

# Canterbury Chief Executives Forum

## MEETING PACK

for

## Canterbury Chief Executives Forum

Monday, 30 January 2023

9:00 am (NZDT)

Held at:

Selwyn District Council

2 Norman Kirk Drive, Rolleston

# INDEX

Cover Page

Index

Agenda

Attached Documents:

1.3 a	Minutes : Canterbury Chief Executives Forum - 31 Oct 2022.....	7
1.4 a	Action List.....	17
4.1 a	CEF Regional Public Service Commissioner update Jan 2023.docx.....	18
4.1 b	CEF Regional Public Service Commissioner update Jan 2023 Attachment 1.docx.....	19
4.1 c	CEF Regional Public Service Commissioner update Jan 2023 Attachment 2.pdf.....	22
4.2 a	CEF Mayoral Forum's Plan for Canterbury Jan 2023.docx.....	24
4.3 a	CEF Future for Local Government - draft regional submission Jan 2023.docx.....	25
4.3 b	CEF FfLG draft submission Jan 2023 Attachment 1a.docx.....	27
4.3 c	CEF FfLG draft submission Jan 2023 Attachment 1b.docx.....	30
4.4 a	CEF Resource management reform submissions Jan 2023.docx.....	50
4.4 b	CEF RM reform submissions Jan 2023 Attachment 1.docx.....	53
4.4 c	CEF RM reform submissions Jan 2023 Attachment 2.docx.....	75
4.5 a	CEF Canterbury Water Management Strategy update Jan 2023.docx.....	83
4.6 a	CEF Regional Transport Committee update Jan 2023.docx.....	98
4.6 b	CEF Regional Transport Committee update Jan 2023 Appendix 1.pdf.....	104
4.6 c	CEF Regional Transport Committee update Jan 2023 Appendix 2.docx.....	136
4.7 a	CEF Regional Forums update Jan 2023.docx.....	140
5.1 a	2023-02-24 Draft Agenda Canterbury Mayoral Forum.pdf.....	146

# AGENDA

## CANTERBURY CHIEF EXECUTIVES FORUM

<b>Name:</b>	Canterbury Chief Executives Forum
<b>Date:</b>	Monday, 30 January 2023
<b>Time:</b>	9:00 am to 12:00 pm (NZDT)
<b>Location:</b>	Selwyn District Council, 2 Norman Kirk Drive, Rolleston
<b>Committee Members:</b>	Hamish Riach (Committee Chair), Alex Parmley, Angela Oosthuizen, Bede Carran, David Ward, Dawn Baxendale, Hamish Dobbie, Stefanie Rixecker, Stuart Duncan, Will Doughty
<b>Attendees:</b>	Amanda Wall, Maree McNeilly, Rosa Wakefield
<b>Apologies:</b>	Jeff Millward
<b>Guests/Notes:</b>	Ben Clark, Regional Public Service Commissioner, item 4.1; Hamish Barrell and Mark Geddes, Planning Managers Group, item 4.4; Jesse Burgess and Clare Pattison, Environment Canterbury, item 4.6

### 1. Open Meeting

#### 1.1 Welcome, introductions and apologies

9:00 am (2 min)

Hamish Riach

##### Opening karakia:

Whakataka te hau

Whakataka te hau ki te uru

Whakataka te hau ki te tonga

Kia mākinakina ki uta

Kia mātaratara ki tai

E hī ake ana te atakura

He tio, he huka, he hau hū

Tīhei mauri ora!

Cease the winds from the west

Cease the winds from the south

Let the breeze blow over the land

Let the breeze blow over the ocean

Let the red-tipped dawn come

with a sharpened air.

A touch of frost,

a promise of a glorious day.

It is the breath of life!

**1.2 Confirmation of Agenda**

9:02 am (2 min)

Hamish Riach

**1.3 Confirm minutes**

9:04 am (2 min)

Hamish Riach

Supporting Documents:

1.3.a	Minutes : Canterbury Chief Executives Forum - 31 Oct 2022	7
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**1.4 Action list**

9:06 am (4 min)

Hamish Riach

Supporting Documents:

1.4.a	Action List	17
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**2. CE discussion time****2.1 Discussion**

9:10 am (60 min)

**3. Morning tea****3.1 Morning tea**

10:10 am (15 min)

**4. For discussion and decision****4.1 Regional Public Service Commissioner update**

10:25 am (10 min)

Ben Clark

Supporting Documents:

4.1.a	CEF Regional Public Service Commissioner update Jan 2023.docx	18
4.1.b	CEF Regional Public Service Commissioner update Jan 2023 Attachment 1.docx	19
4.1.c	CEF Regional Public Service Commissioner update Jan 2023 Attachment 2.pdf	22

**4.2 Mayoral Forum's Plan for Canterbury**

10:35 am (20 min)

Hamish Riach

Supporting Documents:

4.2.a	CEF Mayoral Forum's Plan for Canterbury Jan 2023.docx	24
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**4.3 Future for Local Government - draft regional submission** 10:55 am (15 min)

Hamish Dobbie

Supporting Documents:

4.3.a	CEF Future for Local Government - draft regional submission Jan 2023.docx	25
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## Supporting Documents:

4.3.b	CEF FfLG draft submission Jan 2023 Attachment 1a.docx	27
4.3.c	CEF FfLG draft submission Jan 2023 Attachment 1b.docx	30

**4.4 RM Reform submissions**

11:10 am (10 min)

Hamish Dobbie

Mark Geddes (submission author) &amp; Hamish Barrell (Chair, Canterbury Planning Managers Group)

## Supporting Documents:

4.4.a	CEF Resource management reform submissions Jan 2023.docx	50
4.4.b	CEF RM reform submissions Jan 2023 Attachment 1.docx	53
4.4.c	CEF RM reform submissions Jan 2023 Attachment 2.docx	75

**4.5 Canterbury Water Management Strategy update**

11:20 am (5 min)

Stefanie Rixecker

## Supporting Documents:

4.5.a	CEF Canterbury Water Management Strategy update Jan 2023.docx	83
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**4.6 Regional Transport Committee update**

11:25 am (15 min)

Jesse Burgess, Clare Pattison

## Supporting Documents:

4.6.a	CEF Regional Transport Committee update Jan 2023.docx	98
4.6.b	CEF Regional Transport Committee update Jan 2023 Appendix 1.pdf	104
4.6.c	CEF Regional Transport Committee update Jan 2023 Appendix 2.docx	136

**4.7 Regional forums update**

11:40 am (5 min)

Bede Carran; Hamish Dobbie; Will Doughty, Dawn Baxendale, Stuart Duncan

## Supporting Documents:

4.7.a	CEF Regional Forums update Jan 2023.docx	140
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**5. For information****5.1 Draft Mayoral Forum agenda**

11:45 am (5 min)

Hamish Riach

## Supporting Documents:

5.1.a	2023-02-24 Draft Agenda Canterbury Mayoral Forum.pdf	146
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**6. General business****6.1 General business**

11:50 am (5 min)

## 7. Close Meeting

### 7.1 Meeting debrief

11:55 am (5 min)

### 7.2 Closing karakia

12:00 pm (2 min)

Kia tau te rangimarie ki runga I nga lwi o te ao  
Haumi e  
hui e  
Taiki e

Let peace reign on all the people of the world  
Fixed  
Bound as one

### 7.3 Close the meeting

**Next meeting:** Canterbury Chief Executives Forum - 1 May 2023, 9:00 am

**Other upcoming meetings:**

- Mayoral Forum – Friday 24th February 2023 8.30am-2.30pm at Commodore Hotel

# MINUTES (in Review)

## CANTERBURY CHIEF EXECUTIVES FORUM

<b>Name:</b>	Canterbury Chief Executives Forum
<b>Date:</b>	Monday, 31 October 2022
<b>Time:</b>	9:00 am to 11:58 am (NZDT)
<b>Location:</b>	Selwyn District Council, 2 Norman Kirk Drive, Rolleston
<b>Committee Members:</b>	Hamish Riach (Committee Chair), Angela Oosthuizen, Bede Carran, David Ward, Dawn Baxendale, Jeff Millward, Hamish Dobbie, Stefanie Rixecker, Stuart Duncan
<b>Attendees:</b>	Amanda Wall, Maree McNeilly, Rosa Wakefield
<b>Apologies:</b>	Alex Parmley, Will Doughty
<b>Guests/Notes:</b>	Teresa Wooding, DIA Three Waters National Transition Unit; for item 2.1

### 1. Open Meeting

#### 1.1 Welcome, introductions and apologies

The chair welcomed everyone to the meeting, and members joined in karakia.

