Economic development agencies – potential priorities

- 11. Canterbury's economic development agencies (EDAs) and council economic development staff met with Kānoa staff to review the Canterbury Regional Economic Development Strategy 2015-2019 (CREDS) and the Mayoral Forum's Plan for Canterbury 2020-2022 with the objective of developing draft regional strategic priorities for consideration and feedback from the CMF.
- 12. At the meeting there was a focus on Canterbury's competitive advantage as an "Alternative Energy Region" along with discussion of initiatives that are already under consideration by EDAs. These draft initiatives are outlined in Attachment 2.
- 13. Other opportunities being developed at council level, include projects such as a proposal by Selwyn for a Wet Lab, a unique concept in New Zealand. A wet lab facility

is a place where people involved in agri-biotech people can test, innovate, connect and collaborate. A "wet lab" is real- time literal innovation and collaboration using biotechnology and/or agritechnology and commonly using special equipment in a lab/workshop setting.

14. Feedback is sought from the Mayoral Forum on the draft initiatives. Kānoa has scheduled a further workshop with EDAs and council economic development staff to consider this feedback and discuss possible initiatives for engaging with Kānoa and other relevant central government agencies.

Mayoral Forum's Plan for Canterbury

- 15. The RSPF has a focus on identifying potential initiatives for funding from regional economic development strategies, or development of new economic development strategies.
- 16. The priorities identified in the Mayoral Forum's Plan for Canterbury include all four aspects of wellbeing (environmental, economic, social and cultural) where the Forum can have the greatest impact through its leadership, facilitation and advocacy.
- 17. The priorities identified above on alternative energy fit within four of the five Mayoral Forum Plan for Canterbury priorities, i.e. sustainable environmental management, shared economic prosperity, better freight transport options and climate change mitigation and adaptation.
- 18. The Ashburton freight hub and southern entries into Rolleston (part of the Rail Network Investment Plan) are two rail-related projects identified through a range of initiatives and are at various stages of the planning process. These projects could also address priorities around shared economic prosperity, better freight transport options and climate change mitigation and adaptation.
- 19. It is not clear if these are the types of projects that would meet the criteria for RSPF funding, or if they would be the highest priority for Canterbury, however they may be examples of the types of projects that the Mayoral Forum may wish to prioritise and promote to the RSPF.
- 20. The Mayoral Forum may wish to facilitate a discussion with Ngāi Tahu and other stakeholders, based on the Mayoral Forum's Plan for Canterbury, around specific regional priorities for Canterbury for potential central government funding and support.

Next steps

- 21. Subject to the discussion and decisions of the Mayoral Forum:
 - provide feedback to the regional economic development agencies and council economic development staff on the draft proposals
 - invite Paul Stokes to attend the November Canterbury Mayoral Forum meeting

• convene a Mayoral Forum discussion with Ngāi Tahu and other stakeholders around specific regional priorities for Canterbury.

Attachments

- Attachment 1: Regional Strategic Partnership Fund details
- Attachment 2: Alternative Energy Region draft initiatives



New Zealand's regions are vital to our economic future and the continued recovery from the COVID 19 economic crisis. Regional sectors, such as the primary industries and manufacturing, are the backbone of our economy and proved to be resilient during New Zealand's response to the pandemic, minimising the impact of the recession.

However, not all of our regions, and the people who live in them, are thriving. The Government wants to support all regions to achieve their potential and thrive, so that we see improved prosperity and living standards for all New Zealanders. Every region has different opportunities and challenges based on their unique mix of sectors, infrastructure, skills and resources, and there are different levels of economic development capability and capacity within each region.





Regional Strategic Partnership Fund

The Regional Strategic Partnership Fund (RSPF) is a \$200 million fund to support regions to make steps towards achieving their potential, through partnering with regions to develop regionally-specific projects that support improved economic outcomes.

Regional Strategic Partnership Fund objectives

The RSPF's objective is to build more Productive, Resilient, Inclusive, Sustainable and Māori-enabling regional economies by delivering local approaches tailored to a region's particular needs and advantages.

Partnerships

WORKING WITH REGIONS TO DEVELOP THEIR ECONOMIES

Kānoa - Regional Economic Development & Investment Unit (Kānoa - REDIU) will work in partnership with regions, providing them with support and advice. Kānoa - REDIU will support regions to strengthen regional planning documents and identify economic development priorities and co-funding opportunities to assist economic growth for their region.

ALLOCATING THE REGIONAL STRATEGIC PARTNERSHIP FUND

The RSPF will allocate **\$180 million** for seed funding in three main areas. Equity and loans are the preferred funding mechanism. The remaining **\$20 million** has not been allocated at this stage.



Enabling regional economic and business development Up to **\$60 million** for small scale economic and business development projects. The priorities identified in partnership with Kānoa – REDIU will inform these investments.



Accelerating Māori economic aspiration Up to **\$40 million** to create productive whenua Māori assets and accelerate Māori economic aspirations. Proposals will be prioritised in conjunction with other agencies.

\$80million

Supporting sector transformations

Up to **\$80 million** for firmlevel investments in sectors already established in regions, improving their comparative and competitive advantages.

Better connections to achieve regional priorities

Kānoa - REDIU will coordinate a more effective all-of-government regional economic development system and work closely with other agencies to develop a high performing integrated government approach to develop regions' economic aspirations, including working with the Regional Public Service Commissioners.

Making the Most of the Regional Strategic Partnership Fund

Kānoa – REDIU will work with its regional partners to identify possible projects for funding and help them to develop investment proposals. Rather than considering proposals from a wide range of individual projects, the fund will support those which the regions themselves believe will help them build a stronger economy. Proposals will be assessed against the fund's eligibility criteria and the five PRISM pillars – Productive, Resilient, Inclusive, Sustainable and Māori enabling.



ELIGIBILITY

Proposals must:

- be in regional New Zealand outside the three main centres of Auckland, Wellington and Christchurch
- align with Government and regional economic development priorities and PRISM objectives
- creates additional value and avoids duplicating existing efforts
- meet co-contribution requirements as outlined under "commercial projects"
- have the capability to deliver and implement the project.



COMMERCIAL PROJECTS

- Commercial projects will be supported through equity or loans.
- Kānoa REDIU will structure each project's contract terms to increase the likelihood of success.
- As a guideline, commercial and quasi-commercial projects will require 50 per cent co-funding.
- Non-commercial projects will generally require 20 per cent co-funding.

New Zealand Government



PRISM regional economies have these elements

People and businesses in productive regional economies can make the most of high-quality economic opportunities. Factors contributing to this include;

- > access to capital
- > willing investors
- > capable and connected business networks
- access to markets
- > skill and expertise availability
- > a culture of innovation
- > wide use of technology
- > research and development.

People and businesses in resilient regional economies can respond effectively to external forces, such as;

- > global economic shocks
- > natural disasters such as COVID-19, earthquakes and flooding > emerging global and domestic trends, including automation, population changes and climate change.

People and businesses' participation in inclusive regional economies is not limited by their location. Everyone can provide financially for themselves and their family, purchase goods and services, and access the skills, training, and specialist knowledge needed for individual and enterprise growth.

People and businesses in sustainable regional economies use all types of resources sustainably, including natural, human, social, physical and financial.

A sustainable economy puts policies and practices in place to ensure resource use won't negatively impact future generations.

MĀORI-ENABLING

People and businesses pursue Māori regional economic development as a pillar for the vitality of the region's economy as well as for the wellbeing of Māori who whakapapa there.

Regional economic development partnerships must be guided by Te Tiriti o Waitangi / Treaty of Waitangi principles of partnership, protection, participation.



The PRISM Regional Economies Framework

The Government is supporting regional economies to be more productive, resilient, inclusive, sustainable and Māori enabling (PRISM) through the Regional Strategic Partnership Fund.

The PRISM Regional Economies Framework tool helps regions build on their economic development strengths and address their challenges. The framework is split into two parts:

- 1. Elements of a PRISM regional economy
- 2. How regions can build PRISM economies through targeting improvements

Regions don't need to focus on every PRISM element and opportunity area. They can use the framework to prioritise factors that are most important and relevant to them, and identify how to achieve results.



Regions can target improvements to achieve PRISM economies

ALLOCATING RESOURCES FOR BEST IMPACT

When allocating resources, a region should reflect on how its economy has been developed and where its projected areas for growth or decline are. The following points should be considered when allocating resources that will help contribute to a region's wellbeing;

- How to use comparative advantages
- > How to draw on innovation and research
- > How to spread economic benefits better

IMPROVING CONNECTIVITY

A well-connected region can physically and digitally access networks and markets offering opportunities to import and export goods and services. This connectivity also enables it to acquire expertise, skills and knowledge.

Cities benefit from bringing commercial networks together in one place. Improving connectivity helps regions address some of the challenges that often go hand-in-hand with their relative isolation, such as underdeveloped local networks and limited opportunities.

SUPPORTING SOCIAL INFRASTRUCTURE

A region's economic prosperity is directly linked to its social prosperity. Economic growth often sees populations increase, while economic decline may mean population decreases as people seek jobs elsewhere.

Any decline reduces a region's ability to provide social infrastructure such as housing, education and healthcare. It can also affect civic pride and people's sense of belonging.

ENCOURAGING A HEALTHY LABOUR MARKET

To make the most of economic opportunities, businesses must attract people with the right skills to the right place. Regional Skills Leadership Groups will develop workforce plans for regions, informed by regional economic development priorities and refreshed planning documents.

WORKING WITH REGIONAL ECONOMIC DEVELOPMENT (RED) BODIES

RED bodies set the direction for economic development in a region or territorial area, particularly through RED planning documents. They also advise and support local businesses and entrepreneurs.

IMPROVING OUTCOMES FOR MĀORI

Māori and iwi play a large role in New Zealand's economy. However, income levels, access to the labour market, access to capital and other outcomes are often worse than for non-Māori. Improved economic prosperity in any region is dependent on better outcomes for Māori.

IMPROVING OUTCOMES FOR PASIFIKA PEOPLE

Not all regions have large Pasifika populations. However, Pasifika people also often experience poorer outcomes (including income levels, access to the labour market and access to capital) than New Zealanders of European or Asian descent. As with Māori, improving outcomes for Pasifika people supports economic prosperity overall.

- Whether residents have greater reliance on a region's urban centre or its rural areas
- > How to support and build business networks and create competition
- > The diversity of offerings and business types in the region.

Attachment 2: Rea	gional Strategic	Partnership Fund	– Alternative Energy
	Bioliar otrateBio	i ul	

Strategic Priority	Alternative Energy	
	GOAL: Structural decarbonisation of the regional economy	
Rationale	Regions competitive strengths i.e.	
	Natural energy	
	Access to water	
	Availability of land	
	Inter-modal connectivity	
	• Presence of Research & Innovation i.e. Tertiary institutions, 6 Crown	
	research Institutes	
Benefits	Value-add and commercialisation	
	Resilience	
	Positive branding	
	Alternative energy source	
	Waste management solution.	
STRATEGIC ALIGNN	/ENT	
CREDS 2015-2019	Sustainable energy	
	Waste management	
	• Value add production - biofuel, circular economy.	
Mayoral Forum's	• Sustainable environmental management of our habitats (land, air, water	
Plan for	and ecosystems)	
Canterbury	Better freight transport options decrease carbon emissions	
	Climate change mitigation and adaptation – reducing our carbon	
	footprint	
	Building community resilience	
Other (including	• PRISM - Sustainable and resilient focused priority addressing key "book-	
PRISM	ends" of energy/waste of our primary and food production sector.	
(productive,	Opportunity to ultimately address wider industry and community bio	
resilient,	waste.	
inclusive,		
sustainable and	ChristchurchNZ Supernodes (Sector / Industry)	
Māori enabling)	Food, Fibre and Agritech, Resiliant Communities	
POTENTIAL INITIAT	IVES	
Collaborative From	w/Masta now Ethanol production and Pio digastar facility (South	

Collaborative Energy/Waste - new Ethanol production and Bio-digester facility (South Canterbury).

Biotech Cluster Development for collective projects for established businesses sector leaders (Mid Canterbury).

Hurunui Green Hub – development of a facility using green energy - large wind turbines (MainPower) and methane gas (by-product from the Kate Valley Landfill – North Canterbury

Item 8

Date:20 August 2021Presented by:David Ward, Chair Canterbury Policy Forum

Resource Management Reform - update

Purpose

 The purpose of this paper is to keep mayors informed on progress with the Government's resource management reform process, and to endorse letters to Local Government New Zealand, Ministry for the Environment, Department of Internal Affairs and Taituarā requesting inclusion of at least one representative from Canterbury on national working groups.

Recommendations

That the Canterbury Mayoral Forum:

1. endorse letters to be sent to Local Government New Zealand, Ministry for the Environment, Department of Internal Affairs and Taituarā requesting inclusion of at least one representative from Canterbury on national working groups.

Background

- 2. The Mayoral Forum was provided with an update on the resource management reforms at its February 2021 meeting.
- 3. The Policy Forum has kept a watching brief on the development of the Government's proposed reform of the resource management system since the reform programme was announced at the beginning of the year.
- 4. The Government's Inquiry on the Natural and Built Environments Bill: Parliamentary Paper, (Inquiry Paper) which includes an exposure draft of the Natural and Built Environments Bill is currently with the Environment Committee; submissions closed on 4 August 2021.

Submission on Inquiry on the Natural and Built Environments Bill: Parliamentary Paper

5. The Canterbury Mayoral Forum made a submission on the Inquiry Paper, which has been circulated to members.

6. Forum members will be notified once we have received advice from the Environment Committee on when the Forum will be invited to speak in support of its submission.

Engagement with the reform process

- 7. At the outset of the reform process the Ministry for the Environment indicated to the regional Planning Managers Group that they would welcome input from local authorities on the proposed reform, however this does not appear to have resulted in any meaningful engagement with Canterbury councils.
- 8. Following a direct approach to the Department of Internal Affairs, Canterbury was able to secure one position on the Local Government Forum of Chief Executives for the Resource Management Reform.
- 9. Chief executives considered this matter at the 2 August meeting and noted that they are acutely aware of the demands being placed on the sector currently and the appetite from central government to implement change at a rapid pace.
- 10. At this meeting, members expressed concern at the process for appointment to working parties by both our sector and by central government. Canterbury is the second largest region in New Zealand, and we need to ensure our region has an effective voice at working party tables. Across Canterbury we have significant knowledge and experience at both executive management and operational levels.
- 11. Our Terms of Reference require us to work collaboratively something that we have done very effectively across Canterbury in recent years. We have a strong network of support groups, often working in the same space as our national colleagues. These groups can add considerable support and knowledge at a national level.
- 12. To ensure Canterbury is well represented and has an appropriate voice in national-level groups, the Chief Executives Forum recommends that the Canterbury Mayoral Forum asks Local Government New Zealand, Taituarā, and central government agencies to give recognition to the benefit of the Canterbury voice when selecting future membership of national working parties and advisory committees.
- 13. Draft letters are attached for consideration.

Next Steps

- 14. Draft speaking notes will be prepared for the Mayoral Forum appearance at the Environment Committee in support of our submission.
- 15. Subject to the Mayoral Forum's agreement, letters will be sent from the Mayoral Forum to Local Government New Zealand, Taituarā, Ministry for the Environment and Department of Internal Affairs asking that recognition is given to the value of including a Canterbury voice when selecting future membership of working parties and advisory groups.
Attachments

• Draft letter to Local Government New Zealand, Taituarā, Ministry for the Environment and Department of Internal Affairs.

CANTERBURY Mayoral Forum

A strong regional economy with resilient, connected communities and a better quality of life, for all.

20 August 2021

Draft letter:

Local Government New Zealand Taituarā Ministry for the Environment Department of Internal Affairs

By email: Chief Executives

Kia ora Chief Executives

Canterbury representation on working groups and advisory committees

We are writing to you about Canterbury's representation on national-level working groups and advisory committees. We are also writing to the Department of Internal Affairs, Ministry for the Environment and Taituarā on the same matter.

As you will be aware, the Canterbury Mayoral Forum is made up of the 10 mayors of Canterbury's local authorities and the chair of the regional council. It is the primary mechanism for local government leadership, co-ordination and advocacy for Canterbury and its communities.

Canterbury is New Zealand's largest region by land area, spanning the territory of 10 local authorities and 10 Ngāi Tahu papatipu rūnanga, as well as a regional council. It includes New Zealand's second-largest city, Christchurch, and a diverse range of urban and rural communities from the Kaikōura district in the north to the Waitaki River catchment in the south.

The Forum appreciates the effort your organisation makes to establish working groups and advisory committees to ensure local government is effectively represented on issues of significance. However, we have concerns that some groups and advisory committees, particularly in relation to recent reform programmes, have lacked a Canterbury voice. A recent example of this is the Local Government Forum of Chief Executives on resource management reform. When group members were selected a representative from Canterbury was not chosen. It was only after our

Mayors standing together for Canterbury.

Secretariat, E: secretariat@canterburymayors.org.nz W: www.canterburymayors.org.nz C/- Environment Canterbury, PO Box 345, Christchurch 8140 T: 03 345 9323 Secretariat came across the existence of this group, which had already begun to meet, and advocated for a representative from the region was this rectified.

On such an important issue as the wholesale rewrite of resource management legislation, it is important that New Zealand's largest region is represented effectively.

Our councils have significant knowledge and experience at both executive management and operational levels and are well-versed at working collaboratively for the good of our communities. We have a strong network of support groups, often working in the same space as our national colleagues. The individuals on these groups can add considerable support and knowledge at a national level.

We do understand that setting up representative groups and advisory committees is not without challenge and appreciate the pace of change from central government has required working groups and committees to be established more quickly than a usual process might allow. Nevertheless, we implore you to ensure that the nation's largest region – one that is not unfamiliar with adapting quickly to change and working with others in a spirit of community and collaboration – is effectively represented when such national-level groups are established.

Thank you for considering the matters we have raised. Should you wish to discuss this matter with us, please contact our Secretariat in the first instance through Maree McNeilly, by email at <u>secretariat@canterburymayors.org.nz</u>, or phone on 027 381 8924.

Ngā mihi,

Sam Broughton Mayor, Selwyn District Chair, Canterbury Mayoral Forum

Canterbury Mayoral Forum

Date:20 August 2021Presented by:Sam Broughton, Chair

South Island Destination Management Plan (SIDMP) - next steps

Recommendations

That the Canterbury Mayoral Forum:

- 1. endorse the strategic aims of the South Island Destination Management Plan as the foundation for destination management collaboration and coordination going forward
- seek endorsement of the strategic aims of the South Island Destination Management Plan by all South Island territorial authorities at the next LGNZ Zone 5 and 6 meeting in October 2021
- 3. focus future Mayoral Forum destination management and tourism advocacy on supporting ongoing collaboration by and between Canterbury regional tourism organisations and their South Island counterparts
- 4. close the South Island Destination Management Plan item on the Forum's three-year work programme in light of recommendations 1 to 3 above.

Background

- 1. The Forum has an action in the *Mayoral Forum's Plan for Canterbury 2020-22* to seek support from the rest of the South Island to progress to Stage 2 of the SIDMP. The action comes under the following priority area:
 - **Shared economic prosperity** through sustainable, value-added primary production, high-value manufacturing, high-value tourism, growing attracting and retaining a skilled workforce and attracting new businesses.
- 2. The Mayoral Forum considered a paper on proceeding with stage 2 of the SIDMP at its February 2021 meeting. At that meeting, it was agreed to defer this decision until August, to provide more time to understand the Government's policy direction for tourism and destination management. At the time, the sector was waiting on a range of announcements from the Government on funding and initiatives for the industry, including the findings of the Tourism Futures Taskforce.
- 3. Since then, more government announcements have been made, but the details and implementation timeframes of the announcements have not yet been worked through. The situation is not significantly clearer than it was in February.

- 4. The significant changes and ongoing uncertainty for the tourism industry as a result of COVID-19 could not have been envisaged when the document was written, meaning that a decision on whether to proceed with Stage 2 of the SIDMP is more complex than would have been anticipated. Given the major upheaval to the industry, and the range of government initiatives still to be designed and implemented, a different approach to achieving the aims of the SIDMP is recommended.
- 5. The remainder of this paper provides:
 - information on the policy and direction changes in the tourism sector (and those still to come) since the Forum last considered this matter in February
 - an update on how regional tourism organisations (RTOs) have been working together in the spirit of the SIDMP
 - recommended next steps for the Mayoral Forum to take on implementing the objectives of the SIDMP.

Policy and direction changes in the tourism sector

6. Several new policy and funding announcements have been made by the Government in recent months. These are set out below.

Tourism Futures Taskforce

- 7. The Taskforce presented an interim report to the Minister in December 2020, which noted its final report would be presented in April. However, when the report was released by the Minister in late March this year, the Taskforce was wound up without providing a final report.
- 8. In a public letter from the co-chairs of the Taskforce when the interim report was released in March of this year, it was noted -

"Because of COVID-19's devastating impact, the current outlook for the tourism sector is worse than previously anticipated in mid-2020 when this work was commissioned. This has meant that whilst looking to the future has enabled us to present to you a report that promotes a better visitor economy, the current situation has meant that we may need to pause and work with government to address the issues the sector faces today"¹.

9. When the interim report was released, the Minister's accompanying press release noted he "anticipate[d] drawing further on the expertise of individual taskforce members as the

¹ The full letter is on the MBIE website here: <u>https://www.mbie.govt.nz/immigration-and-</u> tourism/tourism/tourism-recovery/tourism-futures-taskforce/tourism-futures-taskforce-interimreport/letter-from-the-co-chairs/

government works on tourism recovery and a re-set of the sector over the coming year"².

- 10. The Taskforce's interim report considered long-standing productivity, inclusivity and sustainability (environmental, social and economic) issues present in some parts of the tourism sector. Two of the Taskforce's recommendations were specific to destination management:
 - require destination management plans to be integrated into local planning processes and aligned with a national visitor planning framework
 - review the organisational structure of local destination management
- 11. The remaining recommendations included:
 - enact dedicated visitor economy legislation to implement the Taskforce's recommendations, modernise the Conservation Act, and legislate a tourism business standards framework
 - undertake an independent study about how to develop a sustainable and equitable funding mechanism based on a robust understanding of the costs and benefits of visitors
 - raise employment standards and improve career pathways
 - create an investment fund to drive science-based innovation, and establish a contestable fund dedicated to achieving the four wellbeings
 - expand the Tiaki Promise to cover expected behaviours and standards of everyone in Aotearoa New Zealand
 - create a formally recognised public/private industry leadership body
 - make tourism more accessible and inclusive to all New Zealanders
 - integrate the history and principles of Te Ao Māori into all visitor economy-related government departments
 - include tourism within the Government's national statement of science investment³.

Tourism Communities: Support, Recovery and Re-set Plan

12. In May 2021, the Government announced the Tourism Communities: Support, Recovery and Re-set Plan⁴ (the Re-set Plan).

⁴ The announcement can be found here: <u>https://www.mbie.govt.nz/immigration-and-tourism/tourism/tourism-recovery/</u>

² <u>https://www.beehive.govt.nz/release/taskforce-emphasises-sustainable-tourism</u>

³ <u>https://www.mbie.govt.nz/assets/the-tourism-futures-taskforce-interim-report-december-2020.pdf</u>

- 13. The Re-set Plan targets five New Zealand communities, all of which are in the South Island and two in Canterbury Queenstown Lakes, Southland, Kaikōura, Mackenzie, and Westland. These communities were identified as a focus for support because of a high dependence on international tourism on their local economies, and from experiencing significant downturn across their key industries.
- 14. Support for these communities in the Re-set Plan includes psycho-social support (delivered through district health boards), business advisory support and grants for businesses to implement that business advice, and a Tourism Kick-start Fund to support businesses to re-start or scale up as tourism returns.
- 15. The Re-set Plan also provides nationwide support for the tourism sector, with the intention of enabling the re-set of tourism to be more sustainable and resilient. This includes:

Grants to Regional Tourism Organisations (RTOs)

- 16. Funding of \$26m to support RTOs in leading and coordinating activities in their regions, alongside the tourism industry, stakeholders, Māori/iwi and communities. In particular, developing and implementing destination management.
- 17. The new funding is in addition to the \$20.2 million in grants that was allocated to RTOs through the Strategic Tourism Assets Protection Programme (STAPP) in 2020/2021. Investment plans can be completed by each RTO and submitted to MBIE anytime from 11 May 2021.