Apologies were noted as above; it was also noted that Bede would join the meeting at around 10.30am.

#### 1.2 Confirmation of Agenda

The agenda was confirmed with one item of general business.

- The Mayoral Forum has an action for CEs to report back progress and possible avenues for advocacy around the regional sector's business case to central government for co-investment in river management for flood protection. Stefanie will provide a paper to the Mayoral Forum, and will seek CEs input to ensure TA perspective is covered as well as regional.



#### Action

Investigate whether there is space on the Mayoral Forum agenda to invite John Hutchings, who is preparing report, to attend virtually to speak about the regional sector's business case to central government for co-investment in river management for flood protection.

**Due Date:** 10 Nov 2022

**Owner:** Maree McNeilly

#### 1.3 Confirm minutes

**Canterbury Chief Executives Forum 1 Aug 2022**, the minutes were confirmed as presented.

## 1.4 Action list

Due Date	Action Title	Owner
30 Nov 2022	Scenario planning session <b>Status:</b> In Progress	Hamish McKinnon

## 2. For discussion and decision

### 2.1 Three Waters Transition

The chair welcomed Teresa Wooding to the meeting. Teresa gave an update on NTU activities, noting that she will share slides with the group following the meeting. She noted that the NTU's focus is on the critical success factors for day 1 but also ensuring foundational work is done well.

The NTU is doing everything it can to minimise impact on councils, but does appreciate the work that council staff are putting into transitional activities.

The primary method of engagement with Chief Executives is through the email updates from Heather Shotter, including notification of any significant RFIs ahead of time.

Data and digital workshops are underway.

Members noted concerns, including:

- processes for transfer of information
- the NTU should only be asking for data it knows it needs
- definition of stormwater/urban stormwater
- treatment of stranded overheads.

NTU Entity D has arranged a further meeting with council Chief Executives from all of Entity D for Thursday 24 November.

### 2.2 Mayoral Forum's Plan for Canterbury

The chair spoke to the paper, noting the premise based on previous discussions with the CEs that the current plan is fundamentally sound as the basis for a sustainable development strategy for the 2022-2025 triennium. He noted also that as a result of the central government reform processes there will be a strong drive for wide-ranging regional governance. The Mayoral Forum is well placed to represent the region's input into future governance arrangements so the 2022-2025 Strategy will be a key document to demonstrate regional collaboration and leadership.

Members agreed that updating the existing plan would be their recommendation, and suggested that this be done as quickly as possible, with the intent for the plan to be adopted in February, due to the expected intensity of the triennium in relation to reform. A workshop in January to work through changes was suggested.



#### Action

Set up a facilitated workshop for late January (19/20 or 23 Jan) for the Mayoral Forum to work through the Plan for Canterbury for the new triennium.

10/11: Seeking dates with mayors & chair.

**Due Date:** 18 Nov 2022

**Owner:** Maree McNeilly





## Decision

The Forum agreed to recommend to the Mayoral Forum that it review and update the Mayoral Forum's Plan for Canterbury 2020-2022 for the current triennium, for adoption in February 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** Dawn Baxendale  
**Seconded:** Stefanie Rixecker  
**Outcome:** Approved

## 3. Morning tea

### 3.1 Morning tea

## 4. CE discussion time

### 4.1 Discussion

CEs discussed a range of issues, including:

- the audit process, and impact of delays
- Future for Local Government (FfLG)
- local elections
- valuations
- preparations for general election
- gender pay equity
- the Holidays Act
- national ticketing system for public transport
- team wellbeing
- Annual Plan messaging.



## Letter to Audit NZ

David and Bede to draft another letter to Audit NZ noting:

- that the value of audit diminishes the more it's delayed
- the compounding impact on annual plan and LTP
- The impact of uncertainty around rating with three waters and RM reform
- that the delays in audit are compromising good decision-making for the community.

Members suggested proposing that not all councils need to be audited every year, but that a rolling schedule could be adopted with clear risk-based criteria determining who will be audited.

This will be done by 4 November.

Once the letter has been sent to Audit NZ the Forum will seek support from the Mayoral Forum to share with OAG and share as widely as possible.

**Due Date:** 11 Nov 2022  
**Owner:** David Ward

**Maintain list of potential better ways to operate for FfLG**

Maintain list of potential better ways to operate or improve processes (e.g. audit) to highlight for FfLG.

**Due Date:** 11 Nov 2022

**Owner:** Maree McNeilly

**Action**

Forum members to share thoughts on the FfLG report with each other as soon as they have digested it.

**Due Date:** 11 Nov 2022

**Owner:** Maree McNeilly

**Action**

Share work done around valuations with the group.

**Due Date:** 18 Nov 2022

**Owner:** Dawn Baxendale

**Action**

Members to share work done around the Holidays Act with each other.

10/11: Reminder sent to members 8 November.

**Due Date:** 18 Nov 2022

**Owner:** Maree McNeilly

**Action**

Share work on messaging for Annual Plan on e.g. three waters.

**Due Date:** 18 Nov 2022

**Owner:** Maree McNeilly

## 5. For discussion and decision

### 5.1 Communications and Engagement Forum

Stefanie spoke to the paper, noting the need for a Canterbury Communications and Engagement Forum to bring forward touch points and alignment in communications.

The group discussed asking the Communications and Engagement Forum to collate who is consulting on what, and when, and potentially even take the further step of what consistent messaging should look like. They could also look at where we are over-consulting, what areas are most important for consultation, what is required by legislation etc.

Members would like this group to be established as quickly as possible, with an initial Teams meeting before Christmas.

**Action**

CEs to provide nominations for members of the new Communications and Engagement Forum.

**Due Date:** 18 Nov 2022

**Owner:** Maree McNeilly

**Action**

Direct the Communications and Engagement Forum to collate areas of consultation for each councils, when consultations are running, and what consistent messaging should look like for key areas.

22/11: Waiting for Waimate rep

**Due Date:** 18 Nov 2022

**Owner:** Will Doughty

**Decision**

The Forum agreed to:

1. the establishment of a Canterbury Communications and Engagement Forum to support the Mayoral Forum
2. approve the draft terms of reference for the Canterbury Communications and Engagement Forum
3. approve the reporting of the Canterbury Communications and Engagement Forum to the Canterbury Chief Executives Forum
4. select a Chief Executive chair for the Canterbury Communications and Engagement Forum.

**Decision Date:** 31 Oct 2022

**Mover:** Stefanie Rixecker

**Seconder:** David Ward

**Outcome:** Approved

## 5.2 Regional forums arrangements 2023

The chair spoke to the paper, noting the suggestion to advise the Mayoral Forum to establish only one sub-group – the climate change action planning reference group, and to endorse the reinstatement of the Canterbury Biodiversity Champions Councillor Group.

Members of the regional forums have expressed their support for the current forums to continue and see great value in continuing to build relationships across the region.

All forums have indicated support for a two-day combined forum meeting to be held early in 2023. This meeting would provide opportunities to build relationships between councils, network and develop a joined-up work programme. The suggestion is that it run from 12 noon to 12 noon and include sessions with chief executives, guest speakers, information sharing on priority issues, and the respective forum meetings.

Chairs for the Chief Executives, Corporate, Policy, Operations, Economic Development and Communications and Engagement Forums were selected for 2023. Members noted that the new chairs should take over from the next meetings of each Forum, rather than wait until 2023.

**Decision**

The Forum agreed to:

1. recommend to the Mayoral Forum that it
  - a. establish a climate change action planning reference group for the local government term to support and provide governance-level input into the work of the Climate Change Working Group on regional action planning
  - b. endorse the reinstatement of the Canterbury Biodiversity Champions councillor group for this local government term
2. endorse the proposal for a joint regional forums meeting in early 2023, which would include a session for chief executives to provide advice on the direction these forums should take in this local government term

3. confirm terms of reference for the Chief Executive, Corporate, Operations, Policy and Economic Development forums
4. note the regional forums meeting schedule for 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** Hamish Dobbie  
**Seconder:** Bede Carran  
**Outcome:** Approved



#### Decision

Hamish Riach was nominated as Chair of the Chief Executives Forum for 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** David Ward  
**Seconder:** Angela Oosthuizen  
**Outcome:** Approved



#### Decision

Angela Oosthuizen was nominated as chair of the Corporate Forum for 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** Hamish Riach  
**Seconder:** Hamish Dobbie  
**Outcome:** Approved



#### Decision

Hamish Dobbie was nominated as chair of the Policy Forum for 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** Stuart Duncan  
**Seconder:** Bede Carran  
**Outcome:** Approved



#### Decision

Stuart Duncan was nominated as chair of the Operations Forum for 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** Stefanie Rixecker  
**Seconder:** Dawn Baxendale  
**Outcome:** Approved



#### Decision

Dawn Baxendale was nominated as chair of the Economic Development Forum for 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** Jeff Millward  
**Seconder:** Hamish Riach  
**Outcome:** Approved



#### Decision

Will Doughty was nominated as chair of the Communications and Engagement Forum for 2023.

**Decision Date:** 31 Oct 2022  
**Mover:** Stefanie Rixecker  
**Seconder:** Hamish Riach  
**Outcome:** Approved

### 5.3 Regional climate change action planning

Stuart was out of the room for this item.

Stefanie spoke to the paper, noting that the main issue is the proposed governance and signoff process. The group is trying to streamline structures; it grew organically, and is now seeking to amalgamate or rationalise.

Dawn noted concern from Christchurch City Council about the timeline, as it is already well-advanced on LTP work puts this out of sequence. She also noted the need for a conversation to ensure alignment around a potential levy, challenges with transport, and what new funding instruments might look like.

The reference group is expected to have a wider conversation on timeline. Stefanie will ask the team to update the papers to include references to the need for collaboration, and note the need to consider timescale and individual council needs. She will then confirm Christchurch is comfortable with the approach before presenting to the Mayoral Forum.



#### Decision

The Forum agreed to:

1. note the scope and approach for collaboration on climate action planning in Canterbury as endorsed by the Climate Change Steering Group on 16 September 2022
2. note resource requirements for individual councils (as outlined in Table 1 Approach and paragraphs 17 & 18 in the paper) to integrate climate actions into 2024-2034 Long-Term Plans.

**Decision Date:** 31 Oct 2022  
**Mover:** Hamish Riach  
**Seconded:** Dawn Baxendale  
**Outcome:** Approved



#### Decision

The Forum agreed to endorse proposed governance and signoff process for deliverables, including a Canterbury Climate Partnership Plan, from the collaboration on climate action planning in Canterbury.

Note that Dawn Baxendale abstained from voting on this recommendation.

**Decision Date:** 31 Oct 2022  
**Mover:** Stefanie Rixecker  
**Seconded:** David Ward  
**Outcome:** Approved

### 5.4 Canterbury Water Management Strategy update

Stefanie spoke to the paper, noting that the CMWS regional committee will need to be pulled together. She noted that given essential freshwater and RM reforms there may be a need to have another look at zone committees, to find another way of working that is more agile and less costly.

It was noted that the new mid-Canterbury catchment collective is doing great work, but that there's a need to be careful in how this review is done as there is an emotional attachment to zone committees. It's important that the Mayoral Forum comes to agreement collectively on this.

Stefanie also noted that Environment Canterbury puts through a higher volume of consents than the rest of the regional councils combined, and is behind in processing these, due to Covid and the Aotearoa Water Action case. Stefanie is looking at how to improve this process, and the team is working hard on stormwater and wastewater. Stefanie also noted that Environment Canterbury is commencing some work on considering what the CWMS might look like in the future as a result of

the range of current government-led reforms, which will then need to be discussed with the Mayoral Forum.



## Decision

The Forum agreed to:

1. note Environment Canterbury's offer to provide a CWMS briefing to each mayor and/or council if requested
2. note that Environment Canterbury and each territorial authority has a councillor representative for each relevant zone committee.

**Decision Date:** 31 Oct 2022  
**Mover:** Stefanie Rixecker  
**Seconder:** Jeff Millward  
**Outcome:** Approved

## 5.5 Regional forums update and work programme

Jeff Millward spoke to the Corporate Forum update, noting that the group consider the Forums are still valuable, and is keen to receive guidance on the work programme for the next three years. The Corporate Forum has had issues with delegates attending and not engaging with conversation at the right level. CEs to reinforce with members the preference for them to attend themselves if at all possible.

The Operations Forum update was taken as read.

David Ward spoke to the Policy Forum update, noting that attendance and contribution has been very good. The Policy Forum have noted that alignment of the work programme with the Mayoral Forum and CEs Forum is key.

The Planning Managers have asked if the CEs Forum or the Mayoral Forum would write a letter seeking a review of the Ministry for the Environment's National Monitoring System. The Forum will review the two relevant bills when RM reform lands and then frame as a paper for the next meeting. Stefanie noted that this is already a priority for MfE but Ministers have not agreed to fund. Stefanie suggested an officer-level meeting would be better as a first step than a letter at this stage.



## Action

CEs to reinforce with Forum members the preference for them to attend their Forums rather than delegating if at all possible.

**Due Date:** 18 Nov 2022  
**Owner:** Maree McNeilly



## Decision

The Forum agreed to:

1. receive the report on regional forum meetings between July and October 2022
2. receive the quarterly update on the regional forums budget and note updates to the three-year work programme since these were last presented to the Chief Executives Forum in August 2022.

**Decision Date:** 31 Oct 2022  
**Mover:** Dawn Baxendale  
**Seconder:** David Ward  
**Outcome:** Approved

## 5.6 Future for Local Government review

This item was discussed by members in their discussion session rather than this stage of the meeting.

Members discussed the process and timings for election of LGNZ zone chairs and zone president, noting that these are separate.



### Action

Advise Susan Freeman-Green that clarification is needed around processes and timing for LGNZ zone chairs and zone president.

22/11: Information on process and timing is included in the LGNZ constitution.

**Due Date:** 12 Nov 2022

**Owner:** Maree McNeilly

## 6. For information

### 6.1 Regional Public Service Commissioner update

The paper was taken as read.

### 6.2 Draft Mayoral Forum agenda

Members discussed the draft Mayoral Forum agenda, noting that there is no guest for the dinner to allow new members to get to know each other better. Photos will be taken during the morning tea break at the Mayoral Forum.