Tourism Industry Transformation Plan (ITP)

- 18. The Tourism ITP will be a government partnership with tourism businesses and members of the tourism workforce, iwi, researchers and independent advisers. It will bring together all relevant parties in the tourism industry to agree a long-term vision for the industry, and identify the actions that can be taken by industry, government and others to realise this vision.
- 19. The Tourism ITP will build on recent work by the Parliamentary Commissioner for the Environment, Tourism Futures Taskforce and Climate Change Commission, among others, to transform tourism in New Zealand to a more sustainable model.
- 20. The Secretariat was advised by the Ministry of Business, Innovation and Employment (MBIE) in July that the development of the ITP is still in its early stages, and a timeframe for the process (including the development of action plans) has not yet been set. MBIE did note, however, that collaboration and co-design will be an important feature in the development of the ITP, as will ensuring that local perspectives are reflected. \$10m has been set aside in the Plan for its development.
- 21. The Secretariat will keep a watching brief on the development of the ITP and report progress through to the Mayoral Forum. To ensure a strong Canterbury voice in development of the tourism ITP, the Mayoral Forum could write to MBIE to express its

expectations that MBIE will engage meaningfully with Canterbury RTOs during the plan's development.

Tourism Infrastructure Fund

22. Funding of a further round of the Tourism Infrastructure Fund (\$16m) was also announced. This is to support communities by co-funding infrastructure that is significantly used by visitors to prepare for the return of international tourists. The date for the further round will be announced later this calendar year.

Destination management in Canterbury

- 23. Some districts within the region are developing their own destination management plans, including Mackenzie District⁵ and Waitaki District⁶. Other districts are developing or continuing to implement tourism or visitor strategies, including Hurunui, Waimakariri, Christchurch City and Timaru.
- 24. Outside of Canterbury, a range of other South Island regions have also commenced or progressed work on developing their own destination management plans, including Marlborough, Nelson-Tasman, West Coast, Queenstown Lakes, Central Otago, Southland and Dunedin. Nelson-Tasman and Marlborough intend to feed their completed plans into a larger top-of-the-south destination management plan.

RTO collaboration

- 25. As described in the paper to the Mayoral Forum on SIDMP in February this year, a key recommendation in the SIDMP about improving collaboration has been used as a framework for South Island RTOs to work more closely together.
- 26. This has included launching the 3 to 5-year ExploreCHC campaign in December 2020 to attract visitors to Canterbury and the West Coast. The initiative involves ChristchurchNZ, Mackenzie, Mid Canterbury, Kaikōura, Hurunui, the West Coast, Selwyn, Timaru and Waimakariri RTOs in conjunction with Christchurch International Airport.
- 27. The latest iteration of the ExploreCHC initiative is the 'Do winter different' campaign, which was launched in June⁷.
- 28. ChristchurchNZ also led a large part of the South Island's tourism response to COVID-19, developing the "Pivot to Domestic" programme for tourism operators.

⁵ <u>https://www.mackenzie.govt.nz/council/strategies-plans-and-reports/strategies/te-manahuna-ki-uta-destination-mackenzie</u>

⁶ <u>https://www.oamarumail.co.nz/community/formulating-destination-strategy-plan-for-waitaki/</u>

⁷ <u>https://www.christchurchnz.com/explore/seasonal-guides/winter</u>

29. A further example of RTO collaboration in the South Island is the 45 SOUTH NZ project, which is a collaboration between all 8 lower South Island RTOs to develop a network of touring routes throughout Otago and Southland.

Progressing with stage 2 of the SIDMP

- 30. The stage 1 SIDMP sets out 191 recommendations (177 being development and investment projects, and 14 "building block" recommendations). The building block recommendations focus on upskilling the industry, enhancing the structure of tourism, improving operators' digital presence, policy development and enabling stronger collaboration (particularly between RTOs).
- 31. As noted in the paper to the February Mayoral Forum, ChristchurchNZ has advised that no agency or organisation is monitoring the projects and activities recommended for progression in the SIDMP. However, RTOs have worked to be more coordinated and collaborative, as described above.

The Plan's proposed next steps

- 32. The SIDMP identifies Stage 2 for the project as implementing the SIDMP through a collaborative process with each South Island territorial authority over a 12-month period.
- 33. The Plan notes this will require:
 - formally seeking funding support from central government to assist with the implementation of the SIDMP
 - ongoing liaison with each TLA or agency leading each project/activity to ensure that specific requirements are developed for destination management activations.
 - active engagement with all Economic Development Agencies (EDA) and RTOs across the South Island
 - involvement of the Ministry of Business, Innovation and Employment, the Department of Conservation and Tourism New Zealand to ensure appropriate support is available to each local authority to deliver the SIDMP.
 - ensuring adequate resources are available not only from local councils but also industry and central government to deliver the upgrades and changes recommended on a shared basis.
 - identifying the potential staging of projects where required and appropriate and
 - assisting with feasibility and other studies required for project development and delivery
 - developing potential governance and structural changes over the next 12 months, which are strongly supported by central government, to maximise the destination management approach desired.

Implementing Stage 2

- 34. Should the Mayoral Forum decide to progress with implementing Stage 2 of the Plan, this would require:
 - confirming support for the SIDMP recommendations, including investigating the establishment of one or more destination management offices for the South Island or regionally
 - re-confirming support across the South Island for its implementation
 - reviewing progress with each item since the Plan was completed, considering the time that has passed since it was completed, and the Government's COVID-19 tourism recovery response initiatives described above
 - confirming an approach to staging the tier one and building block projects
 - ongoing project management to track progress with implementing the range of projects
 - ongoing advocacy with Ministers and government agencies for funding to support some of the projects.
- 35. The Mayoral Forum does not currently have funding or resourcing available for implementation of Stage 2 of the SIDMP.
- 36. The work would require project management by a person or agency with expertise in destination management, particularly given the recommendation to investigate setting up destination management offices. The involvement of an individual or agency with expertise would be crucial to the effective implementation of the Plan (like the approach taken to the Three Waters review).

Recommended approach

- 37. The SIDMP was initiated in 2018 and completed in January 2020. It was written to align with the guiding national-level destination management and tourism strategies in place at the time. It could not have foreseen the significance of the looming pandemic, nor envisioned how much of an impact the pandemic would still be having more than 18 months on, including a total re-set of government tourism policy.
- 38. Despite this, the SIDMP is a useful stocktake of destination management requirements and priorities across the South Island at the time it was written and is therefore a valuable reference document for the future. The strategic aims of the SIDMP are still relevant and a good foundation for destination management across Canterbury and the wider South Island as the country navigates a recovery from the pandemic.
- 39. The SIDMP's strategic aims are:
 - te taiao: ensure the environment is protected to continue to underpin the sector's prosperity

- manaaki manuhiri: achieving stronger destination marketing through product differentiation
- rangatiratanga: encourage business leadership and good governance through stronger collaboration through destination management
- ngā manuhiri o te ao, o Aotearoa anō hoki: grow higher quality and commissionable experiences to support visitor dispersal
- ngā rohe: improved infrastructure to support the visitor economy
- tātou o Aotearoa me ō tātou hapori: strengthen the host community's social license for tourism.
- 40. An illustration of the strategic aims and how these reflect the key destination management components is set out below⁸:



- 41. Rather than implement the second stage of the SIDMP, the recommended alternative is to adopt these strategic aims as the foundation for destination management across the South Island, and advocate with South Island territorial authorities to do the same.
- 42. This would ensure a consistent approach to destination management across the South Island while allowing for flexibility to ensure that regional destination management is aligned with changing government policy, including the Tourism Industry Transformation Plan. It would also ensure that the high-level objectives and recommendations in the SIDMP about greater collaboration are carried forward.

⁸ South Island Destination Management Plan, p67.

- 43. A first step in seeking endorsement of the SIDMP's strategic aims at a South Island level would likely be for Canterbury mayors to raise this matter at the October LGNZ Zone 5 and 6 meeting.
- 44. Once endorsement of the strategic aims has been reached by South Island local authorities, the Mayoral Forum could focus its future destination management and tourism advocacy on supporting ongoing collaboration by and between Canterbury regional tourism organisations and their South Island counterparts. This could be through receiving regular updates on RTO collaboration (including to identify opportunities to advocate with the industry or government to support RTO collaborative work) and progress with the Canterbury items prioritised in SIDMP, as well as making submissions on relevant government or industry initiatives.

Financial implications

- 45. No funding is required to adopt the strategic aims of the SIDMP and advocate for this across the South Island. The Secretariat can maintain linkages with South Island RTOs and report progress through to the Mayoral Forum at regular intervals.
- 46. There is no budget set aside for progressing Stage 2 of the SIDMP. If this option is chosen, a funding source for resourcing the work would be required.

Next steps

- 47. Subject to the decision of the Forum, the next steps would be:
 - seek endorsement of the strategic aims of the SIDMP at the October LGNZ Zone 5 and 6 meeting as the foundation for progressing destination management across the South Island
 - close the action on the three-year work programme about proceeding with Stage 2 of the SIDMP
 - write to MBIE to express the Forum's expectation that MBIE will engage meaningfully with Canterbury RTOs during the development of the tourism ITP
 - the secretariat provide regular updates on RTO collaboration and progress with the Canterbury items identified in SIDMP as priorities.

Canterbury Mayoral Forum

Date: 20 August 2021

Presented by: Craig Rowley, FFIP and Digital Connectivity lead mayor; Graham Smith, Canterbury Story lead mayor

CREDS update

Purpose

1. An update on CREDS activities including a proposed phase two for the Digital Connectivity – Mobile Blackspots project.

Recommendations

That the Canterbury Mayoral Forum:

- 1. note the updates on CREDS projects
- 2. approve the proposal to engage Beca on a second phase of the Digital Connectivity Mobile Blackspots project.

Background

- 2. The CREDS programme comprised a number of projects funded by the Provincial Growth Fund.
- 3. This paper provides an update on the Food and Fibre Innovation Programme (FFIP), details around a possible second phase of the Digital Connectivity Mobile Blackspots project, and an update on the Canterbury Story project.

Digital Connectivity – Mobile Blackspots

- 4. The Mobile Blackspots project was funded under the CREDS Digital Connectivity programme and mapped mobile blackspots on Canterbury state highways. The ten most significant blackspots were identified and advocacy was undertaken with the Minister for Digital Economy and Communication, Crown Infrastructure Partners, and telecommunication companies. This work was done by Beca following an RFP process.
- 5. Advocacy has resulted in communication with Crown Infrastructure Partners (CIP) and Spark on upcoming work on Canterbury's mobile network. Several of the ten priority mobile blackspots are on CIP's work programme for at least partial resolution.
- 6. Spark have advised that it is very valuable to have Canterbury's priorities for coverage detailed in this way, and recommend we work more closely with CIP to understand their funding programme so that we can best advocate for improved coverage.

- 7. The Mayoral Forum expressed an interest in further mapping on other roads of interest, including state highways not captured in phase 1, major roads which are not state highways and smaller local roads and road networks. Areas identified to date are:
 - a. Inland Route 70
 - b. Hapuku area
 - c. Rural roads near Kaikoura (roads not specified)
 - d. Banks Peninsula (roads not specified)
- 8. Beca has submitted a proposal for further mapping, which can be undertaken with the same methodology used for the first phase. The roads identified above and any others to be included would be confirmed at a kick-off meeting.
- 9. Phase 2 requires a commitment from councils for staff to drive the routes which need mapping with the app running on an Android phone, and then to send this data to Beca. This is a simple process but obtaining data was the most challenging aspect of the initial project and so this commitment is key. We propose that each council would be responsible for certain roads (likely to be those within their region). Drive-testing would need to be complete by 30 October.
- 10. The cost of the second-phase work would be \$35k. Funds are available in the CREDS budget for this.
- 11. The project would complete in December 2021.

Food & Fibre Innovation Programme

- 12. The Food and Fibre Innovation Programme (FFIP) continues to progress well.
- 13. The industry ecosystem roadmap created by the University of Canterbury has been passed to ChristchurchNZ for design development. The visual ecosystem map will be completed and promoted by 31 October 2021. An interactive directory using the roadmap data will then be developed in conjunction with Callaghan Innovation and KiwiNet.
- 14. Two pipelines with FoodSouth and Te Ohaka respectively, supporting new food businesses into operation, are now established with businesses being selected and mentored. Ongoing funding for these has been secured from Callaghan Innovation.
- 15. The Leftfield contract for their land-use transformation is in effect. This work is exploring land-use transformation opportunities for vegetables, berry fruit and high value grains and will complete by December 2021.
- 16. ChristchurchNZ is working to support and grow key clusters that have been identified. The two clusters being focused on currently are agri-biotech, and food and beverage. Joint projects in the agri-biotech space have been prompted by cluster gatherings and ChristchurchNZ is continuing to facilitate meetings.

Canterbury Story

- 17. The Canterbury Story website's purpose has been reviewed after discussions with councils demonstrated it was not being used as intended.
- 18. Ashburton, Kaikōura, Selwyn and Waimakariri District Councils, Christchurch City Council and Environment Canterbury provided feedback on the website, which included that councils generally don't have sufficient resource to maintain the site, councils have their own channels for business and talent attraction, and that it's not clear that the site provides value for Canterbury.

Background

- 19. The website was launched in August 2019 and was intended to attract business, talent and innovation to the districts. A library of images and videos was produced to initially populate the site, funded by MBIE and the Mayoral Forum under the CREDS. ChristchurchNZ agreed to maintain the website and all Canterbury's councils were to upload content as it became available, e.g. through their own marketing campaigns.
- 20. The website has had low traffic since launch (average of 22 visitors per month) and only three councils and ChristchurchNZ have uploaded assets to the library since the website launched. ChristchurchNZ uploads content periodically as part of its business-as-usual promotion of Christchurch and Canterbury.

Review

- 21. The cost of maintaining the site in its current form is about \$7k/year, plus resource from ChristchurchNZ. Options for the site were explored as part of the review, including maintaining the site in its current state, repurposing the site for a different intent and audience, and closing the site. Concerns were noted by chief executives around continuing to spend ratepayer money to maintain a site that is underutilised.
- 22. The original funding proposal indicated that ongoing funding of \$250k/year would be required to maintain and promote the Canterbury Story. It was envisaged that this would be sourced by fundraising with Canterbury businesses. It is unclear whether fundraising was undertaken but ongoing funding was not secured, and though ChristchurchNZ has maintained the site in a basic sense it has not been possible to achieve the original goals without this funding.
- 23. Repurposing the site for a different intent and audience would have significant costs, would be difficult to build an audience and would likely put us in the same situation that we are currently in with the Canterbury Story website. Consultation with councils did not result in a clear view of how the site could be repurposed.

Outcome

24. On 2 August the Chief Executives Forum agreed that the contents of the Canterbury Story be moved to another repository and the site closed. ChristchurchNZ has agreed to explore options to host the assets produced for this site in an alternate publicly available location. The Secretariat will retain oversight of this process.

Next steps

- 25. The secretariat will engage with CIP to ensure our advocacy is positioned well to be considered as part of their future mobile coverage funding rounds.
- 26. If the Forum agrees the secretariat will confirm contract arrangements with Beca and begin work on the second phase of the Mobile Blackspots project.

Canterbury Mayoral Forum

Item 11

Date:20 August 2021Presented by:Jenny Hughey, Chair, Environment Canterbury

Canterbury Water Management Strategy update

Purpose

1. This paper provides an update on region-wide progress towards implementing the Canterbury Water Management Strategy (CWMS) for April to June 2021 and an update on actions underway to respond to the requirements of the Essential Freshwater package.

Recommendations

That the Canterbury Mayoral Forum:

- 1. receive the CWMS update report
- 2. note the progress made for the appointment of the independent Chair and co-Chair of the CWMS Regional Committee.

Update on region-wide progress towards implementing the CWMS

Regional and Zone committee updates

- 2. The CWMS Regional Committee, in its previous format, held its last meeting on 15 June 2021. The appointment processes for an independent chair, Ngāi Tahu co-chair, and community representatives for the new Regional Committee are underway.
- The appointment process for the independent co-chair is being led by an Environment Canterbury councillor sub-group, and the co-chair will be appointed by Environment Canterbury and Te Rūnanga o Ngāi Tahu in consultation with the Canterbury Mayoral Forum.
- 4. The independent chair role was advertised for four weeks with four applications being received. All applicants have relevant experience for this role or have been directly involved with the Regional Committee. It is anticipated that all four interviews will be concluded and a preferred candidate identified by 20 August, so a verbal update can be provided to the Mayoral Forum.
- 5. Te Rūnanga o Ngāi Tahu is leading the appointment of the Ngāi Tahu co-chair
- 6. A Letter of Shared Priorities to guide the work of the Regional Committee has been developed. The letter will include priorities from Environment Canterbury (as it is a

committee of Environment Canterbury) and the Mayoral Forum's Plan for Canterbury 2020-2022.

- 7. It is anticipated that the membership of the Regional Committee will be refreshed by September 2021.
- 8. The 2021 CWMS Zone Committee Refresh commenced in April with appointments being confirmed by all councils in July and August. The refreshed Zone Committees have progressed their three-year Action Plans guided by the Letters of Shared Priorities.
- 9. Zone managers and facilitators have summarised the focus for the CWMS Zone Committees from April to June 2021 (see attachment 1).

CWMS Targets Progress report 2019-2021

- 10. The draft CWMS Targets report text has been finalised and Environment Canterbury is continuing its work to shift the report online. This approach will enable the many organisations responsible for delivery of the CWMS to showcase their work. Zone committees, Canterbury's city and district councils and other agencies will be able to provide direct links to their websites.
- 11. A landing/main page has been created for the CWMS reporting (<u>ecan.govt.nz/cwms-progress</u>). Each CWMS Target Area has a dedicated web page which can be linked through from the main page. Screenshots of two pages are provided in attachment 2.

RMA planning and implementation

- 12. The independent hearing commissioners recently delivered their recommendations on proposed Plan Change 7 (PC7) to the Canterbury Land & Water Regional Plan and proposed Plan Change 2 (PC2) to the Waimakariri River Regional Plan.
- 13. Overseer has been undergoing a scientific review by a Science Advisory Panel established by MPI and MfE. The review (meant to be completed by mid-July) is ongoing and Environment Canterbury wants to understand the Overseer review outcomes and the implications of these before making a decision on whether to adopt the commissioners' recommendations on PC7 and PC2.
- 14. Environment Canterbury has therefore applied to the Minister for the Environment for an extension to the timeframe to make its decision on PC7 and PC2 following the Overseer review, until 31 October 2021. The commissioners' recommendations will be made public as part of the meeting agenda when the Council decides whether to adopt the recommendations on PC7 and PC2.

Key regional projects/campaigns

- 15. The Farm Environment Plan (FEP) Auditor Guidance for Dairy Effluent, Soils and Irrigation has been officially signed off by the FEP Auditor Reference Group.
- 16. FEP auditor training days for FEP auditors and farm consultants were organised for July.

- 17. The FEP Audit Tool has been updated to make the tool more efficient for FEP auditors to prepare and submit FEP audit reports. It also includes an intensive winter grazing assessment and monitoring of fertigation systems (fertiliser applied through the irrigation system).
- 18. The following projects to improve water quality, increase river flows and groundwater levels continue to be trialled in the region:
 - full commissioning of the Selwyn/Waikirikiri Near River Recharge (NRR) scheme was successfully completed in May 2021. The site suffered some damage due to the 29-31 May flooding event. Repairs have been completed.
 - the Hekeao Hinds Managed Aquifer Recharge (MAR) trial now has 17 operational MAR and NRR sites. Year 5 of the trial concluded on 31 May, with a 66% increase in recharge volume compared with Year 4 and measurable improvements in groundwater quality and Hekeao / Hinds River flows
 - the upper Hekeao Hinds Near River Recharge site suffered significant damage in the May 29-31 flooding event. Remedial and enhancement activities are expected to continue until late winter
 - Broadacres TSA Kōwaro / Canterbury mudfish habitat construction was not completed by May 2021 and has been temporarily halted due to high spring flows through the site following the May flood event.

Essential Freshwater implementation

- 19. The Ministry for the Environment is running a number of workshops on Te Mana o te Wai for tangata whenua and regional and unitary councils throughout the country in July and August 2021. The Canterbury workshop (to be held on 27 July in Christchurch) was postponed with no new date set.
- 20. The update on action underway to respond to the statutory direction set through the Essential Freshwater package provided to the Essential Freshwater Steering Group at its meeting on 9 August is provided below.

Background

- 21. Since its introduction in 2009, the Canterbury Water Management Strategy (CWMS) has directed how we, as a region, manage our freshwater resources.
- 22. The CWMS is a non-statutory initiative and much of its success is because of the collaborative approach that underpins it. The CWMS was given statutory weight through the Environment Canterbury Act (2010 and 2016), which ended with the repeal of the Act in 2019.
- 23. During the decade of the CWMS the national policy context in which it exists has changed significantly. The National Policy Statement for Freshwater Management (Freshwater NPS) was first introduced in 2011, updated and replaced in 2014, and amended in 2017.

- 24. Central government released the Essential Freshwater package in August 2020, introducing new policies, rules and regulations to halt further degradation of freshwater. The Essential Freshwater package aims to:
 - stop further degradation of New Zealand's freshwater resources and improve water quality within five years
 - reverse past damage and bring New Zealand's freshwater resources, waterways and ecosystems to a healthy state within a generation.

25. The Essential Freshwater package includes

- new National Environmental Standards for Freshwater (NES-F)
- new National Policy Statement for Freshwater Management (NPS-FM)
- Stock Exclusion s360 Regulations
- Measurement and Reporting of Water Takes s360 Regulations.

26. These policy instruments came into effect from 3 September 2020.

Providing information and ongoing engagement with Regional Sector and Ministry for the Environment (MfE)

- 27. Environment Canterbury continues to develop its approach to implementing the new requirements of the Essential Freshwater package and provide regular updates to the Canterbury community on the Environment Canterbury webpage^[1]. Much of the work to date has focused on providing guidance to consent holders and applicants on how new regulations are to be considered.
- 28. Environment Canterbury staff are engaged through regional sector groups to provide advice and also seek clarification on aspects of how the requirements of the Essential Freshwater programme work in practice. MfE is working on providing detailed guidance covering:
 - intensive winter grazing
 - rivers and waterbodies further definitions and clarification
 - implementing Te Mana o te Wai
 - wetlands definitions
 - biodiversity offsetting
 - nitrogen toxicity vs nutrient effects of nitrogen.

Updating the Planning Framework (Implementing the NPS-FM)

- 29. The NPS-FM requires that all regional councils must amend and update their Regional Policy Statements and Regional Plans to align with the NPS-FM. The revised Regional Policy Statements and Regional Plans must be notified no later than 31 December 2024.
- 30. The work programme (see attachment 3) is intended to create an integrated planning framework, while delivering on statutory requirements and includes the review of the Regional Policy Statement, the Regional Coastal Environment Plan and the Land and Water Regional Plan. This is a substantial work programme for Environment Canterbury which has been budgeted for in the LTP to notify during 2024.
- 31. Environment Canterbury is working on the first stage shown in attachment 3 with papatipu rūnanga (co-designing the approach to give effect to the requirements of NPS-FM). A number of wānanga are being planned to progress Environment Canterbury's work with papatipu rūnanga and the first of these is planned for mid-August 2021.
- 32. Staff are continuing to monitor and evaluate the progress made in setting limits over the past ten years such that the knowledge and experience gained through this process is not lost. Environment Canterbury's progressive approach to water management in the last 10 years, and in particular the Canterbury Water Management Strategy, means that we are further along the journey towards meeting the Essential Freshwater Package than other regional authorities, however, there remains a significant volume of work.
- 33. The NPS-FM requires a step-wise process to be followed; focused on agreeing long-term visions and delineating *Freshwater Management Units* (FMU). The values for each FMU or catchment are then identified, and outcomes agreed for each value. The NPS-FM provides *Compulsory Values* which must be considered, *Other Values* which should be considered if relevant, and promotes the consideration of *Local Values*, as they relate to specific locations. The outcomes set are then used to guide the development of *Targets*, *Limits*, and *Action Plans* which can be used take water from its state now, to a future state that enables the vision and values to be fulfilled.
- 34. Science staff continue to gather and analyse important datasets on water quality and quantity for state and trends. This information will inform the planning processes by linking the current state to values sought through limits and targets.