MfE can attend for the RM reform slot if we want them. Members agreed that especially if legislation has landed in the house this would be timely.

It was noted that the membership and chair need to be updated on BoardPro to reflect the new triennium.

## 7. General business

### 7.1 General business

No items of general business were discussed.

## 8. Close Meeting

### 8.1 Meeting debrief

Members agreed that the more informal seating arrangements are more collegial, and noted that technology support may be needed for future meetings.

### 8.2 Closing karakia

Members joined in karakia to close the meeting.

### 8.3 Close the meeting

**Next meeting:** Canterbury Chief Executives Forum - 30 Jan 2023, 9:00 am

**Other upcoming meetings:**

- Mayoral Forum – Friday 25th November 2022 8.30am-2.30pm at Commodore Hotel

**Signature:** \_\_\_\_\_**Date:** \_\_\_\_\_



# Action List

## Canterbury Chief Executives Forum

*As of: 20 Jan 2023*

### Letter to Audit NZ

**Not Started**

David and Bede to draft another letter to Audit NZ noting:

- that the value of audit diminishes the more it's delayed
- the compounding impact on annual plan and LTP
- The impact of uncertainty around rating with three waters and RM reform
- that the delays in audit are compromising good decision-making for the community.

Members suggested proposing that not all councils need to be audited every year, but that a rolling schedule could be adopted with clear risk-based criteria determining who will be audited.

This will be done by 4 November.

Once the letter has been sent to Audit NZ the Forum will seek support from the Mayoral Forum to share with OAG and share as widely as possible.

**Due Date:** 11 Nov 2022

**Owner:** David Ward

**Meeting:** 31 Oct 2022 Canterbury Chief Executives Forum, 4.1 Discussion

### Scenario planning session

**In Progress**

Plan a scenario testing session in August for CEs across RM reform, three waters and the future for local government. Dawn and Stefanie to advise on how to frame this conversation; potentially with planners and water people. Assess for different scenarios; expected positives, crunch points and potential problem areas. Looking at this collectively will help us see what we are looking at as a region. Stefanie will ask Environment Canterbury staff to support this with their information once it is able to be shared.

31/10: all agreed that incorporating this into the combined forum meeting proposed in Item 5.2 may be a good approach, but it was also noted that this workshop should happen as soon as possible, as Resource Management bills will land soon. Stefanie's team will summarise and share their knowledge. Dawn and Stefanie to work with the secretariat to land a workshop around this.

**Due Date:** 30 Nov 2022

**Owner:** Hamish McKinnon

**Meeting:** 2 May 2022 Canterbury Chief Executives Forum, 2.1 Discussion

# Canterbury Chief Executives Forum

**Date:** 30 January 2023

**Presented by:** Hamish Riach

## **Regional Public Service Commissioner update**

### **Purpose**

1. The purpose of this paper is to provide a written quarterly regional public service commissioner update.

### **Recommendation**

**That the Canterbury Chief Executives Forum:**

1. **note the written update from Ben Clark, Regional Public Service Commissioner.**

### **Background**

2. At the August 2021 Chief Executives Forum it was agreed to a standing item on future Chief Executives Forum meeting agendas for the Regional Public Service Lead (now Regional Public Service Commissioner (RPSC)).

## **Regional Public Service Commissioner update**

3. A written report has been prepared and is provided as Attachment 1.

### **Attachments**

- Regional Public Service Commissioner report

# Regional Public Service Commissioner (RPSC) Update:

**CE Forum 30.01.2023**

## Purpose

The purpose of this paper is to provide a brief update from the Regional Public Service Commissioner (Ben Clark) on:

- The Waitaha Priorities Group (WPG) - Regional Leaders operating under the Regional Systems Leadership Framework (RSLF). This framework is intended to improve how the public service works in regions and ultimately support improvements in the wellbeing of New Zealand's communities

Note: The Regional Leadership Group (RLG) - established to ensure the region's system response to the COVID Protection Framework (CPF) was well prepared, was 'retired' in October 2022. This group, however, is still used to seek feedback on proposed Health measures (via Dept of Prime Minister and Cabinet) or to disseminate information as required. If needed, (due to any significant pandemic developments), we will re-convene.

**Waitaha Priorities Group (WPG)** – previously known as the Canterbury Public Service Leadership Group

The current role of WPG is threefold:

- a. To define and progress regional priorities
- b. Oversee the regional coordination of the national strategies where RPSC has been identified to support, identify further opportunities to collectively respond, and identify how the national strategies align with regional priorities
- c. Convene to resolve localised issues as they arise

## A. Refine and progress regional priorities

The approach to refining our regional priorities comprises the following:

- *Defining a clear outcome statement for each priority area*
- *Defining focus area(s) under each outcome statement*
- *Defining action(s) under each focus area that contribute towards achieving the outcome statement.*

As part of the refinement work, we are also interested in a place-based focus to keep any intervention manageable and targeted.

The actions most relevant to WPG are those requiring a level of collective impact for improved outcomes.

Smaller working groups have been formed for 2 priority areas, with others to follow. These groups are made up of those agencies directly involved in each priority area to refine as above, gather data and insights to support the focus, while also noting existing strategies, work programmes and plans in place and connections across wider stakeholders (in order to avoid duplication of effort).

As data and insights are gathered, it is envisaged that stakeholders including rūnanga and territorial authorities may wish to:



- Contribute additional data or scenarios
- Consider representation on the relevant working group if needed (and if the area of focus resonates)
- Identify gaps where further partnering opportunities should be explored

These opportunities can be presented for discussion at the CE forum, and/or be followed up by discussions with individual territorial authorities.

**The broad priorities noting current activities are as follows:**

**All tamariki and rangatahi in Canterbury reach their full potential**

Attendance and Engagement:

To support the Engagement Strategy, a working group is being established to determine focus areas and actions that require collective response

Oranga Tamariki Action Plan:

WPG to continue to support Oranga Tamariki (OT) to identify relevant actions required across agencies to contribute to the Oranga Tamariki Action Plan (OTAP)

Early intervention (first 1000 day):

Further exploration of this focus area is underway.

**Workforce Development – transitioning Canterbury to become a more highly productive and sustainable economy**

A working group has convened and is working through a collation of employment action plans, identifying which focus areas would be those which could benefit for a more joined up approach across agencies for better outcomes – ones backed by evidence, to ensure we are targeting our collective efforts in the right space.

This exercise will also lend itself to identifying agencies that could be included in the working group.

Next steps are being discussed in February.

**Equitable access to services, safe housing and secure tenure (updated)**

Initial focus areas:

- Support people with complex issues, where housing alone will not meet their needs
- Wrap around, cross-agency support for whānau with tamariki transitioning through emergency housing

A working group, co-led by MSD and Kāinga Ora, is completing a continuum of responsibilities around the focus areas, while also gathering scenarios and data. This exercise will identify 'pain points' (disconnect between agencies/services). This group will consult and seek input from wider stakeholders. Next meeting February.

**Whānau have access to services, resources and live in healthy environments that support mental wellbeing (updated)**

An initial meeting with Health colleagues resulted in consensus to reframe the priority as above. It was identified that we need to strengthen the multi-agency response needed to support people with mild to moderate mental health problems (including early signs of distress). Discussions will continue in 2023.



## Addressing family violence and sexual violence

The Regional Public Service team is keeping connected to Te Puna Aonui (previously known as Joint Venture) to determine how best the team can support regional implementation of Te Aorerekura (The National Strategy to eliminate Family Violence and Sexual Violence)

**To note:** The Regional Public Service Team, alongside WPG will seek opportunities to actively support priorities and associated actions identified in the upcoming review of the Mayoral Forum plan – particularly where a more joined up agency response will result in improved outcomes for communities.