Implementing the NES-F

- 35. The NES-F set requirements for carrying out certain activities that pose risks to freshwater and freshwater ecosystems. Anyone carrying out these activities will need to comply with the standards. The standards are designed to:
 - protect existing inland and coastal wetlands
 - protect urban and rural streams from in-filling
 - ensure connectivity of fish habitat (fish passage)
 - set minimum requirements for feedlots and other stockholding areas

- improve poor practice intensive winter grazing of forage crops
- restrict further agricultural intensification until the end of 2024
- limit the discharge of synthetic nitrogen fertiliser to land, and require reporting of fertiliser use.
- 36. Environment Canterbury is running a number of projects through our operations staff to ensure that the NES-F requirements can be met with the appropriate level of information advice and local support. These include:

Synthetic nitrogen Cap (N Cap):

- 37. The new regulations have introduced a cap on the application of synthetic nitrogen fertiliser at a rate of no more than 190 kg N/ha/year.
- 38. Working with industry representatives to scope overall approach. Communications have been drafted however are awaiting further guidance from MfE before release.
- 39. There is a national initiative (through MfE) to develop a method for receiving data and testing compliance with the N Cap regulations. This work is being led by an Environment Canterbury staff member.

Wetlands:

- 40. The NES-F includes, amongst other regulations, controls on activities within 100 metres of a natural wetland. The regulations also require regional councils to have regard to the Wetland Delineation protocols in cases of uncertainty or dispute about the existence or extent of a natural wetland.
- 41. Finalised guidance from MfE on the wetland definitions used in the NES-F was due in July 2021 but had not arrived at the time of writing this paper. Once this guidance has been received Environment Canterbury will design its monitoring programme to meet the monitoring requirements.
- 42. In the meantime, website material for consent applicants has been developed, and a CME (Compliance, Monitoring and Enforcement) campaign is being planned.

Intensive Winter Grazing:

- 43. Adoption of Intensive Winter Grazing standards has been delayed by MfE to 2022.
- 44. Environment Canterbury has existing working groups and campaign structures on this topic, however improved alignment to MfE national direction is required when appropriate. The engagement campaign for this season has been delayed and there are no currently active comms due to the Canterbury floods.

Fish Passage

45. When planning new structures with potential to block or impede fish passage, the NES-F requires applicants to provide information about the structure to the regional council. Regional councils must also have regard to fish passage when assessing resource consent applications and promote the remediation of existing structures.

46. Environment Canterbury has been gathering information on existing fish passage barriers for over 10 years which sets us up well for implementing the fish passage rules. A national Regional Sector group has identified a pathway forward and progress continues to be seen with updated FAQ's.

Stock Exclusion rules

- 47. Comparison of national stock exclusion regulations to Canterbury Land and Water Plan rules has been completed. FAQs and advice have been updated.
- 48. Environment Canterbury website (Farmers Hub) contains relevant information. No campaign is proposed due to the difficulty in identifying those to whom rules apply, compliance, and low effectiveness of a wide approach. Risk for these activities should already have been identified in Farm Environment Plans (FEPs).
- 49. The definitions around slope used for stock exclusion rules has been altered in the Government's latest Freshwater Farm Plans proposals (see below). This is an area where feedback is being sought by the Government (by September 12, 2021).

Freshwater Farm Plans

- 50. The Government is seeking feedback on its proposed Freshwater Farm Plan (FW-FP) module, part of its push towards integrated farm planning. Environment Canterbury is working through the information provided by the Government to understand the differences between Canterbury's FEPs and the proposed new FW-FPs.
- 51. Submission on the Freshwater Farm Plan discussion document is due on 12 September 2021.
- 52. Given Environment Canterbury's experience in having already established a FEP audit system, MfE has signalled for ongoing input from Environment Canterbury on the design and implementation of its proposed Freshwater Farm Plan module.
- 53. At their meeting on 3 May 2021 the Chief Executives (CE) Forum discussed a proposal to align the CWMS to statutory direction set through the Essential Freshwater package to ensure the CWMS continues to provide the mechanism for regional leadership on water management.
- 54. The CEs Forum supports maintaining a watching brief over the next 12 months to help inform timing of any possible CWMS alignment. The chief executives requested proposals for mitigations and risks with this intended approach to be prepared for the next Mayoral Forum.
- 55. Risks outlined in the 3 May 2021 CWMS update report to chief executives still apply; namely:
 - capacity of the sector to manage competing priorities due to reforms
 - clarity required around process, linkages and purpose surrounding the setting of visions for each freshwater management unit
 - clarity required around the concept of Te Mana o te Wai for each rūnanga

• seeking and enabling mana whenua involvement in co-designing the approach for developing the regulatory approach.

Central government policy

- 56. In June the Government announced its preferred option to create four new water services entities for local government's three waters services. The option would see local government's water infrastructure assets remain in public ownership but under new entities. Councils have until the end of 2021 to advise the Government on their decision to remain in, or opt out of, the reform.
- 57. The select committee is due to report back on the Water Services Bill on 11 August 2021. Once the Bill has been passed and regulations are in place, Taumata Arowai will then take over from the Ministry of Health as the national drinking water regulator.
- 58. The Resource Management Act (RMA) will be replaced and repealed with three new laws: Natural and Built Environments Act (NBEA), Strategic Planning Act (SPA) and Climate Adaptation Act (CAA). A Parliamentary Paper and first exposure draft of the NBA was released for feedback and set out the rationale and core provisions.
- 59. The exposure draft includes provisions relating to:
 - definitions (but only for terms used in the exposure draft)
 - the Purpose and related provisions
 - Te Tiriti o Waitangi clause
 - environmental limits
 - environmental outcomes
 - National Planning Framework
 - Natural and Built Environment Plans.
- 60. Submissions on the Natural and Built Environments Bill: Parliamentary Paper and Exposure draft closed on 4 August 2021. A select committee inquiry will review the exposure draft, consider submissions, and report back to the House with its recommendations.
- 61. This process is expected to take around three months and the outcome of the select committee inquiry will inform work on the SPA and CCA.
- 62. The SPA will help coordinate and integrate land use and funding decisions under different legislation and require the development of long-term regional spatial strategies. The Spatial Planning Bill is intended to be introduced to Parliament in early 2022 alongside the NBE Bill (which will be open for a second round of consultation).
- 63. The CAA will address complex issues associated with managed retreat and funding and financing climate adaptation. Consultation on 'core policy' forming part of the SPA will

occur in early 2022, alongside consultation on the National Adaptation Plan under the Climate Change Response Act.

64. All three acts are intended to be passed into law this parliamentary term.

Attachments

- o Attachment 1: Zone overview from April to June 2021
- o Attachment 2: Example CWMS Landing and Water Use Efficiency webpages
- Attachment 3: Environment Canterbury Planning Programme 2021-2022

Attachment 1: Zone overview from April to June 2021

		om April to June 2021		
CWMS		Highlights of practical work underway		
Committee	Work Programme			
Kaikōura	Lyell Creek/Waikōau Clarence/Waiau toa	 An extension of the Waikōau stream walk data collection, with analysis and works recommendations for Middle Creek catchment funded by the Ministry for Primary Industries. Ground weed control of the riverbed's upper sections completed (jointly funded by Land Information New Zealand, the Department of Conservation, Environment Canterbury, and adjoining neighbours. 		
Hurunui Waiau	Chatterton River	 Hurunui Waiau Uwha Zone Committee had its final meeting and celebrated the progress made over the last 10 years on 12 July. A joint project between Hurunui District Council and Environment Canterbury at the head of the Chatterton River above Woodbank Road to remove willows along the river 		
	Hurunui Splash Braided river Flagship project	 margins. Native plantings are being planned. Four swimming holes completed at popular locations at the Hurunui River near the Balmoral camping ground, Riverside reserve in the Waiau township, Dog Stream near Hamner Village, and the Waitohi River near the Waitohi Domain. Pest control programme undertaken of Southern Black Gull and mammalian predators to protect braided river bird (i.e. Black Fronted Tern and Banded Dotterel) nesting sites and chicks. 		
Waimakariri	Arohatia te Awa (Cherish the River) project.	 Environment Canterbury and Waimakariri District Council are working together on several aligned projects, including Arohatia te Awa (cherish the river). Both councils are also working with landowners adjacent to the Cam River to increase public access, plant native vegetation and improve awareness around weed spraying in waterways. 		
	Braided River Revival programme	 21km of nuisance trees and scrub have been removed from the riverbed fairways, starting from the Ashley Gorge all the way into the Okuku river. 18,000 eco-sourced native plants have been planted in 		
	Silverstream loop Waterway projects	 locations on Harpers Road and Giles Road at the Silverstream Loop. \$3.2 million dollars of government funding has been approved for a number of projects around McIntosh Bend near the Waimakariri/Kaiapoi River confluence. Works include the realignment of North Bank to increase the flood 		
Christchurch- West Melton	Improving stormwater management Working with community/catchme nt groups	number of locations including Styx River, Tunnel Road saltmarsh and Cashmere stream in collaboration with a number of agencies including rūnanga, the Water & Wildlife Trust, QEII, Christchurch City Council and landowners.		
Banks Peninsula	Whaka Ora Healthy Harbour Flood Management in the Wairewa Catchment	 Focused on identifying and supporting pollution control practices at industrial sites around Lyttleton. Continued to work with foresters to improve awareness of erosion and sediment controls and regulations. Ongoing willow control in parts of the Wairewa catchment to help prevent flooding. 		

		•	The Wairewa Bank Stabilisation Project (to stabilise erosion hotspots within the catchment) is continuing with maintenance for the first planting sites, and assessments other potential sites for stabilisation work
Selwyn- Waihora	Whakaora Te Waihora	•	Over \$4 million was secured from MFE to expand the Whakaora Te Waikēkēwai project to restore the stream. This is led by Te Taumutu Rūnanga. Constructed wetland at Ahuriri Lagoon is complete. To
	Lowland and high- country streams	•	gauge the outcomes of the project, maintenance and monitoring of the installed plants and site (via mātauranga Māori monitoring and water quality monitoring) is ongoing. Wetland restoration project underway in the Hororata area
		•	working with landowners, Selwyn District Council, Department of Conservation and Central Plains Water. Supporting Harts Creek Stream Care Group to undertake
	_		willow control and riparian planting.
Ashburton	Ashburton Lakes/Ō Tū Wharekai	•	Investigations have continued into the Ashburton Lakes project, which focused on Good Management Practices and working with landowners.
	Pest control	•	In both the Upper Rakaia and Rangitata areas the predator control work programmes have been implemented, with discussions now underway with the Regional Team about ongoing support.
		•	Arowhenua Rūnanga representative on the Hekeao Hinds
	Hekeao/Hinds River and Drains		Water Enhancement Trust and Aoraki Environmental Consultants visited Mahinga Kia Trial Sites for watercress. This was to initiate conversations about ongoing
	Essential Freshwater package	•	management. Environment Canterbury and the Ashburton District Council staff engage with a variety of rural stakeholders, and related agencies on discussions of catchment health.
Orari Tomuka	Salt Water Creek	•	The creek is affected by urban and rural runoff. Working
Opihi-Pareora			with Timaru District Council on a stormwater management
	Biodiversity		plan.
	projects	•	Focus on protecting and enhancing long-tailed bat populations, working with the Talbot Forest working group.
		•	Scoping work to enhance existing biodiversity corridors along rivers.
	Coastal Lagoon	•	Trapping and weed control programmes at Orari River to protect black bill gull colonies.
	projects	•	Scoped work for weed control and planting at Old Orari
			Lagoon, Horseshoe Lagoon and Spider Lagoon
Upper Waitaki	Ahuriri Catch Collectives	•	Focus on supporting Ahuriri Catchment Collectives work programme to improve understanding of stream health and additional work required to mitigate impacts of land use.
	Biodiversity	•	IMS funding fully allocated for weed control in the Upper Ohau and projects to protect and enhance high value wetlands on private land.
	Compliance monitoring	•	Compliance, monitoring and enforcement programme finalised for the Upper Waitaki/Mackenzie Basin area.
	Amenity values	٠	MoU with Waitaki District Council for ongoing management of amenity assets has been drafted.
	Wainono Lagoon	•	Working with farmers in catchment to reduce sediment, nutrient leaching, undertaking weed control and supporting GMP on the margins of the lagoon.
	Upper Hakataramea	•	Threaten plants, flax and sedgelands have responded
	Bio Security measures	•	positively to weed control. Macrophyte restoration is also showing signs of long-term
			establishment.

You are viewing the draft state of this page, any page you navigate to will be the published state. How it works

Measuring CWMS progress

Measuring CWMS progress

Environmental limits

nvironment anterbury

> Ecosystem health and biodiversity Natural character of braided rivers

Kaitiakitanga

Drinking water Recreational and amenity

opportunities

Water use efficiency - actual

Irrigated land area

Energy security and efficiency Regional and national economies

Water use efficiency - template with examle content

Water use efficiency - blank template The Canterbury Water Management Strategy (CWMS) targets – and goals within these – were set in 2010 to make a positive difference to our environment and how we manage our natural resources. CWMS partners, agencies and communities are responsible for delivering on these. The goals are ambitious to achieve, and require collaboration and shared resourcing.

Initial work undertaken over the last 10 years has included:

- · establishing 10 Zone Committees and a Regional Committee
- · setting priorities, policies and rules through RMA plans and other strategic documents
- · gathering information and data to support the development of work programmes and activities.

Summary of progress against targets

We report on progress on behalf of partners, and past reports have mostly summarised the range of actions being taken. We're working to improve reporting to clearly show progress being made towards achieving the goals and, where possible, the outcomes achieved. Well also note where there's insufficient information to show if targets and goals are being met.



Environmental limits

Set and achieve flow, catchment and nutrient limits consistent with all the target areas mentioned here.



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Ecosystem health and biodiversity

Protect, restore and prevent further loss of habitats and species in all natural aquatic environments – from the mountains to the sea – ki uta ki tai.



Natural character of braided rivers

Maintain, support, enhance and protect our braided rivers and the native species and habitat along their lengths. Actively maintain floodplains. No new dams on the main stems of major alpine braided rivers.



Actively involve rūnanga in water management and decision-making. Increase the community understanding of customary values and uses. Protect wahi taonga and mahinga kai waterways.

Kaitiakitanga



Recreational and



HOME / WATER / MEASURING CWMS PROGRESS / WATER USE EFFICIENCY

Water

Wai We Care

manageme

zone? + Measuring progress

Canterbury's water +

Swimming water quality Health warnings +

Where's good to swim today?

Essential Freshwater package + Canterbury's approach to water

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Indicators of regional and national economies

Content design examples

Recreational and amenity opportunities

Water use efficiency

Irrigated land area

biodiversity

Drinking water

opportunities

rivers Kaitiakitanga

Water use charges

Water use efficiency

Water use efficiency must be addressed in the context of other CWMS targets because some actions that improve water use efficiency can be detrimental to energy efficiency and biodiversity protection. The development of benchmarks is therefore part of the goals. There is a focus on irrigation water use, but goals for community water supplies and other uses are also included. Here's how things are progressing.







Note: Environment Canterbury reports on progress on behalf of CWMS partners.

Best practice and benchmarking

2020 goal 1: 80% of water used for irrigation and stockwater is operating according to best practice water use.

Has this goal been met?



Canterbury's irrigated area was estimated at 546,205 ha in 2020, up from an estimated 507,00 ha in 2017, Region-wide estimates of best-practice water use or efficiency are not available from existing data sets. However, reasonable estimates of water use efficiency can be made based on irrigation type.

Based on data from the National Irrigated Land Spatial Dataset: 2020 update 🗷, 58% of mapped irrigation in Canterbury can be classed as high efficiency. This is a seven point increase from the 51% high-efficiency irrigation reported in 2019

2020 goal 2: Reduced water used for community water supply by 10% (measured in litres per person for day) compared to that used in 2010.

Has this goal been met?



There is insufficient data available to report progress on these goals. The volume of water used in community water supplies is not measured at the regional level and it is unlikely to be measured consistently at the district level.

Territorial authorities undertake work to reduce water use, with some charging users based on volume used. Some territorial authorities also run campaigns to educate and promote lower water use, especially in high urban growth districts.

2020 goal 3: Increased the benefits gained per unit of water so that the volume of water beneficially used (used in production of crops, electricity, or commercial uses) in each zone as a proportion of the volume of water take is, on average, 5% greater than that achieved in 2010.

Has this goal been met?



The beneficial use of water is not measured and no work has been undertaken to progress this. Central govern r in this area will result in considerable progress over the next five to 10 years to improve water efficiency and beneficial use

What is being done?

Highlights to date

- Irrigation NZ[™] continues to run programmes to improve irrigation practices.
- An MBIE-supported programme, Irrigation Insights 🗷, (AgResearch, NIWA, INZ), is demonstrating the effectiveness of farmer participation in research to identify 'Good Irrigation Practices'.
- · Local authorities in Canterbury conduct outreach programmes to promote efficient water use.
- · Irrigations schemes are looking to upgrade infrastructure to improve water efficiency, reducing losses from leaky water races.





Attachment 3

Environment Canterbury Planning Programme 2021-2024

Resource Management Act



Regional Policy Statement,

Natural & Built Environment Act Strategic Planning Act **Climate Change Adaptation Act**

Canterbury Mayoral Forum

Date: 20 August 2021

Presented by: Neil Brown, Chair Essential Freshwater Steering Group

Essential Freshwater Steering Group update

Purpose

1. To provide an update to the Canterbury Mayoral Forum on the outcomes from the Essential Freshwater Steering Group meeting held on Monday 9 August 2021.

Recommendations

That the Canterbury Mayoral Forum:

1. note the update from the Essential Freshwater Steering Group meeting held on Monday 9 August 2021

Background

2. The purpose of the Essential Freshwater Steering Group is to oversee the development of a communications plan to facilitate a consistent regional messaging to support the transition of the region to implementing the Essential Freshwater package and to act as a single, united voice on behalf of the Canterbury Mayoral Forum to communicate with the regional sector (other regions mayors/chairs and chief executives), sector groups, Central Government and the wider community in relation to Essential Freshwater.

Essential Freshwater Update - Environment Canterbury

- Environment Canterbury provided an update to the group on the action underway to respond to the statutory direction set through the Essential Freshwater package.
 Further details of this update are provided in the Canterbury Water Management Strategy update (see item 11).
- 4. It was acknowledged that the rural community is feeling overwhelmed with the pace of regulatory change and that it is important that we do our best to take the community with us and that time will be the key.
- 5. Environment Canterbury noted that it is trying to work closely with all stakeholders to bring them on the journey and that the best way to do this is to listen to the community and work with them.
- 6. Stakeholder commitment and consultation will be built into the plan development over the next four years.

Economic Impact of Freshwater Management Policies on Waimate District

- 7. Waimate District presented the Economic Impact of Freshwater Management Polices on Waimate District report. The basis of the analysis for Waimate came from the Land and Water Management in Ashburton District – Economic Impact and Review of Land and Water Management Economic Impact modelling and it was helpful for Waimate to get a localised view of the economic impacts of the policies.
- 8. Waimate District Council is holding an essential freshwater hui with stakeholders that will be informed by this report.

Meeting with Minister Parker

9. The Steering Group discussed a variety of questions to be put to Hon David Parker at the Mayoral Forum dinner on Thursday 19 August. These questions were forwarded to Minister Parker's office prior to the Mayoral Forum dinner so that the Minister had an opportunity to prepare responses.

Future meetings

10. It was noted that the Essential Freshwater Steering Group resulted in a double up of resources between this group and the Mayoral Forum, however it was agreed by most members that there is value in meeting to have specific discussions on the Essential Freshwater package, but that this group could just keep a watching brief and meet as required.

Canterbury Mayoral Forum

Item 13

Date:20 August 2021Presented by:Stefanie Rixecker, CE Environment Canterbury

Flooding update and funding of rating districts

Purpose

1. The purpose of this paper is to update the Canterbury Mayoral Forum on the recent flooding events in Canterbury and to discuss next steps.

Recommendations

That the Canterbury Mayoral Forum:

- 1. note the update provided on recent flooding events in Canterbury
- 2. note the verbal update from Basil Chamberlain
- 3. receive the report titled "2018 Central Government co-investment in River Management for Flood Protection".

Background

Canterbury Flood Event

- Extremely heavy rainfall over 29-31 May caused extensive flooding in South, Mid and North Canterbury. This was the largest 24-hour event on record for 23 of our 84 rain gauges. The Mount Somers rain gauge recorded the most intense rainfall, with 546mm recorded for the 72-hour event. Fifteen of Environment Canterbury's water level recorder sites reported their largest flood on record.
- 3. A region-wide state of emergency followed with significant impacts on people and private and public infrastructure. The damage to Environment Canterbury-owned flood infrastructure includes holes in stopbanks, stopbank scour and weakening, significant erosion, debris and gravel build-up throughout the river systems, floodgate damage, many hectares of berm vegetation lost, and damage to automatic water level recorders.

Repairs to flood infrastructure

- 4. The current cost of repair from the May flooding events, excluding betterment, is in the order of \$15 to \$20 million for Environment Canterbury
- 5. Updates from Canterbury's territorial authorities are provided in attachment 1.

- 6. Temporary repairs are underway. Permanent repairs will take months to years to complete and are not able to be started until the ground dries out. Some rivers remain highly susceptible to rainfall and river flows at lower levels than was previously likely to result in break outs.
- 7. The National Emergency Management Agency (NEMA) Essential Infrastructure Recovery Fund covers 60 per cent of repair cost to infrastructure damaged in a major event. For Canterbury, damage needs to be in excess of \$4.1M to qualify for this funding. It is currently estimated that damage to Environment Canterbury-owned flood protection infrastructure is in the order of \$15M-\$20M. This means Environment Canterbury will be able to make a claim for 60 per cent of the costs of damage above \$4.1M. The fund does not cover betterment.
- 8. Betterment needs to be considered in a number of rivers and assessments are underway into potential future options. NEMA has a special policy (section 33.6) that allows for applications for betterment subject to preparation of a comprehensive business case. Environment Canterbury will be preparing a business case to try and access this funding. This may take up to 12 months to prepare and submit for consideration.

Funding of river schemes

- 9. Environment Canterbury manages, monitors, and maintains 59 river and drainage schemes across Canterbury with the aim of protecting people and property from flooding, and a total asset value of \$691 million. The value of the benefitting area of these schemes is over \$100 billion.
- 10. River schemes are in the most part funded through targeted rates. Most targeted rating areas have been in place for many years, graded so that those that receive the most benefit pay the most. Targeted rates are set on a variety of bases capital value, land value, land area, rating unit, percentage of service.
- 11. The funding formula for most schemes is 70 percentage targeted rate, 15 percent works and services (district) rate and 15 percent general rate.
- 12. Some schemes also receive income from leases, forestry, and other contributions (e.g., Meridian Energy).
- 13. For anyone not in a river rating scheme, Environment Canterbury provides advice only and there are no funds available to carry out physical works.

Process for setting rates in the Long-Term Plan

- 14. Twenty-five of the 59 river and drainage rating districts are large enough to warrant representative River Rating District Liaison Committees.
- 15. Committees meet once or twice a year to comment and advise on the state of the river and the proposed works and budget for the coming year. They have an influence on the
targeted rates set for each river and the timing of significant works (although final decisions are made by Environment Canterbury).

- 16. Staff put forward draft rates based on previous expenditure, knowledge of state of assets, previous direction/indications from River Rating District Liaison Committees, capital works identified in 30-year Infrastructure Strategy, flood risk studies, and scheme reports.
- 17. Proposed rates are then presented to liaison committees with a 10-year forward projection. Liaison committees make a recommendation which may agree or disagree with the staff recommendation.
- 18. In most cases, the liaison committee recommendation becomes a revised staff recommendation, which Council will deliberate on, and Council will often adopt the liaison committee recommendation.
- 19. Other stakeholders and the wider public can make submissions on the LTP, including river rating schemes and setting of rates, during the consultation process.

Central government bid for co-investment in flood protection – a Canterbury case study update

- 20. Central government does not currently contribute to flood protection works even though Crown-related assets receive benefit.
- 21. In 2018 New Zealand regional councils collaborated on a co-investment case to central government for permanent co-investment in flood protection. This report is provided at attachment 2. The recent significant flooding events in Canterbury, Marlborough, and the West Coast provides an opportunity to continue and strengthen these conversations.
- 22. Environment Canterbury is leading a supplementary piece of work to update this on behalf of regional councils in New Zealand and it is our strong hope that all territorial authorities in Canterbury will also support it.
- 23. Mayoral Forum members are asked to please indicate if they would like to be interviewed / involved in this supplementary Canterbury case study.
- 24. The purpose of the piece of work is to keep the conversation live with the aim of a permanent co-investment budget line in 2022.
- 25. The updated co-investment report will be provided as soon as it completed which is expected to be September/October 2021.
- 26. We are aware the CDEM Group has also approached the CDEM Minister to encourage investment in flood protection given the national benefit it has to critical lifelines.

Next steps

27. Next steps are:

- territorial authorities to advise Environment Canterbury if they wish to be involved in the supplementary Canterbury case study work
- consultants have been engaged for the supplementary case study for the permanent co-investment bid. It is hoped a draft will be ready for circulation within two months
- Environment Canterbury supported the coordination of a flood hui with Local Authorities and Rural leaders on 6 August 2021. There was positive discussion about collaboration, information sharing, and identification of critical issues. A further hui will be scheduled for later in the year.
- 28. There has been considerable community discussion regarding how current schemes are funded and how works out of scheme are not. Future consideration could be given to changing these funding percentages and/or broadening the base of funding.
- 29. Communities are asking for options for new rating districts, expansions of existing schemes, or other alternatives. Options that Council could consider both in and out of schemes in future Annual Plans and/or Long-Term Plans, will be brought to Environment Canterbury's Catchment Subcommittee meeting in October 2021. We will update the Mayoral Forum as these discussions progress.

Attachment

- Attachment 1: Flooding updates from Canterbury territorial authorities
- Attachment 2: Copy of Central Government Co-Investment in River Management for Flood Protection (November 2018)

Waimakariri District

The total cost of infrastructure repairs to Council is likely to be in the order of \$3.5m - \$4m. This is largely made up of roading and three waters projects. The Recovery Programme of Council included 33 significant projects across 5 programmes (Infrastructure, Social, Strategic, Communications and Rural). More than half of these are complete.

Whilst some remaining permanent repairs are may carry on for the next 12 months or so, the majority of normal levels of service have been restored and where permanent solutions are not yet in place, temporary repairs are being well maintained. Council is now managing almost all the remaining recovery tasks through its 'Business and Usual' teams and programmes and is now moving out of 'coordinated recovery'.

Specifically, the following provides a summary of the remaining recovery tasks:

- Infrastructure:
 - Lees Valley We now have access into Lees Valley and are aiming to be in a position to have completed all agreed flood recovery works within the next 6 months. Some remaining tasks include rock protection, river training, slip stabilisation
 - Smarts Rd (Journey's End Area) Scoping and further investigation into the causes of, and options for managing future overland flooding are being developed and will be brought to Council for consideration as to whether Council has a role in supporting and implementing these.
 - Water infrastructure at Coopers Creek A new encasement pipeline, new water main, and weir at the intake needs permanent repairs at Coopers Creek. The bridge replacement is also currently being assessed and designed by WSP. The Council will be receiving a report regarding options to remedy the current situation. Once they have considered the options, we would be looking to implement within 12 months
- Social/Welfare:
 - The majority of welfare/social recovery needs have now resided, and any remaining areas of concern have been woven into the normal business of the Councils Community Team, and the districts network of social service providers and the likes of North Canterbury Rural Support Trust.
- Rural Properties:
 - Around 59 rural properties have been assessed. 34 of these are commercial farms, and 25 would be considered lifestyle blocks (LSBs).
 - Those that qualify as farms are being supported (largely by the RST) to apply for support through the MPI \$4m appropriation, and/or the Enhanced Task Force Green (ETFG) programme.
 - Of the 25 LSBs, around 11 were assessed as having ongoing significant recovery needs. The majority of these needs relate to debris clearance, fencing and feed. The panel responsible for administering the Mayoral Relief Fund has allocated \$4,000 to each of these 11 LSBs. The remainder of the \$50,000 provided to the fund by Central

Government is being distributed to some low-level needs in Waikuku Beach and to provide specific digger clean up assistance to a number of properties in Okuku.

- Going forward:
 - Final administration of the Mayoral Relief Fund will occur over the coming week.
 - Final reporting to Council and appropriate agencies (NEMA etc.) will occur. A termination of 'Coordinated Recovery' report will be considered by Council at their September meeting. This will summarise the recovery activities that have occurred to date and identify how the remainder of tasks will be delivered by Business and Usual functions of Council.

Ashburton

The May flood event hit our district hard. Currently, we have over 13,800 hectares of land affected, with nearly 50 properties indicating they are in a crisis or severe situation (out of a total of 279 rural recovery assessments). Uninsurable damage estimates in our district have us well over \$7million and potentially up to \$14 million. Just under 30% of affected properties are dairy farms that are now fully into calving, making our farmers welfare a top priority for us over the next few months. We have 39 damaged lifestyle properties of concern as they run the most risk of falling through cracks. They are generally not eligible for support and potentially are without the means to help themselves.

Council infrastructure also took a significant hit, with roading damage expected to cost over \$5million to return to pre-flood conditions. Our wastewater, drinking water, and stock water repair bill to date is over \$400,000. Three weeks ago, the second rainfall event re-damaged infrastructure and has cost us around \$70,000 to date as we re-undertook repair work.

We're not doing all the doing, though, as our role is also to coordinate the right agencies to respond to issues at the right time. We recently held a series of 3 successful community meetings, whereby we got the right agencies in the room together to give our affected residents the 'truth' information. Rumours can be rife in these situations, so ensuring that we quickly correct rumours that have no basis is essential for the recovery of our district. We will be looking to repeat these community meetings in a few months, once new and updated information is to impart.

The most important long-term question for us remains the reinstatement of the Ashburton River flood protection. This includes the broader conversation around river rating districts and what flood protection and management look like in the future. Adversity brings opportunity, and there is an opportunity from this event to increase protection and resilience for our communities.

Selwyn

The flood event of 29-31 May brought record rainfall events to many parts of Selwyn District (particularly the foothills). Significant damage resulted to our roading and water assets, and there were significant flooding impacts on township (i.e. notably Springfield) and to many rural households.

The Springfield flooding was caused by the overflowing of Bishops Creek through the town, an event last seen in 1951. This resulted in evacuation of over 30 houses and at this stage 8 houses are still uninhabitable.

Although the damage to water assets have been repaired, (but catchments are still vulnerable), subsequent rainfall events will mean that final repairs to our roading network will take most of this calendar year to complete (at a cost of over \$5m).

The roading repairs will include bridge strengthening, culvert replacements and sealed surface reinstatement.

There is ongoing dialogue with farming groups and ECan about river management, (funding, work programmes and consenting issues). Flood recovery with individual households and welfare support will continue for some months.

Kaikōura

Nothing major to report from Kaikōura and we are acutely aware that we dodged a bullet this time compared to our neighbours. It was great to be able to provide some resource in terms of our EMO to Ashburton as part of the C10 team and a Building Consent Inspector to Buller. After all the support we have received over the last few years it was good to be able to pay it forward.

Hurunui

The main impact of the rain events in the Hurunui District was damage to roading infrastructure and in particular damage to bridge approaches, damage to fords and road washouts/erosion. Hurunui District Council is working with Waka Kotahi/NZTA to access enhanced funding support as resilient repairs are being made.

Temporary disruptions to water supplies were encountered due to flooding of intakes, high turbidity levels and flooding of pump stations, but these issues have either abated or been rectified. There were no reports of water inundation into residential properties.

Timaru

Welfare

- There were approximately 40 properties that experienced flood damage. We are liaising with Rural Support Trust and Federated Farmers to support the property owners. Six houses were yellow placarded and are being dealt with by private insurance arrangements.
- We have offered free moisture test prior to lining and private bore water quality testing.

- The Mayoral Relief fund (\$25,000) is to be distributed with applications from affected property owners to be sought this week. Issues were experienced in relation to obtaining contact information due to privacy restrictions.
- All properties have some form of accessibility for residents access and heavy transport users.
- Council infrastructure repairs, substantially roads, estimated to be \$4.5M. Waka Kotahi funding for response confirmed but still awaiting recovery cost approval
- Mid/long term another event will occur. Through the LTP our Council has doubled the annual contribution to the Emergency Fund.

Water

• Some minor damage to Orari – Rangitata stock water race but now repaired

Roading

- Total bridges damaged was 66 with 15 seriously damaged and 3 may require total replacement
- Km of roads requiring reconstruction:
 - Completely lost roads 6.9km
 - Wearing Course Renewals needed 56km
 - Metalling needed 228km
- We anticipate returning to BAU next week. Repairs are expected to take 6-12 months.

Central Government Co-investment in River Management for Flood Protection

Critical Adaptation to Climate Change for a More Resilient New Zealand

November 2018



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Front cover photo: Anzac Parade, Whanganui, Whanganui River in flood, 2015

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Executive summary

The purpose of this paper is to provide a case to support central government co-investing, alongside regional communities and directly-benefiting property owners, in river management and flood protection schemes.

Improving flood protection is a critical first action in adaptation to climate change to achieve a more resilient New Zealand.

Flooding is the most common natural hazard we all face in New Zealand. In most cases New Zealanders have been protected from the full force of flood events by river management and flood protection schemes. These provide safety and security to around 1.5 million hectares of our most productive and intensely used land and to over 100 towns and cities. They also protect the families and communities living alongside our rivers. In total, these schemes currently provide an estimated annual benefit of over \$11 billion each year. This is over five times their capital replacement value.

The total estimated capital replacement value of the 364 river management and flood protection schemes throughout New Zealand is \$2.3 billion. Annual maintenance and capital costs total close to \$200m.

Regional authority research indicates the current structures have generally been well maintained in their current configuration, and they have provided good value for money. However, the intensity and frequency of climate change-induced weather events are increasingly placing stress on the integrity and risk reduction capability of these schemes. This in turn significantly increases the risks faced by our communities and our economy and is of major concern to regional authorities.

Present regional authority long-term provision for capital and operating expenditure primarily addresses risks in a traditional way, albeit with some variation across New Zealand. Change is required. There is a critical need to provide for climate change impacts and to plant more trees. There is also a need to better protect land and assets, now valued more highly than when schemes were initially constructed. In addition, ecological / environmental / whole catchment and iwi considerations also need to be incorporated into flood scheme solutions, in a more sympathetic and systematic manner than in the past.

The outcome sought is 'fit-for-the-future', risk-aligned and environmentally-sensitive scheme infrastructure providing appropriate levels of resilience and safety to the communities and assets they protect.

Regional authorities estimate the annual capital cost of meeting these multiple objectives, particularly providing the necessary level of future resilience, would be at least \$150m beyond current \$200m levels of capital and operating expenditure. In total, the estimated need for investment in flood risk mitigation therefore totals more than \$350m per annum for at least the next ten years.

In the past, (prior to the early 1990s), the capital cost of substantial river management and flood protection schemes was commonly supported at levels of 50% to 75% by central government with maintenance and operating costs at rates of around 25%. A review of documents from the time suggests this national support typically amounted to over \$114m per annum in today's dollars.

In the three decades since then, Crown and related assets have received flood protection at a cost to regional and targeted local ratepayers, with **no contribution** from the Crown¹. These protected assets include rail and road infrastructure, some airports, education facilities, Crown land and health facilities and more broadly, the efficient functioning of the economy and communities.

Present funding arrangements are neither equitable nor sustainable for addressing present and emerging needs. The essential request to central government is for it to 'return to the table' and

¹ The Crown does not pay rates on its assets.

financially share in the task of providing necessary fit-for-the-future protection against New Zealand's primary natural hazard risk - flooding.

The national interest in doing this is clear. It is in protecting public safety, providing community resilience, mitigating risks to the national economy, and protecting nationally-significant publicly-owned infrastructure in a manner that addresses the increased risk from climate change.

The challenges are real, substantial and present now. They are also becoming more complex and difficult as time passes. A committed central government / regional authority co-investment response is required so that necessary changes can be implemented in an orderly, timely, communityfocused and adaptive manner.

An added advantage of such a change in approach is it will reflect a necessary shift in central government focus from disaster relief and rehabilitation towards 'top-of-the-cliff' mitigation of the risks faced by communities, regions and the nation. The need is for river management and flood protection schemes to be repurposed and upgraded, or renewed, to meet contemporary challenges, including adaption to cope with climate change-induced flood events. The schemes must also satisfy a wider spectrum of community, environmental, cultural and economic objectives than in the past.

In the absence of central government co-investment in mitigating risks, scheme re-design and reconstruction will not be able to deliver nationally needed outcomes. This will inevitably mean more central government funds having to be directed towards recovery and rehabilitation.

National annual funding, in the order of at least \$150 million, with a three-year ramp-up, is recommended. A long-term funding formula is proposed with:

- Co-investment of up to 75% assistance contributed by central government toward the cost of new works involving fully integrated catchment schemes, to recognise the importance of adopting a climate change adaption approach, alongside achieving a wide range of other objectives – including planting more trees.
- Co-investment of up to 50% assistance contributed by central government toward the cost of the capital works required to **upgrade existing** river management and flood protection works to enable them to be adapted to cope with climate change-induced storm events and to begin to achieve a wider range of other current and future objectives.
- Co-investment of 33% of assistance from central government toward the **maintenance** of existing scheme works in recognition of the role they play in protecting Crown assets / related infrastructure and their role in sustaining the operation of national and regional economies and communities.

The actual co-investment share at any single location should reflect a range of considerations, perhaps in a similar manner to the financial assistance rate (FAR) applied to central / local co-investment in road transport solutions.

Details about the preferred design of a co-investment model should be prepared by a central and local government officials group, supported as needed by external advice and led by Treasury. This group should be invited to provide recommendations to core ministers and regional authority chairs within three months of the receipt of this paper, including making decisions about immediate investment priorities.

It is proposed that the funding be initially provided from the Provincial Growth Fund, but it is also essential long-term co-investment arrangements be established to provide for a sustainable and systematic infrastructure programme.

Central Government Co-investment in River Management for Flood Protection

Purpose

The purpose of this paper is to provide a case to support future central government co-investment, alongside regional authorities² and directly-benefiting property owners, in river management and flood protection schemes.

The paper is supported by three appendices with case study examples, additional evidence, and further descriptive material, to support the case for river management for flood protection co-investment by central government³.

Scope

This paper focuses on natural water flowing in rivers and streams, from the catchment watersheds to the sea. The paper does not include consideration of storm water systems and the networks of water related infrastructure - often referred to as 'the three waters'.⁴

Rivers generally flow in a natural pattern across our landscape, although sometimes their flows are boosted by drainage works and sometimes their flows are constrained and channelled via river management and flood protection schemes (Figure one). It is these drainage works and river management and flood protection schemes that are the core subject of this paper.



Figure one: Schematic of river management, flood protection, land drainage services (Source: Tonkin and Taylor, March 2018)

The paper does not include consideration of works to mitigate against coastal erosion or the effect of land inundation from waves breaking over a foredune and flooding the immediate coastal lowlands behind the sand-dunes. However, the paper does include consideration of the measures sometimes required in estuary areas, where river water is held up by a storm surge until it can naturally drain to the sea.

The central government co-investment proposal, at the heart of this paper, could possibly be influenced by consideration of future local government funding options or other Government policy reviews, but there is a need for flood-risk mitigation matters to be progressed with priority and not be held up by the likely complexity of generic local government funding and related issues with territorial local authority functions.

² Regional authorities include the regional councils and the unitary district councils (the latter carrying out the functions of both a district council and a regional council). There are 16 regional authorities throughout New Zealand

³ These appendices include critical parts of a paper prepared for regional authorities by Tonkin & Taylor Ltd titled '*Hiding in Plain Sight*' (April 2018).

⁴ The 'three waters' deal with water/wastewater and storm-water that may be treated and transported in reticulation systems such as sewers, pipes and street gutters.

The challenge shared by regional authorities and central government

As a group of small islands in the 'roaring forties', weather patterns mean New Zealand regularly experiences high-intensity rainfall. On average, a major damage and loss causing flood occurs every eight months. Floods are New Zealand's most frequent and, cumulatively, most significant and most avoidable hazard.⁵

Flood hazards are most often avoided because of the efficacy of river management, drainage and flood protection schemes. Regional authority research indicates the current structures have generally been well maintained in their current configuration and have provided good value for money (Figure two). They have been generally managed in a prudent, professional and efficient manner. However, significant adjustments are now required to meet the challenges of today and the future.

Climate change adaptation

The intensity and frequency of climate change-induced weather events will substantially increase the severity and frequency of the risk of flooding.⁶ This will cause higher levels of damage to the assets located behind existing structures and to adjacent communities, with associated social and environmental costs. We have seen regular recent reminders of this⁷. Climate change will also shift the geographical risk areas for floods and make new areas, not presently managed, more susceptible to floods.

The severity of the consequences of not securing and enhancing the integrity and service levels of existing structures, and the community resilience role they play, increases every day.⁸ The increased frequency and severity of flood occurrence is influenced by several climate change-induced 'additive factors' including:

- More intense rainstorms generating higher river flows.
- Those flows causing more soil erosion.
- Higher sea levels and more significant storm surges, over-time, affecting the control conditions and significantly increasing flood heights for several kilometres up many river systems.⁹
- In combination, the above elements leading to more deposition of rocks, stone, gravel and silt in mid to lower river reaches with resultant significantly increased flood heights.

⁵ Over the past 100 years, New Zealand has experienced over 1,000 serious floods making flooding, due to intense or prolonged rain. This is the most frequent natural hazard New Zealand faces (Ministry for the Environment, 2008). ⁶ Generally, scheme designs looking to allow for climate change out to 2100 would use an increase in peak flood flows of approximately 20%. This is based on the latest NIWA report prepared for MfE (HIRDs V4). That report states for every degree of temperature increase there is a corresponding 10.1% increase in rainfall (this is called the augmentation factor). Using the RCP6 climate change scenario out to 2100 (the mid-range CO2 emission scenario) this gives a 2.0-degree temperature increase or an equivalent increase in rainfall intensity of 20%. A 20% increase in rainfall will generally translate into a 20% increase in peak flood flows. These higher flows will also give rise to increased flood heights because of higher sea levels and greater sediment flows.

⁷ The first appendix to this paper provides relevant case studies.

⁸ Lawrence et al (2013) suggest that what is considered a 40-year return period event now, will be reduced to the equivalent of an 8-year return period event by 2090.

⁹ This includes large areas of drained land on the Hauraki Plains of the Waikato region and land adjacent to Edgecumbe, which in some places is now below sea level.

Other requirements and opportunities

As a nation, we need to define an 'acceptable level' of 'climate change-induced' risk and then to put in place schemes to manage floods to achieve that level of risk. But flood management activities must now also be multi-purposed and consequently implemented in a way that:

- Better achieves integrated land use.
- Enhances ecological values.
- Improves water quality outcomes.
- Better reflects iwi and community aspirations about the management of natural systems.

We need to invest to be more 'fit for the future'. Flood protection assets are core economic enabling infrastructure for a resilient New Zealand.



Extensive inundation of Edgecumbe following the failure of Rangitāiki River stop-banks in April 2017.



*Figure two: Net Present Value of scheme benefits*¹⁰ *and operational costs by region (Source: Tonkin & Taylor, April 2018)*

¹⁰ The net present benefit / value of all schemes is \$198b in 2016 dollars. (NB 'net present benefit' is the sum of benefits in all future years expressed in 2016 dollars).

Regional Authorities' River Managers Special Interest Group

Regional authorities have the capacity to get the job done if the money is available to meet necessary 'agreed risk profile' programmes. A planned, carefully prioritised and inter-regional response approach is proposed – noting that in some locations the solution may be more complex than in other locations.

As part of this planned approach, the regional authorities' River Managers' Special Interest Group has developed a 'Five Year Sector Resilience, Sustainability and Improvement Plan' for flood protection, river management and drainage. As part of this Plan, a work programme has started that covers four key areas:

- Working together across the sector, including seeking co-investment with central government.
- Practices, methodologies and standards.
- Recruitment of quality people.
- Communications and creating an enabling environment.

The challenge

The essential challenge is this: the cost of construction and maintenance of schemes to meet future 'acceptable levels of risk' is beyond the reasonable capacity of ratepayers alone, to provide. Exacerbating this situation is that ratepayers are increasingly bearing a disproportionate share of scheme costs when compared to who benefits. In addition, regional communities face significant constraints on their ability-to-pay to achieve the multi-objective demands now required to be served by their river management for flood protection schemes. Central government needs to come to the party.

A brief history of river management for flood protection

New Zealand previously led the world with its recognition in 1941 that land and water management for flood protection needed to be catchment based. The purpose of the Soil Conservation and Rivers Control Act 1941 is ... 'to make provision for the conservation of soil resources and the prevention of damage by erosion, and to make better provision with respect to the protection of property from damage by floods'. This statute led to joint investment by central government, regional communities and directly-benefiting property owners, in river management, drainage and flood protection schemes.

Most river management, drainage and flood management schemes were constructed up to half a century ago. The value of the assets protected by these schemes has incrementally increased and is now very large. The type of land use activity carried out on this protected land is more intense than that envisaged at scheme design and construction and the scale of urban development has intensified. A fresh perspective on the important role played by schemes is now required.

Prior to the early-1990s, the capital cost of river management and flood protection schemes was commonly supported by central government at rates of 50 to 75%¹¹. Maintenance, to ensure the integrity of the performance of these schemes, typically received 25% support from central government. Collectively, this level of support amounted to around \$40m per annum from central government. That is equivalent to over \$114m per annum in today's dollars.

Since the early to mid-1990s, river management and flood protection schemes' funding has relied almost entirely on regional and directly-benefiting property owners via targeted rates. By comparison, internationally, including in Europe and the UK¹², most developed countries currently have significant levels of central funding for flood protection activities, in recognition of the national benefits they provide¹³.

¹¹ We would note that the Waihou Catchment control scheme – a very large whole catchment scheme (and the largest addressed in a holistic manner in the country), received an 87.5% government grant.

¹² In the United Kingdom the current Environment Agency programme, which runs from 2015-16 to 2020-21, includes 1,136 flood and coastal erosion projects at a projected total cost of just over £6bn.

¹³ It is acknowledged that the central / provincial government responsibilities in Europe vary from those applied in New Zealand. The principle emphasised here is that European countries tend to give higher recognition to the national benefits of river management for flood protection than in New Zealand.

Current central government role

Central government's current role is more as the ambulance at the bottom of the cliff than as a health / wealth assister and advisor at the top of the cliff. Government's role is now focused on disaster response, relief and rehabilitation. Funding arrangements are generally applied after the event. Anticipatory central government funding to reduce risk and prevent future losses is minimal.¹⁴

More particularly, central government currently has two roles. Firstly, it has an enabling role - to ensure regional authorities have the power to manage hazards, including flooding. Key legislation includes the Local Government Act 2002, Resource Management Act 1991, Soil Conservation and Rivers Control Act 1941, Drainage Act 1908 and the Civil Defence and Emergency Management Act 2002.

Secondly, when an event occurs of a size beyond local government's ability to cope, central government assists with response measures and provides financial assistance to speed up recovery. This assistance is per the National Civil Defence Emergency Management Plan 2006. If a major flood damages critical infrastructure, then central government will also meet up to 60 percent of the asset's repair cost, once damages reach a certain threshold, although we understand this level of assistance is now under review.¹⁵

Assets protected

River management and flood protection schemes provide outstanding value to the New Zealand economy¹⁶. Over 100 towns and cities across the country have families and communities living alongside rivers or on flood plains that are protected. In total, river and flood protection structures protect around 1.5 million hectares of land or 5% of New Zealand's land area.

This land is where a very high proportion of our economic enterprise takes place. It includes areas of highly productive primary sector enterprise, as well as large and small urban areas of significant value to the New Zealand economy.

Schemes are designed and constructed to achieve defined performance expectations, based on expected land use. Where a flood event exceeds the design capacity, there will be resultant flooding and damage. The 2004 Manawatū floods provide an illustration of the extent of the types of costs incurred because of this damage. Insured losses from that event were \$112 million. However, the cost to the agricultural sector alone in uninsured losses (lost production and uninsurable rehabilitation costs) were calculated at \$185 million.¹⁷

The Tonkin & Taylor report '*Hiding in Plain Sight*' (March 2018)¹⁸ suggested the schemes provide an estimated Net Present Benefit of over \$11 billion each year. This benefit value has increased markedly

¹⁴ For example, central government may provide funding for research through the science system to provide some limited guidance to the role played by regional authorities. In addition and in rare circumstances, NZTA has entered into arrangements with regional authorities to contribute towards the cost of river management works to protect state highways.

¹⁵ Government may also provide aid to parties affected by flood events, within the terms and conditions defined in the On-Farm Adverse Event Recovery Policy administered by the Ministry for Primary Industries.

¹⁶ See the information included as part of the extract from Tonkin & Taylor in the appendix.' See also Figure one included earlier in the current paper.

¹⁷ The cost of emergency services and infrastructure repairs during the 2004 Manawatū floods was put at a further \$90 million. The flood was modelled as having a 150-year return period.

¹⁸ The reason underpinning the use of this '*Hiding in Plain Sight*' title is relevant to the issue being addressed in this paper. The protection provided by engineered infrastructure, located at the heart of river management and flood protection schemes, is not usually visually intrusive and is not often apparent as they 'do their job,' perhaps only once or less a year. Consequently, the protection provided by such schemes is very much taken for granted by New Zealanders, despite the increasing risks currently faced.

since the schemes were constructed, because of the advent of a full range of more intensive land uses and associated property values.