### **B. Oversight: regional coordination of the national strategies where RPSC has been identified to support**

The RPS team is overseeing how agencies are regionally supporting the national strategies. In doing so, identifying further opportunities to convene, and confirming the level of alignment of national strategies with our regional priorities. Regional agency leads in Waitaha are identifying interagency synergies that exist across the range of current national strategies.

The first national strategies the group focused on were the Oranga Tamariki Action plan, the Ministry of Education's Attendance and Engagement Strategy, Child Youth Wellbeing Strategy. These will be followed by Kia Manawanui Aotearoa: long-term pathway to mental well-being and Te Aorerekura (National Strategy to Eliminate Family Violence and Sexual Violence) early in 2023.

*See Attachment: National priorities delivery via RSLF.*

### **C. Convene to resolve localised issues as they arise**

An example is the recent focus at WPG on youth crime given the recent media attention and increase in car related crime across the city.

WPG provides an opportunity for agencies to work together to understand the data and insights available, but more importantly to ensure a collective response to mitigate these issues.

To enhance the Police/Oranga Tamariki planning approach that is already established Canterbury is implementing a wider sector multi-agency table to consider the needs of rangatahi currently most at risk and presenting the greatest worry of escalating and continued offending. This includes providing a more critical response to the younger cohort of tamariki who are at risk of entering the Youth Justice system and those rangatahi who are persistently offending despite considerable intervention .

The membership of this group thus far includes Oranga Tamariki, Police, Ministry of Social Development, Ministry of Education, Te Whata Ora (Health NZ), Youth Pathways, Youth and Cultural Development, 180 Degrees Trust.

# National Priorities confirmed and proposed for RPSC roles

## as at 16 November 2022

### COVID-19 Protection Framework (CPF)

**RPSC Role:** Cabinet mandate to regionally align and coordinate public service contribution to the CPF, including health, housing, welfare; work with regional leadership groups.

**RPSCs funded:** Yes. \$18.1m to 6/2023

**Priority:** High, resurgence preparedness and planning for ongoing resilience

**Regions:** All

### Regional Public Service Priorities

**RPSC Role:** Support collaborative, cross-agency work to address shared public service priorities to support community wellbeing, with national priorities, such as housing, child wellbeing and employment growth. Work with regional leaders, including iwi, Māori groups, local government, business and community to inform priorities.

**RPSCs funded:** Currently absorbed under CPF funding to June 2023

**Priority:** Varies by region as prioritisation of actions reflect community needs.

**Regions** All

### Child Youth Wellbeing Strategy (DPMC)

**RPSC Role:** Within the existing RPSC model, strengthen the infrastructure for whānau centred, locally led, regionally enabled ways of working and learning up and down the system.

**RPSCs funded:** No

**Priority:** High

**Regions:** All

### ROCC (Police)

**RPSC Role:** Support and connect Regional Public Service with ROCC initiatives

**Priority:** High

**Regions:** Bay of Plenty, Hawkes Bay/Tairāwhiti, Southern, Counties Manukau in 2023

### Oranga Tamariki Action Plan (OT)

**RPSC Role: Action** - Work with RPSCs on how they can help drive support for and engagement in the Action Plan and actions through regional leadership (agencies, iwi, local government and partners) to enable locally-led solutions

**RPSCs funded:** No

**Priority:** High, early development stage

**Regions:** All

### Te Aorerekura (Te Puna Aonui)

**RPSC Role: Action 7** - Support and facilitate implementation to give effect to the strategy with communities

**RPSCs funded:** No. FVSV may contribute to locally led projects.

**Priority:** High, planning underway

**Regions:** All

### Social Sector Commissioning (MSD)

**RPSC Role:** Action Plan launched Nov 22 – working through role in facilitating regional stewardship of the transformation that is envisaged

**RPSCs funded:** No

**Priority:** Medium, high interest, early development stages

### Health Localities Planning (Te Whatu Ora)

**RPSC Role:** Support and connect Public Service with localities planning activity

**RPSCs funded:** No

**Priority:** High

**Regions:** All regions by 2023

### School Engagement/Attendance (MoE)

**RPSC Role:** Request from Secretary for Education to co-ordinate agencies at the regional level to support Ministry of Education-led response to school engagement and attendance

**RPSCs funded:** No

**Priority:** High

**Regions:** All

### Youth Engagement (MoE, Police, MSD)

**RPSC Role:** Ministerial request to scale up responses to youth crime (July 22). Joined up with Youth Engagement strategy

**RPSCs funded:** No

**Priority:** High

**Regions:** Northland, Auckland, Waikato

### Kia Manawanui Aotearoa (MoH)

**RPSC Role:** Help strengthen coordination of strategies and activities that contribute to mental wellbeing and raise awareness and understanding

**RPSCs funded:** No

**Priority:** Medium

**Regions:** All

### Resource Management (MfE)

**RPSC Role:** TBC – Supporting proposed central government representation in spatial planning process at regional level, working with iwi and local government

**RPSCs funded:** TBC

**Priority:** To be determined, early development stage of legislation

**Regions:** All

### Just Transitions (MBIE)

**RPSC Role:** Southern: RPSC on the JTP Enduring Oversight Group, key role in coordination and collaboration. Taranaki: RPSC on JTP group, role in coordination and collaboration.

**RPSCs funded:** No.

**Priority:** Medium (Taranaki) High (Southland)

**Regions:** Taranaki and Southland

### Regional Economic Development (Kānoa - RDU)

**RPSC Role:** member of regional economic development partnership group which considers opportunities for RED and supports regional projects that meet RED priorities

**RPSCs funded:** No.

**Priority:** Medium

**Regions:** All regions

### Regional Skills Leadership Group (MBIE)

**RPSC Role:** A member of the RSLG, developing Regional Workforce Plans, implementing regional economic strategies

**RPSCs funded:** No.

**Priority:** Medium priority, high input

**Regions:** All regions

### Jobs for Nature (DoC/MBIE Tourism)

**RPSC Role:** Support DoC/MBIE/MSD in the development of sustainable conservation/tourism employment partnership model.

**RPSCs funded:** No.

**Priority:** Medium (low input)

**Regions:** West Coast





**Te Kāwanatanga  
o Aotearoa**  
New Zealand Government

# Regional Public Service Priorities as at 5 August 2022

The priorities reflect what is most important to communities and partners largely from a social sector perspective, based on discussions to date. They identify key strategic issues that are currently impacting the most on the wellbeing of communities in their regions. They are also focused on what agencies, particularly at a regional level with their partners, can leverage and impact by working together.



## Waikato

- ▶ Positive Iwi and Māori Outcomes
- ▶ Focus on Individual, Whānau, Community
- ▶ Iwi and Māori Relationships
- ▶ Building Strong and Resilient Communities

## Tāmaki Makaurau

- ▶ Thriving whānau and Communities
- ▶ Education
- ▶ Employment
- ▶ Housing
- ▶ Economic Development
- ▶ COVID-19 Impacts and Recovery

## Taranaki

- ▶ Housing
- ▶ Young people (0 - 25 years)
- ▶ Economic recovery via employment
- ▶ Enabling Māori /Mana Motuhake

## Manawatu-Whanganui

- ▶ Housing – access to social housing and whanau support
- ▶ Economic Development – rangatahi and priority group employment
- ▶ Education – engagement and attendance for rangatahi

## Marlborough

- ▶ Housing
- ▶ Low Income and Employment
- ▶ Balancing Labour Supply and Shortage
- ▶ NEET (Not in Employment, Education or Training)
- ▶ Methamphetamine
- ▶ Family Safety

## Nelson/Tasman

- ▶ Housing
- ▶ Low Income and Employment
- ▶ Balancing Labour Supply and Shortage
- ▶ NEET (Not in Employment, Education or Training)
- ▶ Methamphetamine
- ▶ Ageing Population
- ▶ Family Safety

## West Coast

- ▶ Housing
- ▶ Low Income and Employment
- ▶ Economic Development
- ▶ Access to Services
- ▶ NEET (Not in Employment, Education or Training)
- ▶ Methamphetamine
- ▶ Family Safety

## Southland

- ▶ Employment, Skills, and Training
- ▶ Education
- ▶ Mental Wellbeing
- ▶ Alcohol and Other Drug Use/Addiction
- ▶ Housing

## Te Taitokerau

- ▶ Community-led Capability
- ▶ Whai Kāinga/Housing
- ▶ He Puke Tangata/Workforce
- ▶ Te Wai/ Water resilience

## Bay of Plenty

- ▶ Building our Capability to Engage and Partner with Māori
- ▶ Acting Early for Child Wellbeing
- ▶ Safe and Thriving Whānau
- ▶ Maximising Livelihood Opportunities
- ▶ Building Communities - Housing
- ▶ Engaging Rangatahi and Strengthening Pathways

## Te Tairāwhiti

- ▶ Mums and mokopuna
- ▶ Mahi
- ▶ Methamphetamine

## Hawkes Bay

- ▶ Mums and mokopuna
- ▶ Mahi
- ▶ Mental Health
- ▶ Methamphetamine

## Greater Wellington

- ▶ Child Wellbeing
- ▶ Partnering for Better Outcomes
- ▶ Pathways to Employment
- ▶ Housing
- ▶ Resilience and Support

## Canterbury

- ▶ Improving the Wellbeing of Tamariki
- ▶ Workforce Development
- ▶ Addressing Housing Concerns
- ▶ Supporting Mental Wellbeing
- ▶ Family Violence/Sexual Violence

## The Chatham Islands

- ▶ Infrastructure
- ▶ Housing
- ▶ Health/social
- ▶ Education/skills development

## Otago

- ▶ Employment, Skills, and Training
- ▶ Education
- ▶ Mental Wellbeing
- ▶ Alcohol and Other Drug Use/Addiction
- ▶ Housing

# Canterbury Chief Executives Forum

**Date:** 30 January 2023

**Presented by:** Hamish Riach, Chair

## **Mayoral Forum's Plan for Canterbury**

There is no paper for this item.



# Canterbury Chief Executives Forum

**Date:** 30 January 2023

**Presented by:** Hamish Dobbie

## **Future for Local Government draft regional submission**

### **Purpose**

1. The purpose of this paper is to seek feedback from the Chief Executives Forum on the key points for a regional submission on the future for local government review.

### **Recommendation**

**That the Canterbury Chief Executives Forum:**

1. **provide feedback on the key points for development into a regional submission on the Review into the Future for Local Government draft report.**

### **Background**

2. The Panel undertaking the Review into the Future for Local Government released a draft report for feedback in October 2022. Submissions are due by 28 February 2023.
3. The report makes 20 recommendations across 11 chapters, covering the following areas:
  - thriving local government is vital for Aotearoa New Zealand
  - revitalising citizen-led democracy
  - Tiriti-based partnership between Māori and local government
  - allocating roles and functions in a way that enhances wellbeing
  - local government as champion and activator of wellbeing
  - a stronger relationship between central and local government
  - replenishing and building on representative democracy
  - equitable funding and finance
  - system design
  - system stewardship and support
  - the pathway forward.

### **Proposed regional submission**

4. At its November 2022 meeting, the Canterbury Mayoral Forum agreed a regional submission be made on the draft report.
5. The Canterbury Policy Forum met in December to discuss an approach to drafting the submission. It was agreed that councils would take individual chapters and draft key submission points. The secretariat would then coordinate the points received into a full submission.

The table below sets out which council has been working on which chapter. Unallocated chapters were covered by the secretariat.

Chapter	Council lead
Revitalising citizen-led democracy	Ashburton
Tiriti-based partnership between Māori and local government	Waimakariri
Allocating roles and functions in a way that enhances wellbeing	Timaru
Local government as champion and activator of wellbeing	Mackenzie and Waitaki
A stronger relationship between central and local government	Mackenzie
Replenishing and building on representative democracy	Secretariat
Equitable funding and finance	Finance Managers Group (through Jason Beck, Hurunui)
System design	Christchurch City
System stewardship and support	Secretariat
The pathway forward	Secretariat

6. Attachment 1 provides the proposed key submission points from each chapter that would form the regional submission.
7. Feedback is sought on whether:
  - the key points cover the main issues to consider
  - there is regional agreement on some/all points
  - there are any points missing that should be included.

## Next steps

8. Subject to the feedback received, the secretariat will develop the draft regional submission for consideration at the 24 February Mayoral Forum meeting.

## Attachments

- Attachment 1: Key points for a draft regional submission



28 February 2023

Future for Local Government Review

Futureforlg@dia.govt.nz

## Canterbury Mayoral Forum Submission to the Review into the Future for Local Government

1. The Canterbury Mayoral Forum thanks the Future for Local Government Review Panel for the opportunity to provide feedback on *He mata whāriki, he marawhānui*.

### Background and context

2. The Canterbury Mayoral Forum comprises the mayors of the ten territorial authorities in Canterbury and the Chair of the Canterbury Regional Council (Environment Canterbury), supported by our Chief Executives. The purpose of the Forum is to promote collaboration across the region and increase the effectiveness of local government in meeting the needs of Canterbury's communities.
3. The eleven local authorities are: Kaikōura, Hurunui, Waimakariri, Selwyn, Ashburton, Timaru, Mackenzie, Waimate and Waitaki District Councils, the Christchurch City Council and Environment Canterbury.
4. In this submission, the Canterbury Mayoral Forum has provided both overall feedback on the Future for Local Government review and addressed specific chapters of *He mata whāriki, he marawhānui* from a regional perspective. We note that some Canterbury councils are planning to make more detailed individual submissions.

*Mayors standing together for Canterbury.*

Secretariat, E: [secretariat@canterburymayors.org.nz](mailto:secretariat@canterburymayors.org.nz) W: [www.canterburymayors.org.nz](http://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 • Selwyn District Council • Timaru District Council  
Waimakariri District Council • Waimate District Council • Waitaki District Council

## General comments

**Commented [A1]:** To be updated following receipt of input on all chapters

5. The Canterbury Mayoral Forum (CMF) agrees with the statement that local government has a critical role to play in Aotearoa New Zealand's governance, building strong, healthy, and prosperous communities, now and into the future.
6. We also acknowledge the significant reforms currently underway will have a direct impact on the role that local government will have in New Zealand's governance. The CMF strongly advises the review panel to clearly articulate the importance and strengths of local government and what needs to change to ensure local governance and government systems are fit for purpose for the next 30 years.
7. The final report and recommendations must be more compelling, specific and prioritised so that it is clear to central government what is required to address the key issues, particularly funding challenges and the relationship between central and local government.

## Wellbeing

8. Wellbeing stands at the heart of local government work and this contribution needs to be better understood and integrated with national systems and services.
9. Council services and facilities do more than simply promoting wellbeing, by addressing a wide range of social, cultural, environmental and economic issues we improve and protect wellbeing through our planning, investments and actions – all intended to enhance the lives of people who live, learn, work and play within our communities.

## Central and local government partnership

10. A genuine central and local government partnership, founded on mutual respect and trust is critical to how local government, central government and communities can best be integrated to deliver genuine wellbeing outcomes. Local and central government must see each other as equals.
11. Local government understands its communities. It must be trusted to undertake planning and placemaking functions locally, and set local priorities. Central and local government must then work together to co-invest in implementing these priorities, rather than central government setting unfunded mandates for local government.