It is somewhat ironic that while flood protection schemes have been extremely good investments, the analysis also implies that under-investment has probably occurred since their construction. With the value of protected property ramping up in recent decades, there should generally have been a commensurate ramping up of protection service levels, to achieve significantly higher levels than original design. This has only occurred variably.

Adding complexity are climate change impacts on protection levels. These climate change impacts are effectively reducing protection service levels at many locations, particularly where scheme improvements have not been progressed.¹⁹ More people are now being exposed to risks to their safety.

Protection of Crown assets

One of the effects of central government being narrowed to the roles described earlier is that, for three decades, Crown owners, and other infrastructure asset owners have received asset protection at a cost to regional and targeted local ratepayers.²⁰ These protected assets include rail and road infrastructure, lifeline infrastructure including power lines and water supply and sewage networks, some airports²¹, communication services, schools, hospitals, universities and public conservation land.

Estimates by Ericksen (1986) cited by the NZIER (2004) show that for floods in Nelson and New Plymouth in 1970 and 1971, losses associated with central government works and services (roading, railways, bulk power supply, flood control and drainage works) amounted to 49 per cent of the total value of all direct losses.

The Leith Flood Protection Scheme in Dunedin plays a large role in protecting the CBD from flooding. This includes the protection of education facilities (University of Otago and Otago Polytech) and the sites for the new Dunedin hospital, public reserves, residential and commercial areas. The capital value of Crown properties and non-relatable University land and assets, in the area protected by the Scheme, is 35 per cent of the total assets in the area. The benefit received from flood protection is equivalent to the level of economic impact avoided. Six months after the 2006 Leith flooding event, the total economic impact on Dunedin was \$154m.²²

Asset value and budgeted expenditure

The total replacement value of the 364 river management and flood protection schemes throughout New Zealand is estimated at \$2.3 billion.²³

Regional authority Long Term Plans for 2015 to 2025 show budgets for operating expenditure of at least \$1 billion and, in addition, capital expenditure of at least \$1 billion for this ten-year period. This excludes depreciation.

These budgets are, to varying degrees, based on a continuance of the same design paradigms as were applied when the schemes were initially constructed. They do not reflect the quantum and systemic

¹⁹ Schemes are facing a 'pincer' challenge, where simply maintaining current assets is seeing climate change erode service levels. Ideally service levels should be substantially increasing to protect the more valuable public and private assets located behind the protection infrastructure.

²⁰ The capital value of Crown properties and non-relatable University land and assets in the area protected by the Leith scheme in Dunedin is 35 per cent.

²¹ Airports such as those at Christchurch are located on flood plains. Many New Zealand airports are 50% owned by the Crown.

²² 'Benefits of the Leith Lindsay Flood Protection Scheme to Crown Properties', prepared for Otago Regional Council by Market Economics, April 2011

²³ Source: Tonkin & Taylor report '*Hiding in Plain Sight*' (April 2018).

change needed to recognise emergent contemporary challenges, particularly the incremental impacts of climate change.

Regional authorities are concerned they are on the cusp of a significant 'infrastructure deficit' that will just get worse unless acted upon. There is a massive renewal programme ahead of them, not simply a maintenance programme, nor simply replacing existing infrastructure with 'like for like'.

The schemes operate in a living environment. They are subject to wear-and-tear and now must endure increased loading from the changing nature of weather events and the increasing value of the assets they protect and the public safety they provide.

Additional investment is needed to enable the schemes to be fit-for-purpose for the next generation. There is not enough ability-to- pay in the regions to meet the cost of the change now needed to provide appropriate flood risk mitigation, in a manner that is equitable and achieves broader national outcomes.

Flood risk management – shared investments and shared outcomes

Regional authorities have hard choices to make. Existing schemes and new areas of land need significant investment to sustain even their current levels of river management for flood protection service, let alone meet future challenges. Any capital investment should be equitably shared. Funding to do this should come from all of those who benefit – both directly and indirectly.

To avoid a worst-case flood disruption scenario, scaled-up central government and regional authority investment in risk reduction measures will be required.

The priority objective is to create resilient communities and places where future generations can safely live and undertake economic enterprise. Companion objectives include:

- Support for well-functioning ecosystems.
- Improved water quality.
- Satisfaction of the expectation of our communities and iwi partners that our rivers will be managed as national treasures.

Higher levels of resilience against the risks of extreme floods will also contribute to the full suite of Government objectives, including investment certainty and social cohesion. These benefits will be expressed in all regions, not just the 'richer' regions.

The cost of flood hazard events may be counted not just in terms of the cost of replacing buildings, other property losses and the real risk to life and social disruption. There are also other tangible costs such as the number of hours or days businesses cannot operate at full production. In addition, flood costs have both an immediate and sometimes an on-going effect on people's lives. This includes their willingness to want to continue to live and invest in areas subject to hazards.

In addition to the above points, there are several other reasons to support a government decision to reconsider the range of roles it should fill in funding river management and flood protection schemes.

Unfunded liability

The government's 2015 'Thirty Year Infrastructure Plan' noted average annual costs of responding to flood events now exceed \$50 million. While necessary, this may be viewed as sub-optimal expenditure in that it occurs after the storm event. As such, it does not minimise future risk to the community or

central government. This 'after event' focus also means government bears an excessive unfunded future liability in its fiscal accounts.

The severity of the consequences of not securing and enhancing the integrity and service levels of existing structures, and the community resilience role they play, increases every day. The fiscal consequences for government of not proactively investing at the top of the cliff are growing at a similar rate. It is only a matter of time before lives are lost.

Consistency with election priorities

The current emphasis on remedy after the flood event, and therefore an implicit acceptance of often irreversible asset destruction, is contrary to clearly stated coalition government election promises including:

- Lifting the productivity potential of the regions.
- Job creation.
- Social inclusion.
- Healthy and cohesive societies.
- Improvements to the well-being of all New Zealanders.
- Improvements to the environment we live in.

There is also an alignment between investment in river management for flood protection responsibilities and government's water quality, carbon sequestration and the 'whole-of-catchment' climate change adaptation programmes and policies. This includes the commitment to plant one billion trees.

Provincial Growth Fund

Establishment of the Tuawhenua Provincial Growth Fund (PGF) is an early commitment by the government. The Cabinet Paper on this fund notes:

- Nearly half of New Zealand's population lives outside the main urban centres.
- Areas outside the main urban centres generate around 40 per cent of the country's economic output.
- If the provinces are not doing well, New Zealand's overall economic performance will be affected.
- Diversification of the economy will make it more environmentally sustainable.

With the above points in mind, the government committed to invest \$1billion dollars per year, for three years, to support regional economic development. This was viewed as an essential component of its economic strategy for the benefit of all New Zealanders. River management for flood protection should be viewed as a critical 'infrastructure' component, underpinning and contributing to this objective and therefore, should be funded through the PGF in the short term.

The value of new investment in other regional infrastructure, including that made with the assistance of the PGF, will be at risk if there isn't commensurate investment in infrastructure protection. Managing flood hazards is a critical element of this protection.

Treasury's Living Standards Framework

Treasury's Living Standards Framework has moved towards a 'four capitals' approach inclusive of:

• Natural capital, with reference to all parts of the environment needed to support life and human activity.

- Financial / physical capital, with a direct role in supporting incomes and material living conditions.
- Human capital, with reference to the things which enable people to participate fully in work, study, recreation and society.
- Social capital, with reference to the norms and values that underpin society.

All elements of the new Living Standards Framework imply the need for active investment in the management of flood risks.

Resource Management Act 1991 and Treaty Settlements

The Resource Management Act was amended in 2017 to provide for the inclusion of natural hazards, as a matter of national importance. The Cabinet Paper to support this change indicates the provisions will help 'ensure that development does not occur in areas where the community deems risks from natural hazards to be too high, unless the management of those risks has been adequately addressed'. This implies recognition of a need for government to more actively consider the role it plays in the management of flood risks.

The RMA also places costly obligations on scheme owners and managers to meet environmental and cultural obligations.

In addition, numerous Treaty settlements impose similar obligations that have introduced added complexity and costs to the task of designing and managing river management and flood protection schemes.

Australian Productivity Commission

The Australian Productivity Commission suggests, by implication, that the principles underpinning the current New Zealand approach deserve re-examination. Its recommendation to the Australian government is that the government adopt a formula for allocating mitigation funding to achieve the greatest net benefits, after considering the future risks of natural disasters. With this point in mind, the Commission called for the Australian government to increase annual mitigation funding contributions to state and territory governments by \$100 million in the first year, then to \$150 million in the second year and \$200 million in the third year.²⁴ New Zealand should take a lead from this precedent setting Australian recommendation.

The Sendai Protocol

The Sendai Risk Management Protocols of the United Nations agreed in 2015, to which New Zealand is a signatory, recognise the importance of investing in risk mitigation activities. The National Resilience Strategy being developed by the Ministry of Civil Defence and Emergency Management aligns with the Sendai Protocols.

The Sendai Protocols reflect four priorities:

- Priority 1: Understanding disaster risk.
- Priority 2: Strengthening disaster risk governance to manage disaster risk.
- Priority 3: Investing in disaster risk reduction for resilience.
- Priority 4: Enhancing disaster preparedness for effective response and a commitment to "Build Back Better" as part of recovery, rehabilitation and reconstruction.

These priorities clearly imply a need for central government to play an active role in risk mitigation.

²⁴ This recommended 'federal' commitment is on top of commitments already made at the state and local levels.

Summary – reasons for central government co-investment

In summary, the reasons for a return to active central government co-investment in flood risk mitigation are that it:

- 1. Is more fiscally responsible and fair than focussing on post event response and recovery.
- 2. Reflects Treasury's new performance measurement and Living Standards Frameworks.
- 3. Is supportive of wellbeing and social inclusion and reflects equity / ability to pay considerations.
- 4. Is supportive of job creation and lifting the productive potential of the regions.
- 5. Contributes to the security of access routes (rail and road) for commerce.
- 6. Directly protects Crown assets.
- 7. Contributes to investment 'opportunity costs.'
- 8. Works against the risk of escalating insurance premiums or the risk of insurance companies refusing to provide insurance cover in flood risk areas.
- 9. Contributes to the environmental and water quality expectations of our communities and iwi partners.
- 10. Provides for resilience and adaptation against the effects of climate change-induced 'abovedesign' storm events.
- 11. Above all else, provides resilience and increased levels of safety to existing and future individuals and communities.



Waimarama Bridge North, Hawkes Bay Floods 2011

Methods for moving forward

The options for the future range from a 'business as usual' approach, to managing the retreat of some land uses and communities from certain areas, to the construction of enhanced infrastructure-based solutions in association with whole-of-catchment solutions.

For all situations, options need consideration within the context of present day reality. And as is the case with many complex issues, it is important that a full range of risk reduction methods are applied in tandem.

Business as usual (not recommended)

Maintaining existing scheme service levels²⁵ is not tenable, nor practical, because the influence of climate change is such that current levels of resilience will continue to be eroded. This, in turn, will result in:

- Increased risk to public and private local, regional and national assets.
- Increased demands on emergency and recovery funding.
- Increased insurance premiums.
- Increased risks to public safety and a risk to life.
- Increased numbers of communities unable to get insurance.
- Increased community and personal hardship and distress.
- Increasingly negative impacts on local, regional and national economies and the environment / ecological and iwi values.

Community / planned withdrawal (may be possible at some locations)

This option proposes to reduce risk by reducing activity in flood risk prone areas. But asking residents and businesses to withdraw from locations at risk of being flooded, particularly when this relocation involves urban communities, is extremely difficult.

The sunk costs of existing investments are very large and the impact on land owners of allowing rivers to flow more freely will extend both upstream and downstream of the 'run free' location. The social and political disruption associated with this option is likely to make it unpalatable in many cases. Nevertheless, there will be some locations within catchment schemes where this solution must be considered an acceptable part of a more holistic approach.

Whole of catchment (recommended)

The desires of iwi and broader regional and national communities are that regional authorities apply river management in a more environmentally benign / ecologically sensitive manner than in the past.

Integrated and sustainable land management or 'whole-of-catchment' approaches have always been a core part of regional authority business. More substantial investment in whole-of-catchment solutions will be required in the future. This option can reduce the level of sedimentation and erosion occurring within our catchments. It will also improve the water quality in our rivers, estuaries and coastal waters and contribute to biodiversity values.

To successfully adopt and achieve a 'whole-of-catchment' approach requires extensive outreach work beyond that needed for a regional authority working with its community to design, gain agreement to

²⁵ A 'Service Level' is calculated using one of three methods: a scope of physical works agreed with the affected community; or a scope of physical works with a target capacity e.g. a maximum channel flow and; or a scope of physical works with a level of performance defined in terms of a target return period e.g. a one in one-hundred-year event.

and construct improved flood control schemes. This requires one-on-one work with landowners to alter land use practices and internal property infrastructure and change enterprises to achieve more benign long-term water and soil and environmental outcomes.

Part of this work will involve planting trees. The one billion trees programme will be an important contributor to these 'whole-of-catchment' solutions because, alongside other current initiatives, it will:

- Accelerate application of sustainable land use practices.
- Promote the conversion of some areas from pastural uses into indigenous forest.
- Promote more extensive riparian planting.
- Accelerate careful consideration of the use of some areas for Mānuka planting and honey production.
- Promote expanded plantation forestry in suitable locations.
- Help to forestall the risk of transferring this generation's 'challenges' into compounded problems for the next generation.

Enhanced infrastructure in association with whole-of-catchment solutions (preferred)

Sustainable land use is an essential ingredient of flood risk management. Investment in sustainable land use also needs to be increased but, no matter how successful, it cannot and will not on its own, provide the necessary level of protection to productive land and communities at levels desired by communities.

This is because more sustainable land uses will have only a minor effect on the increasing amount of rainfall from the inevitable and more intense, climate change-induced storms that will then need to be transported by our rivers and streams. Enhanced river management for flood protection infrastructure must be built into the solution, together with the occasional use of 'planned withdrawal'.

Request to central government

Regional authorities seek a central government commitment to co-invest, with regional authorities and other directly-benefiting property owners, in improving the integrity and resilience of flood risk mitigation infrastructure. This should be alongside the wide-spread and comprehensive adoption of whole-of-catchment solutions²⁶.

Collectively, such an approach will better achieve integrated land use, enhanced ecological values, improved water quantity and quality outcomes and, generally a better reflection of iwi and wider community aspirations about how natural systems should be managed.

Regional communities and directly-benefiting private property owners cannot fund the necessary stepchange needed to manage increased flood risks, in the more sophisticated manner set out above, on their own. Central government and regional authorities must equitably share the task of addressing this challenge. This is not about failure or blame about the efficacy of current systems. All of us are facing the challenges of climate change. A new co-investment and funding partnership approach with central government is sought²⁷.

Regional authority river engineers have engaged in an active 'foresight' process to estimate spending of \$374m / year is required to ensure river management and flood protection schemes are 'fit for the future'. Regional authority Long-Term Plans (2018-2028) currently indicate operational and capital

²⁶ The co-investment propositions outlined in this paper do not include provision for soil conservation planting and or steep land retirement. These provisions are currently being separately considered by MPI. Budgets for these complimentary activities could be sensibly combined to the proposed programme outlined in this paper under the later described 'new works involving fully-integrated catchment schemes' category (see details provided later in this paper).
²⁷ Regional authorities acknowledge that, alongside a government decision to co-invest in river management and flood protection schemes, there is a need to establish related funding-accountability measures.

expenditure of approximately \$200m / year. The shortfall required to make this step-change is therefore estimated at \$174m / year. Central government co-investment of \$150m per annum, with an incremental ramp-up to this level over the first three years and expenditure at this level for ten years, is viewed as a pragmatic contribution to this necessary expenditure.²⁸

The actual co-investment share at any single location would reflect a range of considerations, perhaps in a similar manner to the financial assistance rate (FAR) applied to central / local co-investment in road transport solutions.

It is proposed that the Provincial Growth Fund (PGF) provide a short-term central government funding solution. This is because investment in flood risk reduction will contribute to at least four of the five strategic priorities sought from this programme, namely:

- Encouraging jobs and **sustainable economic activity that is innovative, diverse and high value:** This includes lifting productivity and wages, enhancing natural capital and ecosystem services, and delivering a' just' transition to a low carbon economy.
- Achieving more prosperous and equal outcomes for New Zealanders and New Zealand's regions by enabling more people to fully participate in work and society: This includes supporting regions to thrive and supporting Māori aspirations and growth in the Māori economy.
- Encouraging more **environmental sustainability:** This includes supporting more productive use of land, water and other resources through **climate change action**.
- Investing in **resilience by investing in critical infrastructure to support sustainable growth:** This includes infrastructure such as river management and flood protection schemes noting the value these schemes provide to support environmentally sustainable economic growth.

Beyond the PGF, a long-term embedded and budget-based solution is essential to provide for a planned and systematic programme for the provision of 'fit for purpose' flood protection infrastructure. This may include consideration of the redirection of existing 'response' funding toward mitigation investments.

Possible funding formula / levels of co-investment

A long-term funding formula is proposed with:

- Co-investment of up to 75% assistance contributed by central government toward the cost of new works involving fully-integrated-catchment schemes, to recognise the importance of adopting a climate change adaption approach, alongside achieving a wide range of other objectives.
- Co-investment of up to 50% assistance contributed by central government toward the cost of the **capital works required to upgrade existing** river management and flood protection schemes to enable them to be adapted to cope with climate change-induced storm events and to begin to achieve a wider range of other current and future objectives.

²⁸ \$200m is the sum committed by regional authorities per annum, for the next ten years, toward scheme operational and capital needs. \$174m is the sum that regional authorities estimate is the expenditure required to climate change-proof and generally future-proof schemes – over and above the \$200m per annum they have already committed (PS additional information can be made available by regional authorities, if required, to support these assumptions). \$167m is the sum central government could co-invest if the central government co-investment funding formula outlined later in this paper is applied in full. Notwithstanding all-of-the-above points, \$150m per annum is the pragmatic sum sought from central government as a co-investment partner. Any shortfall in funding to meet the desired scheme 'future-proof' status may be contributed through increased regional rates and increased rates on directly affected private properties.

 Co-investment of up to 33% of assistance from central government toward the maintenance of existing scheme works²⁹ in recognition of the role they play in protecting Crown assets / related infrastructure and their role in sustaining the operation of national and regional economies and communities.

Although variable, indications are that for any year, approximately half of the total annual spend would comprise works in the maintenance category, with the balance being split approximately evenly between the first two categories of expenditure.

Details about the preferred design of a co-investment model could be provided with the assistance of a central and local government officials group, supported as needed by external advice and led by Treasury. This group could be requested to provide its recommendations to core ministers and regional authority Chairs and Mayors within three months.

The matters for consideration by the proposed joint officials group could include the:

- Total quantum of capital and operational or maintenance investment required over the next ten years to meet desired levels of flood 'risk protection'.
- Quantum of a co-investment contribution from Central government over the next ten years.
- Design parameters for a graduated grant regime.
- Need for new regulatory tools and allied mechanisms to assist achievement of 'planned withdrawal / adjusted land uses for some locations.
- Projects requiring immediate and priority investment.³⁰



Main road bridge washed out during March 1986 Otekaike River flood.

²⁹ Consideration should also be given to co-investment in the restoration of damage to flood schemes caused by a significant flood event, alongside and distinct from co-investment in normal maintenance.
 ³⁰ Applications have already been lodged for assistance from the Provincial Growth Fund for river management and flood protection projects in Gisborne, the West Coast and Northland. These deserve priority, but they also require consideration within a coherent framework.

Conclusion

There is a strong case for central government reconsideration of the role it needs to play in flood risk mitigation, alongside regional authorities. The Crown owns assets protected by schemes and shares in the benefits schemes provide but makes no funding contribution to their maintenance and improvement.

The essential request to central government is for it to 'return to the table' to share financially in the task of providing fit-for-purpose protection against New Zealand's primary natural hazard – 'flooding'.

This is at a time when schemes also need to be re-purposed, modified and upgraded, or renewed to meet contemporary challenges including adapting to climate change pressures and meeting a wider spectrum of community environmental, cultural and economic needs. Our schemes must be 'fit for the future' to allow New Zealanders to go about their business without the fear and disruption caused by floods.

The proposed central government co-investment of \$150m per annum reflects the national interest in protecting public safety, providing community resilience, mitigating risks to the national economy and protecting nationally-significant publicly-owned infrastructure.

Flood risks are real, and they are trending upwards, as are the effects on the communities who live and work on these flood plains. A committed central government / regional authority response is required now so that necessary changes can be implemented in an orderly, timely, community-focused and adaptive manner.

To achieve these shared and sought-after objectives, regional authorities urge central government to work with them to reach agreement about location-specific, short and long-term combined investments to address increasing flood risks.

A joint central government / regional authority officials group should be established to work though the design details for implementing the co-investment programme, and to make decisions about immediate investment priorities. They should be given three months to report back.



West Coast flooding March 2016 – image credit stuff.co.nz

Appendix 1: Case Studies

Introduction

Ten case studies have been selected from throughout New Zealand to describe the relevance, value and future challenges faced by managers of current river management and flood protection schemes. These case studies are:

- 1. Lower Waikato and Waihou-Piako schemes (Waikato Regional Council).
- 2. Franz Josef (West Coast Regional Council).
- 3. Kaitāia Flood Resilience Scheme (Northland Regional Council).
- 4. Hutt River Scheme (Greater Wellington Regional Council).
- 5. Ruamahanga River (Greater Wellington Regional Council).
- 6. Matarawa, Porewa and Tutaenui Flood Control Schemes (Horizons Regional Council).
- 7. Rangitāiki River Scheme (Bay of Plenty Regional Council).
- 8. Waipaoa Flood Control Scheme Upgrade (Gisborne District Council).
- 9. Leith Flood Protection Scheme (Otago Regional Council).
- 10. Canterbury Scheme reviews (Environmental Canterbury).

Each of the case study river management and flood protection schemes described below contribute to all eleven of the national objectives listed in the primary part of this paper but to varying degrees. Comment is made, in each of the case studies, about the most important 'national contribution' aspects of each of the schemes.

Lower Waikato and Waihou-Piako schemes (Waikato Regional Council)

Waikato Regional Council's flood protection schemes have been developed over the last 80 years. They primarily consist of stop-banks, pump-stations and floodgates, across eight management zones. They have a replacement value of \$580m. The schemes are supplemented by a range of privately owned land drainage assets.

Additional to the Lower Waikato and Waihou-Piako schemes, Waikato Regional Council also maintains several flood protection assets in the Coromandel and Taupo Districts.

The following challenges have been identified as affecting the schemes managed by Waikato Regional Council:

- Ageing of assets and impact on levels of service.
- Increasing environmental and regulatory performance expectations.
- Ability to cope with extreme climate change-induced flood events.
- Risk of natural disasters.
- Economic conditions and affordability.
- Protection of opportunities for growth and development.
- Business continuity.



Overtopping of the stop-banks and inundation of Hauraki Plans by the Piako River flood in April 2017 (NB This 100-year flood event far exceeded the 50-year flood-event design capacity of the existing scheme).

The current 'generally applied' analytical model applied to funding schemes does not accurately reflect the full incidence of costs and benefits. By contrast, a benefit-cost analysis (BCA) case study of the Lower Waikato and Waihou-Piako schemes includes ecosystem services, to reflect the importance of valuing natural capital alongside human capital, social capital and financial/physical capita. The Treasury 2018 Investment Statement – 'Investing for Well Being' *He Puna Hao Patiki* has therefore selected the Waihou-Piako approach as one of its case studies to demonstrate the merit of this approach.



State Highways are increasingly under pressure during flood events, as occurred on State Highway 25 near Thames on 8 March 2018

The drainage of wetlands and the subsidence of peat soils are examples of the environmental costs arising from these schemes. Plantings and the stability control measures applied within scheme design represent the environmental benefits. These include reductions in sedimentation and thereby, improvements in water quality outcomes.

Council's preferred approach to scheme management is generally based around continuance of present asset management practice and policy, while looking for opportunities for targeted improvements.

Council's forecast expenditure in relation to the management of flood protection and land drainage assets over the next 50 years is \$1,983.7m, split as follows:

- Capital expenditure: \$637.2m
 - \$629 million on renewals
 - \$8.2 million on new capital
- Operational expenditure: \$1,346.5m



A major issue is that the deep marine mud soils have limited load carrying capacity, leading to stop-bank stability issues as shown above near Ngatea. More expensive sheet piles provide a solution

The primary reasons for active central government co-investment in the Waikato schemes are:

- Supportive of job creation and lifting the productive potential of the regions (the area is prime quality dairying land).
- Contributes to the environmental and water quality expectations of our communities and iwi partners (fish passes etc. are required).
- Equitable contribution to recognise the scheme's protection of Crown assets.