**Commented [A2]:** To be completed once submission points received.

## Chapter by chapter

12. . see attached table

## Conclusion

13. Thank you once again for the opportunity to make a submission on He mata whāriki, he marawhānui.

14. Our secretariat is available to provide any further information or answer any questions the Review Panel may have about our submission. Contact details are: Maree McNeilly, Canterbury Mayoral Forum Secretariat, [secretariat@canterburymayors.org.nz](mailto:secretariat@canterburymayors.org.nz) , 027 381 8924.

Ngā mihi

Nigel Bowen  
Mayor, Timaru District  
Chair, Canterbury Mayoral Forum

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
<b>Chapter 2 (pg. 40-61) - REVITALISING CITIZEN-LED DEMOCRACY</b>			
1. That local government adopts greater use of deliberative and participatory democracy in local decision-making.	Local Govt	<i>Could be implemented without legislative change/ major reform</i>	Ashburton District Council
		<p><b>Agree</b></p> <p>Challenge will be for elected members (and some staff) to relinquish control/ownership of process</p> <p>Transition thinking from we have been elected therefore we represent, therefore we are the decision-makers</p> <p>Resource intensive (time and money) therefore will need an increased commitment, however benefits likely to outweigh the costs</p> <p>Right conversation with the right people at the right time about the right issues</p> <p>Current Significance and Engagement Policies allow for all of this, and certainly many examples of Council's that do this well for specific projects</p>	
2. That local government, supported by central government, reviews the legislative provisions relating to engagement, consultation, and decision-making to ensure they provide a comprehensive, meaningful, and flexible platform for revitalising community participation and engagement.	Local Govt + Central Govt	<i>Further review led by Local Govt</i>	
		<p><b>Agree</b></p> <p>Nothing to stop Council's from doing this right now, but accept that legislative provisions may be the incentive needed to drive the change</p>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		Managing dis/mis information will continue to be challenging in this space, particularly with the rise in anti-government sentiment (perhaps it's not a rise but more readily accessible than it has been in the past)	
3. That central government leads a comprehensive review of requirements for engaging with Māori across local government related legislation, considering opportunities to streamline or align those requirements.	Central Govt	<i>Further review led by Central Govt</i>	
		<p><b>Agree / disagree</b></p> <p>Question the merit of this. What will actually change? How will this help?</p> <p>Suggest that better would be to invest in Rūnanga capacity to meet the needs / requirements of legislation as it is unlikely that the review will result in less engagement with iwi</p>	
4. That councils develop and invest in their internal systems for managing and promoting good quality engagement with Māori.	Local Govt	<i>Could be implemented without major reform (question of funding)</i>	
		<p><b>Agree</b></p> <p>This makes an assumption that all Councils are rubbish at this and don't think that is a fair assessment.</p> <p>There is no one size fits all event in Canterbury as it is very council/rūnanga/community dependant</p> <p>We are on a journey already to mature our relationships and role in this space, not sure that this can be sped up artificially by internal systems</p>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
5. That central government provides a statutory obligation for councils to give due consideration to an agreed, local expression of tikanga whakahaere in their standing orders and engagement practices, and for chief executives to be required to promote the incorporation of tikanga in organisational systems.	Central Govt	Could be implemented to some degree without legislative change?	
		Agree (at the officer level, unsure about the Mayoral level)  Believe this would certainly enhance the standing / relationships quickly	
Q. What might we do more of to increase community understanding about the role of local government, and therefore lead to greater civic participation?		Dependent on final recommendation - some action could be taken without reform	
		Completely agree with the increasing role of civics education, both from an education-led perspective and within our communities  Nothing to stop Councils right now from running civics education for communities and having the conversations.	
Chapter 3 (pg. 62-98) - TIRITI-BASED PARTNERSHIP BETWEEN MĀORI AND LOCAL GOVERNMENT			
6. That central government leads an inclusive process to develop a new legislative framework for Tiriti-related provisions in the Local Government Act that drives a genuine partnership in the exercise of kāwanatanga and rangatiratanga in a local context and explicitly recognises te ao Māori values and conceptions of wellbeing.	Central Govt	Further review by Central Govt	Waimakariri District Council (unfortunately due to a staff member's accident we have not yet received anything for this chapter, expect to receive info week beginning 30 Jan)
7. That councils develop with hapū/iwi and significant Māori organisations within a local authority area, a partnership framework that complements existing co-governance arrangements by ensuring all groups in a council area are involved in local governance in a meaningful way.	Local Govt	Could be implemented without major reform	



## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
8. That central government introduces a statutory requirement for local government chief executives to develop and maintain the capacity and capability of council staff to grow understanding and knowledge of Te Tiriti, the whakapapa of local government, and te ao Māori values.	Central Govt	Could be implemented without major reform and local govt could go some way without legislative change (question of co-investment)	
9. That central government explores a stronger statutory requirement on councils to foster Māori capacity to participate in local government.	Central Govt	Could be implemented to some degree without legislative change? (question of co-investment)	
10. That local government leads the development of coordinated organisational and workforce development plans to enhance the capability of local government to partner and engage with Māori.	Local Govt	Further work by LG, major reform not required (question of co-investment)	
11. That central government provides a transitional fund to subsidise the cost of building both Māori and council capability and capacity for a Tiriti-based partnership in local governance.	Central Govt	Dependent on Central Govt	
Chapter 4 (pg. 102-114) - ALLOCATING ROLES AND FUNCTIONS IN A WAY THAT ENHANCES WELLBEING			
12. That central and local government note that the allocation of the roles and functions is not a binary decision between being delivered centrally or locally.	Local Govt + Central Govt	Not a recommendation (how would this be achieved) refer questions	Timaru District Council
13. That local and central government, in a Tiriti-consistent manner, review the future allocations of roles and functions by applying the proposed approach, which includes three core principles:	Local Govt + Central Govt	Further review required (who leads/) feedback sought on process design	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
<ul style="list-style-type: none"> <li>the concept of subsidiarity</li> <li>local government's capacity to influence the conditions for wellbeing is recognised and supported</li> <li>te ao Māori values underpin decision-making.</li> </ul>			
<p><i>Q: What process would need to be created to support and agree on the allocation of roles and functions across central government, local government, and communities?</i></p>		<p>Full review over time of all programmes and review what activities sit closest to councils and has direct impact on local communities. This process would need to be broken down into manageable portions. The main focus to be on community wellbeing.</p> <p>Possible approach – formalising and adapting a forum structure like currently exists for Canterbury with a Mayoral Forum supported with a series of forums with representation from all local authorities in the area. Approach requires central/local partnership in determining solutions for community wellbeing issues with responsibilities, roles and budgets allocated appropriately.</p> <p>Potentially, select an activity as a trial activity to assess learnings, opportunities and structures needed to create a successful general framework for role allocation.</p> <ul style="list-style-type: none"> <li>Social Housing for example; Central Government to support the building of public housing, with input from regional areas (such as Canterbury's Mayoral Forum) as to where they are to be built. Focus on using regional businesses to support economic growth and local jobs. Local Council to fund upkeep of the property via rental income from tenants. This structured partnership providing appropriate proportional roles and proportional funding.</li> </ul>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		<p>How could this change and who would take on what roles?</p> <p>Meet to consider what activities can be proportioned across National, regional and local areas. Using the areas highlighted in the report: housing, public health, economic development, waste management, transport and climate change.</p> <p>Other comments:</p> <ul style="list-style-type: none"> <li>• Enhancement of local government role requires greater understanding and acceptance from communities of the meaning of community wellbeing and how Council's work contributes towards enhancing community wellbeing. Education and strategic connections needed.</li> <li>• Conception of binary requires central government to 'relax the reins' on local government. Joined up approach to work and communication required.</li> <li>• Deeper role in local input into central government policy for local communities requires greater local resourcing and knowledge of central government processes for ensuring adequate input.</li> <li>• To enable appropriate allocation of resources, creation of an monitoring structure for community wellbeing needs designing and implementing at a local level</li> </ul>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
<p><i>Q: What conditions will need to be in place to ensure the flexibility of the approach proposed does not create confusion or unnecessary uncertainty?</i></p>		<p>Improved understanding from communities needed of Council's role to improve community wellbeing to understand the value they would get from their rates dollar for the services being provided by Council's in the future.</p> <p>Increased partnership and trust of local government required from central government. Transparency through the process as to which tier is responsibly to allow democratic processes to shape directional outcomes and clear monitoring structure.</p> <p>Agreement that subsidiarity (<i>i.e. A principle which means that roles and functions should be led and managed at the most appropriate local level, so that communities are empowered to shape their outcomes and take a leadership role in doing so</i>) is a key principle. This however means that there needs to be a clear definition of what local means. How is the principle effectively applied and how does the level where it should be considered determined?</p> <p>Skill shortage within all levels of government will mean a need for co-sharing of specialist knowledge and not have information silos either horizontally or vertically.</p>	
<p><i>Q: What additional principles, if any, need to be considered?</i></p>		<p>Still a traditional perception of work of Councils to maintain 'roads, rates and rubbish'. Central government needs to partner with local government to change this perception.</p>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		<p>To enable economies of scale, adequate skilled resourcing, cost effectiveness, some restructure of local government may need to be considered.</p> <p>Consideration of economies of scale need to recognise the additional roles; both formal and informal, that rural councils play as service centres in remote areas.</p> <p>Proposed approach requires a lot of liaison, communication and collaboration. Risks a lack of action.</p> <p>Need for cross-party agreement at central government level for tasks where multi-faceted approach is taken.</p> <p>Increased trust of local government required from central government.</p>	
<b>Chapter 5 (pg 115-132) LOCAL GOVERNMENT AS CHAMPION AND ACTIVATOR OF WELLBEING</b>			
14. That local government, in partnership with central government, explores funding and resources that enable	Local Govt + Central Govt	<i>Further review required – CG and LG</i>	Waitaki District