Franz Josef (West Coast Regional and Westland District Council)

Franz Josef is vitally important for tourism. It faces increasing major flood risks.

There are only 510 residents in the wider Franz Josef area but over 500,000 visitors stay at Franz Josef each year and use the town's hotels, restaurants, council infrastructure, and visitor activities. Estimated expenditure in 2016 was \$122m. The night-to-resident ratio is 2.9 visitor nights, per day, per resident.

Tonkin + Taylor and EY were commissioned to undertake a Natural Hazards Option Assessment and Cost-Benefit Analysis of the Franz Joseph scheme to obtain evidence for future river management for flood protection decisions. Key options being considered are:

- Moving the township to Lake Mapourika.
- Decreasing stop-bank management, thus allowing the river to fan out in its natural pattern. (NB This option includes relocating the state highway. This will reduce long-term flooding risks and management costs but has significant up-front costs).

Annual current maintenance costs of around \$50,000 per year are paid from the Rating District plus another estimated \$50,000 from NZTA bringing the total to around \$100,000. When a large flood hits, it

is estimated \$800,000 to \$1,000,000 of work will be needed to simply maintain the scheme at its existing design level.



State Highway 6 was closed, and 70 staff and guests were evacuated from the Scenic Circle Hotel when the Waiho River breached its banks in March 2016.

The primary reasons for active central government co-investment in the Franz Josef scheme are it:

• Is supportive of wellbeing and social inclusion and reflects equity / ability to play considerations.

- Is supportive of job creation and lifting the productive potential of the regions (the area is a sought-after visitor destination).
- Directly protects government assets (The state highway is protected and, therefore, the effective functioning and connectivity of the economy throughout the West Coast is sustained. NB the 2016 floods prevented traffic from flowing between areas located North and South of Franz Josef).

Kaitāia Flood Resilience Scheme (Northland Regional Council)

Kaitāia township is surrounded by stop-banks and flood-ways constructed from the 1900's through to the 1960's.

The current flood scheme provides protection for only up to a 1 in 30-year flood event. The stop-banks are unstable. A 2003 flood came close to overtopping the existing flood-banks.



Loss of road access to local communities during 2003 Kaitaia flood event.

A planned scheme upgrade will provide resilience to 1 in 100-year standard. The estimated damage to Kaitāia of a future 100-year flood without additional scheme works is \$156m. Total project investment is \$15.2m.

Funding contribution requests include: Northland Regional Council: \$7.6m (50%) and Provincial Growth Fund (PGF): \$7.6m (50%).

Northland Regional Council has recently approved a change to its Long-Term Plan to enable it to contribute a greater share from a general rate, with now a 70 per cent general rate funding basis established (compared with zero% previously).

The initial PGF funding request is to assist with an immediate start on the detailed design, progressing property purchase negotiations and commencing physical works.

PGF assistance is viewed as an opportunity to significantly bring forward completion from an earlier estimate of 2026.

Māori population account for 50 per cent of the population of Kaitāia (2013 Census).

The community struggles with affordability for the project due to high unemployment and significant social challenges. The project will protect major industries (including the Juken Triboard Mill) that provide employment opportunities to the wider Far North community.

The planned scheme includes providing improved flood resilience for State Highway 1 which is an essential lifeline.

Northland Regional Council has been working on this project for several years as part of a larger "Priority Rivers Flood Risk Reduction Project". The project will also reduce floodwater stored in Lake Tangonge (a drained lake bed) during flooding events by diverting floodwater to the Awanui River and Rangaunu Harbour.

The primary reasons for active central government co-investment in the Kaitāia scheme are it:

- Is supportive of wellbeing and social inclusion and reflects equity / ability to pay, considerations.
- Is supportive of job creation and lifting the productive potential of the regions (the area is a critical provider of employment opportunities).

Hutt River Scheme (Greater Wellington Regional Council - GWRC)

The Hutt River Scheme has been improving the level of security for flood protection in the Hutt Valley and to Lower Hutt City since 1995.

The current 'RiverLink' project is the most recent part of these works. This was estimated to cost \$80M in 2001. The objective was to increase the current level of flood protection from a 65-year return period level of protection to the design standard of 1:500 years once completed and thereby provide an allowance for climate change to 2100.

The project reflects high levels of co-operation between its partners: Greater Wellington Regional Council; Hutt City Council and; the NZ Transport Agency. Each partner has a focus area: flood protection for Greater Wellington; urban rejuvenation for Hutt City; and better regional transport links for the NZ Transport Agency.

Addressing this does not however address an issue faced at the seaward end of the system in the Waiwhetu / Seaview and Petone area. The combination of increased rainfall and rising sea-level makes finding a solution to this problem challenging. The figures from the Parliamentary Commissioner for the Environment report on the impacts of climate change in New Zealand³¹ suggest that structural measures are unlikely to be sustainable in this area and some form of managed retreat or land use change may be required.

Managed retreat is something that will need a joint approach with central government/local government/landowners/business.

The primary reasons for active central government co-investment in the Hutt scheme are it:

- Contributes to the security of access routes (rail and road) for commerce.
- Contributes to the environmental and water quality expectations of our communities and iwi partners.
- Provides for resilience, adaptation and increased levels of safety against the effects of climate change-induced 'above-design' storm events.

³¹ 'Preparing New Zealand for Rising Seas: Certainty and Uncertainty', Parliamentary Commissioner for the Environment, November 2015.



Hutt City centre with a 25-year flood event in January 2005



Hutt River erosion adjacent to State Highway two during a small annual flood event in June 2018



An impression of what the Hutt River riverbank could look like once flood protection works are completed.

Ruamahanga River (Greater Wellington Regional Council)

The Ruamahanga River Scheme (Lower Wairarapa Valley Development Scheme) was developed by central government from the mid-1950s through to the mid-1980s with the primary purpose, at the time, of increasing productivity. It has been extremely successful in achieving this outcome, but the future challenges of climate change, coupled with a desire now for a better environmental outcome and trying to address lwi aspirations imply a need for inputs beyond the resources and affordability of the local community.

Currently there are several initiatives in front of the community including the Ruamāhanga Whaitua Committee's desire to further develop kaitiaki roles. Restoring the mauri of the wetland area is a part of what kaitiaki expect as one of their responsibilities. Restoration projects to restore the balance of nature on the public land are supported by farmers and the wider community, with the Department of Conservation, iwi, regional and local councils working together to protect the wetlands for future recreational enjoyment.

Six wetland waterbodies located in Wairarapa Moana have been selected to be restored and monitored as part of the 'Fresh Start for Freshwater' Program. Fish are one of the variables to be monitored as indicators of restoration success.

Local and regional ratepayers are currently contributing considerable sums of money and are looking for a contribution from central government to recognise the national benefits of this work.

The primary reason for active central government co-investment in the Wairarapa Moana area is therefore that it:

- Contributes to the environmental and water quality expectations of communities and iwi partners.
- Is supportive of job creation and lifting the productive potential of the regions (the area is a critical provider of employment opportunities and is a prominent agricultural region).
- Is beyond the ability of the adjacent land owners to fund.


Extensive 'environmental enhancement' planting as part of the Lower Wairarapa Valley Development Scheme.

Matarawa, Porewa and Tutaenui Flood Control Schemes (Horizons Regional Council)

This scheme comprises a series of flood detention dams built, with substantial central government funding, in the 1950's and 1960's to provide protection to the state highway network in the Hunterville area.



Photo: State Highway and North Island main trunk railway line near Hunterville protected by Porewa Dam during 2004 flood event.

The flood storage dams were designed for a 25-year return period, and the spillways were designed for a 100-year flood, based on the design models of the 1950's and 1960's. The Porewa Scheme consists of 27 dams.

Subsidy money for maintenance (1:1) ceased in the late 1980's. The replacement cost is estimated at \$9.7m. Review work is underway, including recognition that the funding model needs revisiting.

The primary reason for active central government co-investment in the scheme are it:

• Directly protects government assets (State highway one and the main trunk rail line) and therefore, provides effective transport functioning and connectivity throughout the southern part of the North Island).

Rangitāiki River Scheme (Bay of Plenty Regional Council)

The April 2017 flood event caused major damage and person trauma and it was fortunate, some would say sheer luck, there was no loss of life. Increasing community resilience and managing flood risk in the Rangitāiki catchment, in conjunction with implementing the recommendations from the 'Rangitāiki River Scheme Review', is a priority for the Bay of Plenty Regional Council (BOPRC).



Extensive inundation of Edgecumbe following the failure of Rangitāiki River stop-banks in April 2017.

BOPRC have already invested in the replacement of the College Rd stop-bank and wider catchment urgent flood repairs as a result of the April 2017 Flood Event. Attention has now turned to the long-term and catchment wide approaches that respond to climate change and provide wider cultural and ecological benefits.

The BOPRC River Scheme Sustainability project is investigating and implementing this whole of catchment response. The priority now is the lower Rangitāiki: increasing the capacity of the Floodway, securing the river Spillway, geotechnical strengthening, and improving the wider catchment flood defences in the face of climate change and a vulnerable community. Funding is sought to assist with a package of projects, which will provide '1 in 100 year' protection for the community and local economy. Increasing the flood capacity to 804 cumecs is needed, in conjunction with system innovations that make room for the river, use flood plain attenuation, and use multi-functional infrastructure.

The seven major industries in the catchment have an estimated output of \$1.9b per annum and the project would also provide a high level of protection to Fonterra's Edgecumbe processing facility. Failure to act will put these significant sources of regional employment and revenue generation at risk. The River Scheme also has a high debt levels, accentuated by the 2017 event and scheme rates have risen 26% as a result.

The primary reasons for active central government co-investment in the Rangitāiki River Scheme is that it:

- Is supportive of wellbeing and social inclusion and reflects equity and ability to pay considerations.
- Provides for resilience and adaptation against the effects of climate change-induced 'above design' storm events.
- Provides for resilience and increased levels of safety to existing and future communities.
- It will speed up 'whole of catchment' innovations and alignment with the Rangitāiki River Scheme Review. These recommendations may be summarised as follows:

Waipaoa Flood Control Scheme Upgrade - WFCS (Gisborne District Council)

Upgrade designs for the Waipaoa Scheme will provide protection to Gisborne City and the Poverty Bay flats against a 1:100-year design flood event. This accounts for climate change factors out to the year 2090.

Current budget costs are estimated at \$30-\$35m, excluding the Cycle Trial (\$2- \$3m), with most of this cost planned for expenditure over a twelve-year period. Currently the scheme upgrade is in the Notified Resource Consent process stage.

The proposed upgrade will widen the stop-bank top width from 2-2.5m to 4m and raise its height 1-2m with \$2m allocated to purchase land under the existing stop-bank and for the proposed widening, predominantly on the true left bank (Gisborne City side). This will leave approximately 15 per cent of the stop-bank under private ownership.

Affordability is an issue. A funding application is being made to the Provincial Growth Fund.

Based on a 15-year project duration, annual Capex will be \$2.5-3.4m and Opex is \$0.5-0.675m. If the project was shortened to a 10-year project duration, annual Capex would be \$3.5-5.5m.

The original WFCS was completed in 1969 following the devastating floods in 1948. The WFCS protects \$7 billion worth of production and horticulture land on both urban and rural areas, effecting the economic heart of Tairawhiti.

Increasing resilience of the scheme will allow greater certainty for businesses to invest in and on the land. The scheme allows for socio-economic-environmental growth on Iwi land on Poverty Bay flats.

The scheme has around 75-100 culverts with flood gates. The clear majority of these will need fish passage provisions retro-fitted if Gisborne District Council's (GDC) Freshwater Plan and Conservation legislation is followed to the letter. An Integrated Catchment Management Plan is a requirement of GDC's new Freshwater Plan.

GDC's Land management team are supporting land owners in implementing MPI's erosion control funding project in the upper catchments of the Waipaoa River. The scheme protects State Highway 2 and KiwiRail's rail line. Both assets cross the river. The scheme also protects significant areas of lwi/Hapu land.



Waipaora River stop-banks containing 11 June 2018 flood event at State Highway bridge to Gisborne. NB Te Karaka township was cut off due to flood waters crossing the State Highway where there are no stop-banks.

The primary reasons for active central government co-investment in the WFCS is therefore that it:

- Is supportive of wellbeing and social inclusion and reflects equity / ability to pay considerations.
- Provides for resilience and adaptation against the effects of climate change-induced 'above design' storm events.
- Provides for resilience and increased levels of safety to existing and future communities.
- Directly protects government assets.
- Is supportive of job creation and lifting the productive potential of the region.
- Contributes to the environmental and water quality expectations of communities and iwi partners.

Leith Flood Protection Scheme (Otago Regional Council)

Properties in the Dunedin CBD are vulnerable to flooding events. The Leith Flood Protection scheme plays a large role in protecting the CBD inclusive of education facilities (University of Otago and Otago Polytech) and the sites for the new Dunedin hospital, public reserves, residential and commercial areas.

The capital value of Crown properties and non-relatable University land and assets, in the area protected by the scheme, is 35 per cent of the total assets in the area. The dominance of the Education sector in the Direct Benefit Zone and in the wider Dunedin economy, is a key consideration when evaluating the costs of flooding.

The benefit received by the University from flood protection is equivalent to the level of economic impact avoided. This is very significant, not only in direct terms but also in terms of the flow-on effects of disruption to the wider economy. Six months after a 100 year Annual Return Interval flooding event, the total economic impact on Dunedin would be \$154m. A full year after this flooding event, this estimated cost was \$186m.³²

It is estimated that a flooding event will occur in Dunedin CBD area every 15 years.

The Otago Regional Council (ORC) is implementing the Leith Flood Protection Scheme at an estimated construction cost of \$35m. The scheme is funded by ratepayers. The non-rateable University is a major

³² 'Benefits of the Leith Lindsay Flood Protection Scheme to Crown Properties', prepared for Otago Regional Council by Market Economics, April 2011 beneficiary of the existing and proposed flood protection works and yet the University is making no contribution to flood-scheme costs.



Water of Leith at University of Otago clock tower showing the amenity value achieved through sensitive design of river control and flood management works.

The primary reasons for active central government co-investment in the Leith Flood Protection Scheme is therefore that it:

- Provides for resilience and adaptation against the effects of climate change-induced 'above design' storm events.
- Provides for resilience and increased levels of safety to existing and future communities.
- Directly protects government assets.
- Is supportive of job creation and lifting the productive potential of the region.



Water of Leith in April 2006 during a 10 to 20-year Annual Return Interval flood.

Environment Canterbury Scheme Reviews (ECan)

ECan is in the process of reviewing its Schemes to address climate change and other challenges.

ECan have \$150k/year general rate funding to spend on scheme reviews. These reviews are assessing the "fit for purpose" status of existing schemes and the need for / nature of necessary changes. Currently ECan is in year 2 of this 10+ year programme.

The conclusions so far drawn by ECan from its review highlight two issues:

- Big Issue 1 There is demand, because of intensification of development on floodplains, to develop new and extend existing schemes but that is beyond the ability of existing communities to fund.
- Big Issue 2 Climate change impacts will need to be addressed.

Initial estimates, as defined in the ECan 30-year Infrastructure Strategy, suggest the future financial costs arising from the need to address climate change-induced flood events are as follows (expressed in 2017 terms):

- Kaikoura Rivers: \$3.0m.
- Ashley River: \$6.9m.
- Waimakariri-Eyre-Cust: \$9.7m.
- Selwyn River: \$5.9m.
- Ashburton Rivers: \$15.0m.
- Hinds River: \$3.7m.
- Orari-Waihi-Temuka: \$13.2m.

- Opihi: \$10.5m.
- Seadown Drainage: \$1.3m.
- Pareora River: \$2.5m.
- Waihao-Wainono: \$10.6m.
- Other: \$2.7m.
- Total: \$85.7m.



Photo: Selwyn River stop-bank overtopping in July 2017.

Appendix 2: from Tonkin + Taylor report 'Hiding in Plain Sight' (April 2018)

An overview of New Zealand schemes

So, what do New Zealand flood protection and land drainage schemes look like? This section provides a snapshot of river control, flood protection, and land drainage schemes. It covers what's included and excluded from a scheme, the extent and quantity of the schemes nationally, and the state of the infrastructure assets within schemes.



Figure 1.1: Stop-banks protected Palmerston North from inundation during the 2004 Manawatu River flood event. Source: teara.govt.nz

Schemes – what's in and what's out?

The river management activities undertaken by regional councils generally deal with the management of rainfall runoff on a catchment scale, and are broadly classed into four scheme types based on the nature of their benefit as follows:

- Land drainage getting water off the land into a stream or river
- Flood protection keeping water in the river and off land
- River management keeping the river where it is
- Tidal inundation keeping sea water off land.



Figure 1.2: Surface flooding on productive land served by land drainage scheme, Waikato 2008. Source: Waikato Regional Council.

Each regional council classifies schemes and their infrastructure assets into these four broad types. This publicly available information has been used in this assessment.

What is not covered under these schemes and is excluded from this assessment is the management of storm-water runoff in urban or semi-urban settings by city and district councils. The management of some flood control and coastal protection schemes by city and district councils such and the Avon-Heathcote River in Christchurch or the Maitai River in Nelson is also excluded³³.

Additionally, regional councils undertake soil conservation activities to reduce soil erosion and, in some instances, these are key elements of flood protection schemes. Although these soil conservation activities are important to water quality and overall catchment health, assessing the state and value of them is beyond the scope of this assessment.

Scheme extent

The geographic coverage of river control, flood protection and land drainage schemes can be described as follows: **Infrastructure assets** – physical structures which protect land from being inundated by water, for example, stop-banks, flood gates, pump stations, and river training works.

Capital and operational expenditure associated with these assets are generally funded by rates from the following areas:

• **Direct benefit areas** – areas of land which are immediately protected from flooding by infrastructure assets and would otherwise be subject to flooding during storm events up to and including the size of a design event

³³ The scope of this survey included regional councils and the regional council functions of unitary authorities.

- **Indirect benefit areas** areas of land which sit outside the direct benefit area and receive a 'community good' from protection afforded by the infrastructure assets
- **Exacerbator areas** upper areas of land in a catchment that contribute runoff to low-lying portions of a catchment and contribute to drainage or flooding issues experienced in these lower lying areas.

The direct benefit areas for all scheme types across New Zealand is shown in Figure 1.3, below.



Figure 1.3: Extent of direct benefit areas

Number of schemes

There are around 364 river control, flood protection, and land drainage schemes administered by regional councils across New Zealand that have been included in this assessment.

A breakdown of the number of scheme types by region is given in Table 1.1 below. We found that how the nature of scheme benefit is described varies depending on the scheme. Specifically, some schemes provide a single benefit type only, while other schemes provide multiple benefits. For those schemes that provide multiple benefit types, the available data was insufficient to understand the proportion of benefit type.

For example, there are a large number of schemes in the Waikato that are identified as only providing drainage benefit. This is contrasted with the Kaituna scheme in the Bay of Plenty that provides flood protection for an event having a 1% Annual Exceedance Probability (AEP) and drainage protection for events up to 20% AEP.

Schemes with multiple benefit types were most common for regional councils in the Bay of Plenty, Hawkes Bay, Manawatu, and West Coast. Future data analysis would be made easier if the schemes or their constituent parts were able to be classed under a single benefit, though we recognise this may be difficult.

	Benefit Type		River		Mixed	Total
Council	Flood	Drainage	Management	Tidal	Benefit	Schemes
Northland	2	0	0	0	1	З
Auckland ¹	-	-	-	-	-	-
Waikato ²	3	86	0	0	5	94
Bay of Plenty	0	1	0	0	4	5
Gisborne DC	2	17	0	0	0	19
Hawkes Bay	2	0	2	0	21	25
Taranaki	0	0	0	0	2	2
Manawatu	7	6	6	0	15	34
Wellington	51	15	0	0	0	66
Marlborough DC	-	-	-	-	-	-
Nelson CC	-	-	-	-	-	-
Tasman DC	0	0	16	0	6	22
West Coast	3	1	2	1	13	20
Canterbury	15	13	28	0	4	60
Otago	З	3	1	0	1	8
Southland	6	0	0	0	0	6
Grand Total	94	142	55	1	72	364

Table 1.1:Number of scheme types by region

Notes:

1. Council reported it does not have any relevant schemes under management.

2. No data was provided for schemes protecting urban settlements in Taupo and Thames – Coromandel Districts.

What schemes protect

The 364 schemes for which data is available provide direct benefit to some 1.5 million hectares of land (about 5.6% of New Zealand's land area). As noted previously, schemes provide benefit beyond the areas of direct benefit. Regional councils recognise this through the identification of indirect benefit areas and exacerbator areas for the purposes of striking a rate to fund the schemes.

In addition to the rateable areas of benefit that schemes protect — or otherwise provide a 'community good' — schemes also protect non-rateable land and regionally and nationally significant infrastructure, including transportation, energy and telecommunication links. For example, State Highway 1, the North Island Main Trunk Line, and a trunk fibre optic cable are protected by the Lower Waikato scheme. Social and cultural infrastructure, for example, the Hutt Hospital and numerous schools, marae, libraries and churches, are protected by the Hutt Valley scheme.

The available scheme rating databases from each region were combined to prepare Figure 1.3, below. This figure shows the four benefit types relative to each other for rateable land area, rateable land value, and rateable capital improvements (capital value less land value).



Figure 1.3: Comparison of benefit proportions for rateable area, land value, and improvements value by scheme type based on available data

Discussion

As illustrated in the pie charts, flood protection schemes protect an increasingly greater proportion of rateable land area, land value and capital value compared to other scheme types. This indicates that flood schemes may protect a greater portion of urban land — with capital improvements —than other scheme types.

Land drainage schemes comprise approximately half of the total number of schemes in this assessment. However, they protect a disproportionately small amount of rateable land area, and a diminishing proportion of rateable land value and capital improvements. This is indicative of the more rural nature (primary industry production) of land protected by these schemes.

The same diminishing proportion of rateable land area, value, and capital improvements are observed for tidal protection schemes. Again, this is indicative of the rural nature (primary industry production)

of land protected by these schemes. For example, the area protected from tidal inundation in lower Piako River is the largest area of tidal protection benefit, as this scheme covers an extended area of lowlying farmland near or below sea level.

A diminishing proportion of rateable land area, value, and capital improvements is also observed for river management structures. However, these structures are often integral to flood protection schemes. The data does not clearly illustrate a linkage between these structures and the type of land they benefit. Further work would be required to demonstrate this link at a national or regional level.

Infrastructure assets

Asset value

The total replacement value³⁴ of river control, flood protection and land drainage infrastructure assets is approximately \$2.3 billion. This is about 4.5% of the estimated \$45 billion replacement value of assets for three waters infrastructure (drinking water, waste water, and storm-water) as stated in Treasury's Thirty-Year NZ Infrastructure Plan 2015-45.



The total replacement value of infrastructure assets (about \$2.3 billion) is broken out by asset type in Figure 1.4, below.

Figure 1.4: Summary of total replacement value by asset type for provided data

Flood protection is generally provided by stop-banks and dams. Across the assessed councils, these assets make up about half of the capital investment but provide almost three quarters of the capital value protected. In other words, the capital value of land protected by stop-banks and dams is disproportionally higher than the asset value.

The same pattern can be seen for assets including pump stations, floodgates and drains which provide land drainage. These assets make up about a tenth of the total capital investment and from this provide benefit to around a fifth of the capital value protected.

³⁴ Total replacement value of the infrastructure assets is based on the valuations published in the asset management plans available for this assessment.

River structures, such as groynes, rockwork and other armouring, training banks, weirs, and trees/vegetation, are associated with both flood protection and river management as noted above. However, based on the data provided it is difficult to apportion value of these assets to those benefit types. We note that river structures are often capital intensive and integral to flood protection schemes, and the river structures themselves may not directly relate to a large area of benefit.

Further work is needed to better understand how river structures integrate with flood protection schemes, and how the river structure capital and economic values could be apportioned to discrete benefit types.

Asset condition

A fundamental aspect of asset management is the systematic inspection and recording of asset condition. The International Infrastructure Management Manual (IIMM) 2015³⁵ uses a five-point scale for asset management scoring. For the purposes of this assessment we have used the IIMM qualitative descriptors (Excellent/Good/Average/Poor/Failed) instead of a one to five scale.

Based on the data available for this assessment, it appears all regional councils use the NAMS scale. However, there is little, if any, asset condition assessment standardisation across the councils or even within a council. In our experience, the way asset condition is assessed can vary depending on who undertakes the assessment and when the assessment is carried out. For example, staff who are very familiar with an asset can become complacent with its condition and overlook some shortcomings. Additionally, in absence of condition scoring guidance staff departures can result in new staff using a different reference point to score asset condition.

The sector has recognised that standardisation in asset condition scoring is important and has recently developed a stop-bank condition assessment framework that all councils should adopt. Development of further assessment frameworks for assets such as for pump stations, floodgates and the like, is beneficial and should be considered by river managers.

The overall condition of river control, flood protection and land drainage infrastructure assets is summarised in Table 1.2, below. Data is based on conditions published in the asset management plans made available for this assessment.

Infrastructure asset type	Condition (qualitative descriptor)
Stopbanks	Average or better
Floodgates	Average or better
Drains	Good or better, some Average
Dams	Average or better
Pump stations	Average to Good, some Poor
River structures	Good, some Poor to Average

Table 1.2:Asset condition summary

At an overview level, the asset condition scores suggest regional councils have adopted an appropriate level of asset management, renewal and upgrade according to asset type. Scores also reflect councils' general asset management approach of maintaining stop-banks in perpetuity while river and

³⁵ The IIMM 2015 is identified by the New Zealand Asset Management Support Organisation as best practice in asset management.

mechanical structures are worn and then replaced, hence the latter group having a wider range of condition.

The condition of an infrastructure asset does not tell the whole story of how well that asset is being managed. Asset condition needs to be assessed in conjunction with asset criticality and performance to understand if and when maintenance or renewal work needs to be carried out. Asset criticality and performance are generally not well documented by regional councils, and an assessment of these criteria is beyond the scope of this report. Further work to assess these factors against asset condition would require a more in-depth scheme by scheme review.

Regional breakdown

A regional breakdown of the number of schemes by type is given in Figure 1.5, below. There is significant variation between councils in terms of the size and make up of schemes. Figure 1.5 is ordered by total value of each councils' scheme assets with two cohorts emerging. One is a cohort of councils — Canterbury, Manawatu, Waikato, Greater Wellington, Bay of Plenty and Hawkes Bay — covering a significant overall proportion of asset value. The other, a cohort of councils collectively making up a smaller proportion of the asset value.



Figure 1.5: Scheme attributes as proportion of assessed total

Economic value of the schemes to New Zealand

A cost benefit analysis was undertaken by economic consultants, Covec, to help define the total economic value of the schemes included in this assessment.

Covec estimates that the river control, flood protection, and land drainage schemes included in this assessment provide a Net Present Benefit of \$198 billion (\$NZD at 2016). Using the sum of the regional councils' published infrastructure asset replacement values and operational expenditure of \$3.6 billion (\$NZD at 2016), the average Benefit Cost Ratio (BCR) of these schemes to New Zealand is approximately 55:1. For comparison, large infrastructure projects in New Zealand, such as those for the NZ Transport

Agency, are considered economically viable if the BCR is greater than 1:1³⁶. As such, with an average BCR of 55:1, these schemes provide outstanding value for money to New Zealand.

Methodology

A cost benefit analysis (CBA) of the schemes was undertaken by adding all of the estimated benefits of the schemes and subtracting estimated operational and maintenance costs. To undertake CBA, two scenarios were assessed:

- The factual case that is the overall benefit to the community with the schemes in place, and
- A counterfactual case that is the overall benefit to the community where there are no schemes in place.

Covec considered three different situations for the counterfactual case and evaluated situations in terms of the assumptions needed to define them, the analytical problems arising from these approaches, and whether and to what degree any approach adopted is consistent with best practice for CBA.

The counterfactual approach that was used for this analysis assumes that to continue to receive the current scheme benefits, the community is willing to pay an amount equal to value of assets and land currently protected by the schemes. This assumption, which is further described in Covec's report, is made on the basis that the owner of the scheme could otherwise remove these assets.

The approach used to evaluate the benefits to the community was predominantly based on the value of damage to residential and other buildings, and the valuation of various land use types that are protected by the schemes. These are described in detail by Covec and summarised in Table 2.3.

Land use/ land type	Flood protection	Tidal protection	Drainage	River management
Built-up areas (residential and other buildings	NPV of avoided damage	Value of improvements plus difference in value of land uses	Value of improvements plus difference in value of land uses	Value of improvements plus difference in value of land uses
Other land uses	Greater of NPV of avoided damage or Difference in value of land uses possible with/ without flood protection	Difference in value of land uses possible with/without tidal protection	Difference in value of land uses possible with/ without drainage	Difference in value of land uses possible with/ without river management

Table 2.3: Valuation approach by land use and scheme type (Covec 2017)

For flood protection, the Net Present Value of avoided damage was estimated through the development of flood risk density curves, whereby the annual average damage for an area of land can be determined with and without a scheme in place, as shown in Figure 2.6 below. For the purposes of estimating annual average damages, data from the NZ Insurance Council for floods between 1976 and 2016 was used.

³⁶ Economic evaluation manual, New Zealand Transport Agency, January 2016.



Figure 2.6: Annual Average Flood Damage (AAD), and Average Annual Damage avoided with a flood control scheme in place that has a 100-year return period level of service. The counterfactual is also shown.

Finally, the level of flood damage avoided was modified based on each scheme's benefit rating, as set out in their relevant asset management plans.

For differences in land use, Covec used the difference in value of land based on the current use, and counterfactual use assuming that no scheme was in place.

Covec reviewed potential non-market values such as insurance costs, emergency cost multipliers and health impacts on the community. Based on work carried out for the Greater Wellington Regional Council, Covec adopted a value of 100% of direct damage costs to take account of a range of non-market costs associated with flooding in urban areas. This cost was allocated on a pro rata basis for non-urban areas based on average population densities for rural areas in NZ.

The data used by Covec for this analysis is outlined in their report. It included:

- The flood level of service for the schemes used in this assessment
- The capital value of land within the scheme's benefit area
- The land value within the scheme's benefit area
- The level of benefit provided (low, medium, high)
- Land cover descriptions.

Results

The results are presented across all schemes assessed and separated into scheme types and are summarised in Table 2.4 below.

Overall the benefits of the schemes are significant with a Net Present Benefit of approximately \$198 billion (\$NZD at 2016) at an average Benefit Cost Ratio (BCR) of 55:1. The highest benefits come from flood control, drainage, and mixed benefit schemes followed by tidal and river control schemes. The annual benefit of over \$11 billion provided by the schemes is nearly five times their published infrastructure replacement value.

Due to the project steering group's concerns of the significantly large difference in benefit calculated for Canterbury region compared with other regions, we reviewed the input data for Canterbury and Wellington regions and performed a few sensitivity checks. In this review we found some differences in how these regions supplied their data and rate their schemes.

However, the differences between Canterbury and Wellington appear to be overshadowed by the relatively large areas of direct benefit, and population within these areas. Using the latest census meshblock information Canterbury has about 350,000 normally resident population in direct benefit areas compared to 75,000 for Wellington's Hutt Valley. It should be evident that built-up areas that are protected by these schemes represent the greatest benefit, which together represent over \$184 billion NPV or over \$10 billion of annual benefit, compared with over \$14 billion NPV or an annual benefit nearly \$1 billion for other land use types protected by these schemes.

While not all councils are represented in this analysis we consider that the information is sufficient for an evaluation of the benefits of the schemes to be made at a national level. It is expected that inclusion of schemes not included in our analysis would return a similar, outstanding BCR. Figure 2.8 depicts the cost and benefit of the schemes for each region in our assessment.

Figure 2.7 below shows the combined benefit and the benefit cost ratio for each region. This clearly shows the significant benefit derived from the protection provided in various locations throughout New Zealand, at various scales, and with different land use types being protected.

Protection type	Land type	Estimated benefit (PV) (\$m)	Annual benefit (at 6% Discount Rate) (\$m)
Flood control	Built-up area	\$134,601	\$7,619
	Other land use type	\$12,553	\$711
	Total	\$147,154	\$8,329
Drainage	Built-up area	\$12,796	\$724
	Other land use type	\$629	\$36
	Total	\$13,424	\$760
River Management	Built-up area	\$2,167	\$123
	Other land use type	\$83	\$5
	Total	\$2,250	\$127
Multiple types	Built-up area	\$34,631	\$1,960
	Other land use type	\$895	\$51
	Total	\$35,526	\$2,011
Total		\$198,354	\$11,228

Table 2.4:Estimated benefit (2016 \$ million) of flood control, drainage, river management, tidal and
multiple schemes

Figure 2.7 shows that the Canterbury region has a very high BCR. This is because virtually all the Christchurch urban area receives flood protection benefit from the Waimakariri Flood Protection Scheme. We note that parts of Christchurch are protected by Christchurch City Council's flood protection schemes. The costs of these schemes have not been incorporated into our analysis and if incorporated would reduce the BCR for the Canterbury Region. However, given the small scale of the city's schemes relative to the direct benefit area for all the Canterbury schemes, we would expect little change to our overall findings, i.e. flood protection schemes in Canterbury provide outstanding value for money.



Figure 2.7: Benefit, costs and benefit cost ratios for schemes included in this assessment



Figure 2.8: NPV of scheme benefits and capex + opex costs by region (values indicated where available, subject to rounding)

Exclusions

The economic assessment included in this assessment represents a snapshot of economic benefits and costs as at 2016. A longitudinal study of how these benefits and costs have changed historically and might change in the future was excluded from the scope of this review. We would expect that given the increase in New Zealand GDP and land prices over the past two decades the benefit provided by the schemes is likely to have increased over this period as a result. However, we are less certain on how scheme costs and their cost benefit ratios may have changed over that period. Special care would need to be taken in selecting time periods for such a longitudinal assessment, so the results are not overly influenced by selection bias.

The economic assessment included in this assessment is traditional in that a factor was applied to the economic analysis to account for wider social and economic benefits of the schemes. This analysis excluded a formal assessment of the cultural and environmental costs and benefits given its overview nature and the complexities associated with assessing these values on such a large scale. We would expect that the calculated BCR would change if these values were included in a cost benefit analysis. We would also expect that if these values were included, the schemes overall would still provide a net benefit to New Zealand given the large economic BCR calculated in this assessment. Further detailed analyses of individual schemes or portions of schemes may reveal that some are not economic. Further work would be required to address these exclusions as well as understand infrastructure asset valuation practices and outcomes and forecast how the benefits and costs of the schemes might change in the future.



Figure 2.9: Scheme attributes as proportion of national total including economic information

Appendix 3: Additional information to support comments made elsewhere in this paper

What we value

Political manifestos

We can identify the preferences of ministers for supporting initiatives like flood protection and river management from their political manifestos. The Labour-New Zealand First (2017) coalition agreement signals some priority outcomes relevant to the government's role in flood control and river management. These include:

- Regional Development
 - A \$1b per annum Regional Development (Provincial Growth) Fund, including:
 - Other large-scale capital projects as articulated in the policy for the Provincial Growth Fund, to create jobs, enable long-term sustainable growth, and enhance social inclusion for all New Zealanders.
 - A commitment to relocate government functions into the regions.
- Hold a Public Inquiry "A decade after Shand" to investigate the drivers of local government costs and its revenue base.

The Labour-Green confidence and supply agreement (2017) also signals priority outcomes relevant to flood protection and river management. These include:

- Preamble
 - Together, we will work to provide Aotearoa New Zealand with a transformational Government, committed to resolving the greatest long-term challenges for the country: sustainable economic development including increased exports and decent jobs paying higher wages, a healthy environment, a fair society and good government. We will reduce inequality and poverty and improve the well-being of all New Zealanders and the environment we live in.

Climate change challenges our values

Climate change will make flood consequences much worse

Extreme weather (Local Government New Zealand, 2014) events result in flooding, accelerated erosion (many landslides are triggered by heavy rain) and wind damage to buildings, infrastructure and crops. New Zealand currently experiences one major flood every eight months, and this can be expected to increase with climate change.

Climate change (Ministry for the Environment, 2010) is expected to influence flooding in several ways: through changes in rainfall, temperature, sea level and river channel processes. These changes will exacerbate the existing effects of flooding on infrastructure, including on:

- Roading.
- Wastewater and storm-water systems and drainage.
- Flood mitigation works.
- Water supply and irrigation.
- Private and public assets, including houses, businesses, schools and production systems.

Extreme consequences from flood events are a global problem

Global research (Environmental Research Web 2018) indicates that both the frequency and magnitude of extreme flood events has increased, with the total number of extreme floods increasing by an average of 26.6 per cent over the researched time-period (20 years). The increases were greatest in the northern hemisphere, with European catchments experiencing a 44.4 per cent increase in extreme floods and 21.4 per cent for the US. The changes have been less dramatic in the southern hemisphere, with an increase of 14 per cent for Brazil and 11.6 per cent for Australia.

One of the consequences of climate change is a need for a stepchange in management of flood risk and flood flows

Flood risk

Climate change effects on flooding may influence flood risk management priorities and may even increase the risk from flooding to unacceptable levels in some locations (Ministry for the Environment, 2008).

Climate change is expected to lead to increases in the frequency and intensity of extreme rainfall, especially in places where mean annual rainfall is also expected to increase. Therefore, changes in seasonal and annual rainfall patterns, as well as changes in extreme rainfall, will be important factors for understanding future flooding. Generally, wetter conditions in some areas may also change the antecedent or initial conditions, so that floods could occur more often.

Places that currently receive snow are likely to see a shift towards precipitation falling as rainfall instead of snowfall as average temperatures rise and freezing levels climb to higher elevations. Changes in climate can also affect the magnitude of a flood by indirect means. For example, any change to the balance of sediment transported within a river, storminess, sea levels or even the cycles of natural variability in the climate can all influence river processes and flooding.

In addition, climate change will result in a gradual rise in sea level throughout the rest of this century significantly changing the design conditions for flood control adjacent to the coastal marine area and requiring both additional capital works and far greater maintenance to achieve the original design protection. The intensification of land use in floodplains will also require a re-assessment of the design event given the economic consequences of super-design storms.

With over a hundred cities and towns located on flood plains, New Zealand has a long history of living with floods. Making decisions on how best to protect life and property from floods has been ongoing since settlement.

Climate change is already potentially irreversibly affecting our natural systems, and we can expect more severe effects on the environment and on human systems as the change continues. On land, this could have a wide range of important effects.

Rising sea levels and more frequent intense rainfall events are projected to increase the risks of coastal flooding, erosion, and saltwater intrusion to groundwater, threatening low-lying infrastructure, cultural sites, and habitats (Parliamentary Commissioner for the Environment, 2015). We can expect tides, waves, and storm surges to reach further inland more regularly. Coastal flooding, usually due to storm surges coinciding with very high tides, already causes disruption and damage in some places.

Sea-level rise poses a threat to Māori interests, assets, and values (King et al, 2010; Manning et al, 2015). Many Māori communities have ancestral ties with coastal areas, and these relationships are maintained with cultural heritage (e.g. marae, papakāinga and urupā) and mahinga kai (food-gathering sites). These interests and activities are deeply connected to identity and well-being.

How we currently protect value

In New Zealand, floods present a substantial and recurring risk to the regional economic development and the productivity potential of the regions. Each flood destroys assets owned by public and private entities as well as those owned by households.

Government policy is currently focussed on remedy for damage caused after a flood event, rather than mitigation of flood risk prior to the event. An excessive emphasis on remedy after the flood event and therefore an implicit acceptance of often irreversible asset destruction is contrary to: lifting productivity potential in the regions; jobs creation; social inclusion; and healthy societies; and improvement of the well-being of all New Zealanders and the environment we live in.

This focus has at least the following consequences:

- The Government bears an excessive unfunded future liability in its fiscal accounts to remedy damage from flood events. Risks of this kind may be viewed as fiscally irresponsible, as has been pointed out by the Australian Productivity Commission (below).
- Vital infrastructure such as roads, rail, and other public, private and household assets are placed at unnecessarily high risk of damage leading to disruption to economic output, and social and environmental well-being.

This disruption affects:

- Industries important for the nation's economic growth, such as tourism.
- Access routes, such as road and rail, essential for the nation's commerce.

Any insurance pay-outs for loss cannot fully redress the impact of the disruption. The whole nation bears continually increasing insurance premiums as successive flood events take their toll, while at a local level, individuals can find themselves either unable to re-insure or facing extremely high premiums.

The environmental damage to ecosystems from soil erosion and sedimentation of marine environments from floods, and subsequent loss of productivity of these ecosystems, is not accounted for in fiscal costs of central and local government but results in lowered production. The environmental damage to ecosystems from soil erosion and sedimentation of marine environments from floods is also damaging to the cultural value and amenity of marine environments.

Central government as an owner of land, roads and rail is exempt from rates and so does not contribute to local authority revenue that is applied for flood management infrastructure that would otherwise mitigate flood risk. This has at least the following consequences:

- There is an unfair burden borne by ratepayers since the central government as a beneficiary of flood risk mitigation is not contributing to meet its share of this burden.
- There is insufficient funding from regional authorities to meet the flood infrastructure requirements to protect assets of both ratepayers and central government. This leads to losses for both, in flood events. If central government did fairly meet its flood risk mitigation burden, both ratepayers and government would be better off, from reduction in losses from flood events and ongoing productivity.

Insufficient funding for regional authorities signals:

- Unsustainable local government resources.
- Unfair societies and unsupportive central Government.

Cost of failure of flood protection

Cost to the nation

After earthquakes (Local Government New Zealand, 2014), flooding is second in terms of insurance payment. It has a combined total (for about 60 flood major events) cost of approximately \$865 million since 1969 (in 2011\$).

The costs of hazard events (LGNZ, 2014) are not counted just in terms of the cost of replacing buildings and other property. Nor even in the number of human fatalities. Very significant costs can result from the economic and social disruption caused. Sometimes these are tangible (such as the number of hours or days businesses cannot operate at full production). Sometimes they are intangible, including social and cultural impacts that have both an immediate and sometimes on-going effects on people's lives (including their willingness to want to continue to live in areas subject to hazards). Other costs are associated with the public cost of responding to events. For example, government expenditure on civil defence responses during flood emergencies alone averaged about \$15 million per year over the period 1976-2004.

The 2004 Manawatu floods provide an illustration of the extent of these types of costs. Insured losses from that event were \$112 million. However, the cost to the agricultural sector alone in uninsured losses (lost production and uninsurable rehabilitation costs) were calculated at \$185 million. The cost of emergency services and infrastructure repairs was put at a further \$90 million. The flood was modelled as having a 150-year return period.

Cost to sectors

Estimates by Ericksen (1986) cited by the NZIER (2004) shows that for flood losses in Nelson and New Plymouth in 1970 and 1971, losses associated with central government works and services (roading, railways, bulk power supply, flood control and drainage works) amounted to 49 per cent of the total value of all direct losses³⁷.

Using Ericksen's estimates for Nelson and New Plymouth as a guide, and assuming benefits are proportional to direct losses in this case, the private sector benefits from flood hazard mitigation amount to 39 per cent of all direct benefits, not including the benefit of averting lost income and

³⁷ We note this percent was calculated on the basis of just two storm events.

production. Private sector benefits are accounted for by: losses associated with farm land; disaster fund pay-outs; insurance industry pay-outs; and uninsured property.

The Nelson and New Plymouth studies showed that losses backed by private insurance claims represent around 19 per cent of direct costs, excluding loss of income and production. This shows the burden of private insurers is ultimately borne by the nation in terms of higher insurance premiums.

Due to the complex systems and environments where river management is practiced in New Zealand, the occurrence of a potential shock can have an impact far beyond the immediate community that receives direct benefit from the scheme. For example, the March 2016 flooding of the Franz Josef township and closure of State Highway 6. This highlighted that the failure of flood protection in a small settlement on the West Coast can have a disproportionately large impact on national and economically-important tourism opportunities and connectivity.

There is a national benefit in simply having a connected and communicating nation. Asset failure compromises this.



Fig 1 Case study of flood hazard impacts Source: MCDEM Business Plan (2018)

What needs to change

The Australian Productivity Commission view

Internationally there are widespread views that management of natural disasters should place more emphasis on risk mitigation prior to the event, rather than remedy of loss after the event. The Australian Productivity Commission (2014 at p 237) made recommendations that help us see the kind of initiatives that ministers can establish in New Zealand.

The Australian Government should commit to developing a more refined and forward-looking risk-based formula for the allocation of mitigation funding, in consultation with the states, and within five years. This should aim to distribute funding on the basis of where the net benefits to the community are likely to be greatest in terms of reducing the economic costs of disasters (including damage to private and public property,

injury and loss of life). The formula should be forward looking and reflect relative levels of future natural disaster risk across jurisdictions, the community's vulnerability and exposure to different types of natural hazards, and the likely effectiveness of mitigation measures. There would also be scope to review the minimum funding shares for smaller jurisdictions.

The Australian Productivity Commission (2014) noted the following concern for funding for natural hazard risks: natural disasters can have significant impacts on government budgets and balance sheets. This means that governments need to understand and manage the financial liability they are exposed to and put in place measures to finance natural disaster costs.

There are two broad options: drawing on a provision set aside before disasters occur (ex-ante financing), and, obtaining funds when a disaster occurs (ex-post financing). Both approaches have advantages and disadvantages, and the optimal approach will likely consist of provisioning for some risks ex ante and choosing to bear others ex post.

In New Zealand, since local government reform in 1989 and the change in government assistance from 1988 (acknowledging the up to 5-year transition), there has been an excessive emphasis on ex-post financing. This is likely to be unsustainable in the long-term. A balance of approaches is sustainable. The Australian Productivity Commission (2014) says that the imbalance at present is fiscally irresponsible:

Natural disasters can have significant impacts on government budgets and balance sheets. This means that governments need to understand and manage the financial liability they are exposed to and put in place measures to finance natural disaster costs. There are two broad options: drawing on a provision set aside before disasters occur (ex-ante financing) and obtaining funds if and when a disaster occurs (ex-post financing). Both approaches have advantages and disadvantages, and the optimal approach will likely consist of provisioning for some risks ex ante and choosing to bear others ex post.

The current budget treatment by the Australian and state governments is likely leading to governments retaining more risk than is optimal. This is because of inadequate understanding of the full range of contingent liabilities posed by natural disasters, and the overwhelming reliance on ex-post financing for recovery costs. Such an approach also accentuates the bias against natural disaster mitigation. This is because mitigation is funded on an ex-ante basis and is included in budget forward estimates, and consequently traded off against other spending priorities.

Natural disasters are a regular occurrence in Australia. This means that governments need to acknowledge and disclose the extent and uncertainty of the financial risks that natural disasters pose to their budgets.

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Edgecumbe flooding, April 2017

Central Government Co-investment in River Management for Flood Protection

November 2018

Canterbury Mayoral Forum

Date:20 August 2021Presented by:Sam Broughton, Chair

Future for Local Government

Purpose

1. To provide a summary of the recent Mayoral Forum activities regarding the future for local government.

Recommendations

That the Canterbury Mayoral Forum:

1. note the summary of recent Mayoral Forum activities regarding the future for local government.

Background

- 2. The Minister for Local Government announced there will be an independent review into the future for local government in April 2021.
- 3. The Canterbury Mayoral Forum has held two facilitated workshops on the future for local government, the first on 19 March (prior to the review announcement) and the second on 28 May. The Chair and Executive Director of the Review Panel participated in the second workshop.
- 4. The CMF invited the chairs of the ten Canterbury papatipu rūnanga and regional representatives from central government agencies (health, education, social development, corrections, housing).
- 5. The purpose of the initial workshop was to look at how local government can proactively support the wellbeing of whānau in local communities and focused discussion on:
 - a current assessment of local government service provision across the region
 - reimagining service provision based on intergenerational wellbeing and whānau
 - creating a long list of priority focus areas for an emergent strategy
 - how local government leaders might take a leadership role with central government.
- 6. The second workshop was held on 28 May following the Mayoral Forum meeting with the same group as above. The purpose of the workshop was to discuss how to contribute to, and influence, the Review into the Future for Local Government to bring

the best possible outcomes for communities and to revisit the priority areas from the first workshop.

7. The Chair of the Review Panel, Jim Palmer, and supporting Department of Internal Affairs staff participated in this workshop. The workshop was a useful opportunity to hear directly from the Review Panel Cahir and executive staff about the approach and process for the review.

Review into the Future for Local Government – 2 July workshop

- 8. On 2 July the Government's Review into the Future for Local Government held a workshop for representatives (elected and officer) from all Canterbury councils. Participants were asked to respond to two key questions:
 - What is local government great at? What makes you proud to be part of local government/governance?
 - What future opportunities could local government focus on, that would support community wellbeing?
 - early opportunities next few years e.g. social procurement, rationalise LTP/Annual Plan processes
 - longer-term opportunities up to 30 years e.g. co-governance with mana whenua, partnerships to deliver social services, climate change adaptation, public health.
- 9. The review team has circulated the raw information from the workshop to all those who participated.
- 10. The first report (an interim report) from the review panel is to be presented to the Minister signalling the probable direction of the review and key next steps by 30 September 2021.

Health reforms

- 11. Following CMF Workshop 2 on the Future for Local Government it was agreed that CMF should hold a workshop with the Chairs and Chief Executives of the Canterbury and South Canterbury District Health Boards to consider the upcoming health reforms. This workshop was held on Monday 5 July.
- 12. The Chairs of the respective health boards provided a summary of the changes and identified opportunities for local government to engage in the process.
- 13. By July 2022 all District Health Boards will come under a single entity called Health New Zealand. There will be four regions, with the South Island being one region. Each region will have its own CEO, who will report back to the CEO of Health New Zealand. It is proposed that each region will be split into localities, and while they have yet to be confirmed have been described as covering between 20,000 and 250,000 people.

- 14. The reforms are progressing rapidly, with the appointment of interim Chief Executives for Health New Zealand and each of the four regions, and interim board members for Health New Zealand expected in September 2021.
- 15. Both Chairs of the District Health Boards strongly suggested that there would be value in the Canterbury Mayoral Forum facilitating a meeting with the rest of the South Island local authorities, the Minister of Health, interim Chief Executives of Health NZ, the South Island region and the transition team to articulate to them expectations for local input into the health agenda for our communities.
- 16. Actions from the health reform workshop included contacting the Chair of LGNZ Zone 6 to consider a South Island hui with the Minister of Health, interim Chief Executives of Health NZ and the South Island region, including the health reform transition team.
- 17. It is proposed that the health reforms will be put on the agenda for the upcoming LGNZ Zone 5 and 6 meeting scheduled for October.
- 18. To help support these discussions it was also suggested that the Mayoral Forum's Canterbury Wellbeing Overview 2019 be reviewed and updated, including additional health metrics from across all agencies.

Other reforms

- 19. There are challenges involved with engaging through the Review of the Future for Local Government when there are also the Three Waters Reform (see item 4) and Resource Management Reform (see item 8) that will impact on the future for local government.
- 20. The future for local government needs to be considered in light of all the current reforms that are occurring.

Next steps

- 21. The Secretariat will review and update the Canterbury Wellbeing Overview 2019, including metrics from across a variety of agencies as appropriate.
- 22. The Secretariat will support the LGNZ Zone 5 & 6 secretariats in the health reform agenda item for the upcoming LGNZ Zone 5 & 6 meeting in October.

Canterbury Mayoral Forum

Item 15

Date: 20 August 2021

Presented by: Dan Gordon, Chair Climate Change Steering Group

Climate Change Steering Group update

Purpose

1. This paper provides an update on the work of the Climate Change Steering Group and the key matters covered at its June meeting.

Recommendations:

That the Canterbury Mayoral Forum:

1. note the update provided in this paper.

Background

- 2. The Climate Change Steering Group meets quarterly to maintain a watching brief on climate change matters for the Mayoral Forum and offers political support to the regional Climate Change Working Group.
- 3. The Steering Group last met on 4 June. A summary of the matters discussed is set out below.

Climate Change Risk Assessment

- 4. The Steering Group's June meeting focused on an update on the detailed risk assessment project and an initial discussion about the approach to completing the project deliverables and public communication of the assessment's results. The Steering Group agreed to receive feedback from chief executives on the range of public communication approaches before considering this matter in greater depth.
- 5. An update on the project is contained in agenda item 5. One of the recommendations in that paper is that advice be sought from Mayoral Forum members on public communication options, with the final decision on the approach delegated to the Climate Change Steering Group at the September meeting.

It's Time, Canterbury campaign

6. At the June meeting, the Steering Group also discussed the successful launch event for the It's Time, Canterbury campaign.

- 7. Members noted it was well-received by the wide range of stakeholders present at the launch. Members who were not at the event described receiving similar feedback from their councillors or other stakeholders who attended. Members particularly noted that the choice of speakers was astute, ensuring that a range of groups and age ranges were represented.
- 8. The Steering Group was pleased the campaign model was potentially going to be used as a framework for other regions to have similar conversations with their communities, and may yet be picked up at a national level.

Upcoming meetings

- 9. The Steering Group's next meeting on 17 September will focus on the regional climate change risk assessment project.
- 10. Subject to Government progress in the coming weeks, the approach to regional submissions for the National Adaptation Plan, National Emissions Reduction Plan and the climate change adaptation legislation proposed as part of the resource management reform process may also be on the agenda.
- 11. As noted in the last update to the Mayoral Forum, the Climate Change Steering Group will be hosting the next regional climate change councillor workshop on Friday 1 October.

Canterbury Mayoral Forum

Date:20 August 2021Presented by:Hamish Riach, Chair, Chief Executives Forum

Chief Executives Forum report

Purpose

1. This paper reports on the work of regional forums since May 2021 and implementation of the three-year work programme.

Recommendations

That the Canterbury Mayoral Forum:

1. receive the quarterly report from the Chief Executives Forum and note updates to the three-year work programme.

Regional forums activity since May 2021

- 2. Since the Mayoral Forum's last regular quarterly meeting on 28 May 2021, the Chief Executives Forum met in person on 2 August 2021.
- 3. The Corporate and Operations Forums met on 14 June and the Policy Forum met on 25 June 2021.

Chief Executives Forum

4. At the meeting on 2 August 2021, the Chief Executives Forum agenda covered the following matters:

Regional Public Sector Priorities

- 5. Ben Clark, the Regional Public Service Lead for Canterbury, updated the Forum on progress with identifying regional priorities. A copy of his report is appended as attachment 1.
- 6. Chief Executives agreed to inserting a standing item on future Chief Executive Forum meeting agendas for the Regional Public Service Lead, and endorsed the Chief Executives Forum Chair attending Public Service Lead meetings as required.
- 7. The Forum also approved continuation of efforts by the secretariats of the Mayoral Forum, Greater Christchurch Partnership, Regional Skills Leadership Group and advisors to the Regional Public Service Lead to share relevant information to ensure alignment between work programmes where appropriate.

Other agenda items

- 8. The agenda for the meeting also covered the following matters:
 - whether any further collaborative regional work was required to engage with the Government on its three waters reform programme
 - approval of funding for a feasibility study into collaborative procurement models for Canterbury
 - review of a draft document outlining mid-term Mayoral Forum achievements (see item 6)
 - the Climate Change Risk Assessment project (see item 5)
 - the future of the Canterbury Story website (see item 10)
 - an update on recent Canterbury flooding and river rating districts (see item 13)
 - an update on the CWMS (see item 11)
 - an update on the activities of the Corporate, Operations and Policy Forums, specifically the work of the building consent collaboration working party, the progress of the short-term working party on flexible working, and the carbon footprint assessment project,
 - review of the regional forums budget.

Three-year work programme

9. Updates to the three-year work programme are highlighted in the attached document.

Attachments

- Attachment 1: Update report from the Regional Public Service Lead
- Attachment 2: Three-year work programme

Attachment 1 - Regional Public Service Lead Update

Purpose

1. This paper provides an update on progress with the Regional Public Service priorities work, which was previously outlined at the Mayors and Chairs meeting in February 2021. It also sets out timeframes for the next steps of this work.

Regional priorities for Canterbury

2. Our approach has been to build consensus around existing social and economic wellbeing concerns toward broad priority focus areas. From there, we have worked to define the problem and then identify specific 'intervention points', where we believe a joined-up approach will have most benefit. The four priorities that have been collectively identified in Canterbury are:

Improving the wellbeing of tamariki

- 3. This priority will look at how the system can be more tamariki-centric and whanau-focused in delivering services and supports to address the underlying causes of disadvantage.
- 4. Canterbury has been part of a wide range of collaborative initiatives working with and supporting tamariki and whānau. Some of these have been in response to specific traumatic events in Canterbury such as the earthquakes and the Mosque Attacks, but there are also others such as Integrated Safety Response (ISR), Children's Teams and Mana Ake. While all these require cross agency working and Governance, there is an opportunity to work more proactively and strategically to leverage off lessons learned and collectively focus on improving outcomes for vulnerable whānau.
- 5. Our initial intervention points for this priority will be to improve attendance and engagement at school and kura. As part of this, an inter-agency working group has been established to ensure we identify and co-ordinate agency services for young people with significant challenges and complexities in their lives, with a view to addressing chronic non-attendance at school. This work will also inform across agency service gaps, systematic barriers and identify opportunities to bring about change. Agencies include: Ministry of Education; NZ Police; Christchurch District Health Board; Ministry of Social Development; Oranga Tamariki; and Te Ora Hau.

Workforce development - transitioning Canterbury to become a more highly productive and sustainable economy

- 6. With a particular focus on Maori, Pasifika, youth and women, this priority will look to:
 - Increase pathways to support people into employment;
 - Match labour force to job opportunities and address sector gaps (including dairy, aged-care, fishing, nursing, seasonal work, and infrastructure jobs).
- 7. Canterbury's economy has slightly lower productivity and income levels compared to other regions. Lower skills/low wage sector in Canterbury mean challenges for some transitioning to higher-skilled employment. This is even more relevant as individuals and whānau grapple with loss of employment and/or income due to the impacts of COVID-19.
- 8. Having sufficient income contributes substantially to wellbeing. With an adequate income, an individual or household can access essential goods and services more

easily, such as quality housing, transport, food, health services, and education. It enables participation in social and recreational activities in the community. Household income affects both day-to-day decisions and activities and future prospects for all age groups.

Note: The Regional Skills Leadership Group supported by MBIE and co-Chaired by Liz Brown and Karena Brown is supporting this priority area and its plans will be a critical reference point when progressing the Workforce Development Priority

Addressing housing concerns

- 9. The focus for this priority is still being refined, however is likely to focus to some extent on supporting whānau to be able to access affordable housing with secure tenure, and streamlining agencies roles and responsibilities when working with community groups in trying to support whanau to maintain their tenancies.
- 10. Although housing in Canterbury is considered more affordable than other regions, like other areas, there is an increasing demand for emergency and public housing. Having a place to call home is critical for wellbeing. It impacts on employment, school attendance, mental and physical health, and many other facets of life.
- 11. In addition, we know that there are some cohorts of people with such complex issues where existing housing services alone cannot meet their needs. For this group, a greater collective response is needed if we are to stem the cycle of disadvantage and prevent future more costly interventions being required later.

Supporting Mental Wellbeing

- 12. The focus for this priority is also still being refined. However, there is agreement across agencies that supporting mental wellbeing should be a focus within the priorities.
- 13. This is because Canterbury has experienced several traumatic events over the past decade from earthquakes to the Mosques attacks to fires. We know this has had a consequential impact on people's resilience and mental health.
- 14. In addition, distress and chaos are commonly problems encountered by agencies across government, with associated difficult behaviours. Although there are a wide range of health services to support this group, navigation of these services and urgency of need can make this more difficult. Tackling the high numbers of mild to moderate mental health issues by making it easier for communities to navigate help available may therefore have a significant positive impact on wellbeing more generally.

Note: Given that mental wellbeing is a vulnerability factor underpinning the other priority areas, we may well choose to have it as a thread weaved throughout the priorities, rather than being a standalone priority.

Alignment to iwi and local government priorities

15. Although the priorities are referred to as Public Service priorities, they aim to resonate with local government and iwi and reflect, where possible, broad issues of commonality across our strategy/planning documents. Our intention is to collaborate as much as possible with iwi and local government and for the priorities to reflect what is important to us all in Canterbury. There is already great energy in this wellbeing space with the recent workshops led by the Mayoral Forum. For example, as noted in the Canterbury Mayoral Forum: Future for Local Government, Workshop Two Summary in May 2021, the purpose was to build on

our current strengths and stimulate existing opportunities for the wellbeing of whānau within our communities.

- 16. The overarching themes from that workshop were:
 - Local Service Navigation
 - Preventative Health
 - <u>Compulsory Education</u>
 - <u>Housing</u>
 - <u>Employability</u>
 - Digital Divide
- 17. There are already many situations where Public Service agencies collaborate and work together with iwi and local government on issues that span across our agencies, however, there is an opportunity to be more targeted on action and strengthen coordination on points of intervention across agencies.
- 18. Key points of alignment include:

Iwi

- <u>Ngā Tahu 2025</u>: Tino Rangatiratanga "Mö tätou, ä, mö kä uri ä muri ake nei" Tino Rangatiratanga "For us and our children after us".
- <u>Ngāi Tahu 2025</u> (a living document) is about tino rangatiratanga- the ability for Ngāi Tahu create and control their own destiny; to be empowered as individuals, whānau, hapū, Papatipu Rünanga and iwi to realise and achieve their dreams.

Local Government

- <u>Canterbury 2019: An Overview</u>, noted the vision "A strong regional economy with resilient, connected communities and a better quality of life for all". This document provided an overview to inform the Mayoral Forum priorities.
- 'Inclusive prosperity and improved economic and social wellbeing in Canterbury' is a key priority on the Mayoral Forum's plan 2020-2022.
- Greater Christchurch Partnership is developing a <u>Greater Christchurch</u> <u>Partnership Plan 2050 (GC2050)</u>. This plan will set a vision for the future – describing the kind of place wanted for future generations, and the actions over 30 years to make it happen:
 - The wellbeing of people and environment is integral to this plan; how the region adapts to challenges and trends;
 - Working in partnership with mana whenua and iwi, it will help form partners' long-term work programmes to ensure the community and economy are best placed to recover from them impacts of COVID-19.
- The <u>Current State Assessment Summary 2020 (GC2050)</u> includes the following:
 - People of lower incomes, who are disabled or identify as Māori or Pacifica tend to have lower levels of wellbeing than the average across economic, health and education;
 - Greater Christchurch provides a relatively good quality of life for its residents across all four wellbeings. The only areas of weakness are education attainment and incomes.

Note: Throughout discussions with Territorial Authorities (TAs), there is agreement and a desire to work more collaboratively across local/central government and with Mana Whenua - to improve the wellbeing of our communities.

Key next steps and timelines

- 19. Once the priorities are more fully developed and agreed across agencies, action plans will be developed to support and resource work to address the priorities.
- 20. In addition, reiteration of the priorities will occur over time as needed, based on updated insights reports, action plans, strategies, community survey results etc. Like the work to address the priorities, any reiterations will also need to be collaborative.
- 21. A report updating Ministers on progress on the development of priorities across all regions will be prepared for the Minister for the Public Service and the Minister for Social Development and Employment. This is expected to be provided to the Ministers in late September.
- 22. Given the considerable alignment of our work, the Secretariats/Advisors for the Canterbury Mayoral Forum, Greater Christchurch Partnership, Regional Skills Leadership Group and Regional Public Service Lead have agreed, and are establishing processes, to meet regularly and share relevant information, including:
 - Plans/Priority Development and associated work programmes
 - Briefing papers
 - Minutes
 - Relevant planning outcomes/milestones

inice year n	fork programme 2020–22							as at 2 August 2021
WHAT	TASK	PLAN FOR CANTERBURY PRIORITY	SPONSOR	LEAD	ACTION	DUE	STATUS	UPDATE
Canterbury Water Management	To continue providing governance oversight and strategic support to the implementation	Sustainable environmental	Mayoral Forum	Jenny Hughey	Request the Regional Committee to work with CWMS partners to re-engage communities and stakeholders on subject to character the CMMS	30/09/2022	On track	Updated Zone Committee terms of reference approved CMF 27 November 2020
Strategy	of the Canterbury Water Management Strategy (CWMS)	management of our habitats			actions undertaken to deliver the CWMS across the region in order to maintain and nurture commitment to the delivery of the CWMS	30/06/2021	On track	
	Renew community acceptance and commitment to the Canterbury Water Management Strategy				Progress report on joint actions undertaken to deliver the CWMS across Canterbury	1/12/2021	On track	Work in progress with CWMS team
					CWMS Regional Committee reports on progess towards the 2025 and 2030 goals	30/06/2022	On track	Work in progress with CWMS team
influence to understand climate impacts,	Complete our first regional climate change risk assessment, aligned with the national climate change assessment, and identify critical gaps in our adaptation planning	Climate change mitigation and adaptation	Mayoral Forum	Climate Change Steering Group	Progress Stages 2 and 3 of the Climate Change Risk Assessment	30/06/2021	On track	Climate Change Risk Assessment (Stage 2 & 3) expected to be completed third quarter 2021 Agenda Item 5
risks and opportunities and incorporate these into regional planning documents and community awareness.	Encourage all Canterbury local authorities to complete carbon footprint assessments, to inform action plans for reductions	-			All Canterbury local authorities are encouraged and supported to commission council carbon footprint assessments	31/12/2020	On track	Working group went to market in December 2020 with ar RFP and expected to be in a position to begin negotiation and plan the implementation of the agreed methodology for reporting on carbon emissions by February 2021. Agenda Item 16
	Encourage Environment Canterbury to factor climate change mitigation and adaptation into the new Canterbury Regional Policy Statement.				Communicate to Environment Canterbury the Forum's concern that climate change mitigation and adaptation be addressed in the new Regional Policy Statement	30/06/2021	Complete	CMF has written to Environment Canterbury asking that climate change mitigation and adaptation be factored int the new Canterbury Regional Policy Statement.
CREDS 2016–2019 continuing work programmes	Canterbury Story	Shared economic prosperity	Mayoral Forum	um Secretariat		On tr	Complete	Following a review of the Canterbury Story website the chief executives agreed that this should be decommissioned. Agenda Item 10
	Food, Fibre and Innovation				High value manufacturing Value added production		On track	Work is underway on hosting a publishing industry roadmaps, work on developing industry clusters continues, and initiatives are underway with Ara and FoodSouth to continue to build the industry pipeline and improve productivity.
	South Island Destination Management plan						On track	South Island Destination Management plan completed in March 2020. In February 2021 it was agreed to defer a decision on whether to proceed to Stage 2 of the Plan until the August meeting. Agenda Item 9.
Freshwater Package investments	Advocate with Government for the region's interests to be addressed in the investment decisions to support the Government's Freshwater Package	Sustainable environmental management of our habitats	Mayoral Forum		Add to the agenda for the Mayoral Forum visit(s) to Wellington		On track	Essential Freshwater Steering Group established and held first meeting in March. Hon David Parker has been invited to Mayoral Forum working dinner 19 August 2021. Agend Item 12

Three-year work programme 2020–22

as at 2 August 2021

Education Forum	Facilitate a forum of key tertiary education and training providers to enable the exchange of ideas and information and support collaboration Advocate for transition of secondary students to further study and training or work	Shared economic prosperity	Mayoral Forum	Dan Gordon	Forum meets at least twice each year	30/06/2021	On track	
Skilled Workforce	Advocate with Government for education and immigration policies that deliver a skilled workforce now and into the future	Shared economic prosperity	Mayoral Forum		Add to the agenda for the Mayoral Forum visit(s) to Wellington	30/11/2020	On track	Discussed Mayoral Forum 19 February 2021
Better freight options	Participate on the Canterbury Regional Land Transport Committee	Better freight transport options	Mayoral Forum		Communicate to the RTC the forum's desire that the new RTLP provide a planning and investment framework that results in fewer trucks on the road		On track	Freight Tour was held 18 / 19 February 2021
	Collaborate with South Island chairs of RLTC to drive multi-modal transport planning investment						On track	
	Advocate with Government for investment in multi-modal transport outcomes, especially moving more long-distance freight by rail				Write to Ministers to advocate for Canterbury's position Add to agenda for Mayoral Forum visit(s) to Wellington		On track	Discussed Mayoral Forum 19 February 2021 Met with Minister Wood 27 May 2021
Three Waters	Review Three Waters service delivery arrangements across Canterbury	Three Waters services	CEs Forum	Three Waters Project Manager / Secretariat		30/06/2021	On track	Consultant has gathered data. Workshops with representatives from south island councils and iwi are underway.
	Advocate a Three Waters regulatory system that utilises risk-and evidence-based interventions to ensure safe and efficient delivery of water services				Write to Ministers to advocate for Canterbury's position Add to agenda for Mayoral Forum visit(s) to Wellington		On track	Meeting with Minister Mahuta 12 May 2021, with LGNZ Zone 6 and Ngãi Tahu
Review of Canterbury Regional Policy Statement	Facilitate a regional perspective on Environment Canterbury's review of the Canterbury Regional Policy Statement	Climate change mitigation and adaptation	Policy Forum		Encourage Environment Canterbury to factor climate change mitigation and adaptation into the new Canterbury Regional Policy Statement	30/06/2021	Complete	Letter sent from CMF to Environment Canterbury to factor climate change mitigation and adaptation into the new Canterbury Regional Policy Statement.
Update Canterbury Biodiversity Strategy	Oversee the review of the Canterbury Biodiversity Strategy 2008 to ensure alignment with the NZ Biodiversity Strategy 2020 and the proposed National Policy Statement on Indigenous Biodiversity	Sustainable environmental management of our habitats	Policy Forum			30/06/2021	On track	Environment Canterbury's LTP includes the Canterbury Biodiversity Strategy review and work will commence when the Government announces the NPS IB. Canterbury Regional Biodiversity Champions Group established in Environment Canterbury.
IT systems and digital services	Lead development of a 10-year plan for Canterbury councils to move to a common platform for IT systems and digital services (including valuation and rating functions) and secure cost savings through group licensing procurement, with specific concrete actions to be implemented in each year of the 10-year plan		Corporate Forum	CIOs	Conduct a stocktake of where everyone is at	30/06/2020	On track	CCF agreed 16 March 2020 that CIOs will conduct a stocktake of Canterbury councils' IT platforms, applications and procurement / licensing cycles and investment intentions to inform planning to move towards a common platform by 2030 Discussed at CE Forum 2 November 2020, on track.
	Develop a business case (with value proposition and a request for funding) to go to member councils to test and build consensus on a collective vision, commitment and understanding of what it might mean over time for procurement and renewal cycles					30/11/2020	On track	

Procurement	Develop a proposal for a joined-up procurement system/service for Canterbury councils, including legal services provisioning Develop a proposal for consideration by member councils	Corporate Forum	CFMG	CEs Forum on 27 July agreed for CFMG to contract Deloitte to analyse third-party expenditure by Canterbury councils, to inform collaborative procurement options	30/11/2020	On track	
	Share advice and lessons between drinking water suppliers from implementing the new Water Safety Plan to improve compliance across the region	Operations Forum	DWRG			On track	Councils are working on plans but it is a slow process as they require a lot of effort and DHB-side resources have been preoccupied by Taumata Arowai changes. At least three in Canterbury have been approved as of June 2021. There is concern about the what the status of these will be as we transition through with Taumata Arowai.
	Engage with central government on the resource management reforms through participation in the Local Government Forum of Chief Executives for resource management reform, reviewing and preparing submissions on new legislation, participating in Select Committle processes	Chief Executives Forum	David Ward	Jim Harland nominated for Local Government Forum of Chief Executives for resource management reform Policy Forum (through CPMG) keep watching brief on exposure drafts of the Natural and Built Environment Act and prepare to draft a regional submission when released	30/06/2021	On track	CMF submission made on the Inquiry on the Natural and Built Environments Bill: Parliamentary Paper. Letter to be sent to LGNZ, Taituară, Department of Internal Affairs and Ministry for the Environment requesting Canterbury presence on national working parties and reference groups Agenda Item 8
			Policy Forum	Policy Forum (with CCWG & CPMG) keep watching brief on drafts of Strategic Planning Act and Climate Change Adaptation Act		On track	
Future for Local Government	Engage with central government on the future for local government by supporting development of a regional approach and participating in the Future for Local Government Review		Chief Executives Forum	Progress actions from the Future for Local Government Workshop (April 2021) and actively participate in engagement with central government's Future for Local Government Review	1/04/2023	On track	Initial workshop held 19 March 2021, including papatipu rūnanga chairs and central government regional directors. Follow-up meeting and workshop held 28 May, which also included chair and executive director of Local Government Review Panel. Health Reform workshop held 5 July 2021. Agenda Item 14

Key to acronyms

CCWG	Climate Change Working Group	CIOs	Chief Information Officers Group	CREDS	Canterbury Regional Development Strategy
CEF	Chief Executives Forum	CMF	Canterbury Mayoral Forum	CWMS	Canterbury Water Management Strategy
CEMG	Canterbury Engineering Managers Group	COF	Canterbury Operations Forum	DWRG	Drinking Water Reference Group
CFMG	Canterbury Finance Managers Group	CPF	Canterbury Policy Forum	ECan	Environment Canterbury