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
<p>and encourage councils to:</p> <ol style="list-style-type: none"> <li>lead, facilitate, and support innovation and experimentation in achieving greater social, economic, cultural, and environmental wellbeing outcomes</li> <li>build relational, partnering, innovation, and co-design capability and capacity across their whole organisation</li> <li>embed social/progressive procurement and supplier diversity as standard practice in local government with nationally supported organisational infrastructure and capability and capacity building</li> <li>review their levers and assets from an equity and wellbeing perspective and identify opportunities for strategic and transformational initiatives</li> <li>take on the anchor institution role, initially through demonstration initiatives with targeted resources and peer support</li> <li>share the learning and emerging practice from innovation and experimentation of their enhanced wellbeing role.</li> </ol>		<p>Further review and thinking are required around this recommendation.</p> <p>Local government is in a good position to act on behalf of central government to achieve a broad range of community well-being objectives. However, this requires sufficient resourcing and capacity.</p>	<p>Mackenzie District</p> <p>(expect to receive Mackenzie info 23/1)</p>
<p><i>Q. What feedback do you have on the roles councils can play to enhance intergenerational wellbeing?</i></p>		<p>A shift from service and infrastructure provision and regulation to enabling community wellbeing outcomes rather than controlling them.</p> <p>Taking a stronger role in activities not traditionally associated with Councils.</p> <p>Example of what Waitaki DC is already doing</p> <ul style="list-style-type: none"> <li><i>The Stronger Waitaki network - a community-led coalition working in partnership with Waitaki DC and many other agencies (including government agencies) and community groups, to collaborate on improving community wellbeing.</i></li> </ul>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		<ul style="list-style-type: none"> <li>Waitaki DC's transformation programme is factoring in possible changes around the broader functions and roles of local government that have implications for local governance and wellbeing.</li> </ul>	
Q. What changes would support councils to utilise their existing assets, enablers, and levers to generate more local wellbeing?		<ul style="list-style-type: none"> <li>Different skills will be required within Councils such as building trust, partnerships and engagement.</li> <li>Funding required for local government to support a broader wellbeing role.</li> <li>Accountability mechanisms will be required to protect these investments.</li> </ul>	
<b>Chapter 6 (pg. 134-158) A STRONGER RELATIONSHIP BETWEEN CENTRAL AND LOCAL GOVERNMENT</b>			
Q. To create a collaborative relationship between central and local government that builds on current strengths and resources, what are: <ol style="list-style-type: none"> <li>the conditions for success and the barriers that are preventing strong relationships?</li> <li>the factors in place now that support genuine partnership?</li> <li>the elements needed to build and support a new system?</li> <li>the best options to get there?</li> <li>potential pathways to move in that direction and where to start?</li> <li>the opportunities to trial and innovate now?</li> </ol>			Mackenzie District  (expect to receive info 23/1)
Q. How can central and local government explore options that empower and enable a role for hapū/iwi in local governance in partnership with local and central government? These options should recognise the			

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
<i>contribution of hapū/iwi rangatiratanga, kaitiakitanga, and other roles.</i>			
<b>Chapter 7 (pg 161-184) REPLENISHING AND BUILDING ON REPRESENTATIVE DEMOCRACY</b>			
15. That the Electoral Commission be responsible for overseeing the administration of local body elections.	Electoral Commission	Legislative and administrative change required  Support for EC taking over administering the elections	Secretariat
16. That central government undertakes a review of the legislation to: a. adopt Single Transferrable Vote as the voting method for council elections b. lower the eligible voting age in local body elections to the age of 16 c. provide for a 4-year local electoral term d. amend the employment provisions of chief executives to match those in the wider public sector and include mechanisms to assist in managing the employment relationship.	Central Govt	Further review and legislative change required (note electoral review too)  Support STV, consideration of lowering voting age, 4 year term, and amending employment provisions of CEs to align with public sector	
17. That central and local government, in conjunction with the Remuneration Authority, review the criteria for setting elected member remuneration to recognise the increasing complexity of the role and enable a more diverse range of people to consider standing for election.	Local Govt + Central Govt	Further review required (who leads?)  Support reviewing criteria for setting elected member remuneration Contractors v employees, superannuation etc	
18. That local government develops a mandatory professional development and support programme for elected members; and local and central government develop a shared executive professional development and secondment programme to achieve greater integration across the two sectors.	Local Govt	Could be implemented without reform – question of funding  Support development of mandatory prof development programme for elected members, and shared exec prof development programme for	



## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		central/local govt execs – note who will fund and operate?	
19 That central and local government: <ul style="list-style-type: none"> <li>a. support and enable councils to undertake regular health checks of their democratic performance</li> <li>b. develop guidance and mechanisms to support councils resolving complaints under their code of conduct and explore a specific option for local government to refer complaints to an independent investigation process, conducted and led by a national organisation</li> <li>c. subject to the findings of current relevant ombudsman's investigations, assess whether the provisions of the Local Government Official Information and Meetings Act 1987, and how it is being applied, support high standards of openness and transparency.</li> </ul>	Local Govt + Central Govt	Some could be implemented no/ others require further work on how and who this would be done by	
		Support regular health checks of democratic performance, guidance and mechanisms to support code of conduct complaints and the process, and the LGOIMA review – but note who will do this work, how, and who will fund?	
20. That central government retain the Māori wards and constituencies mechanism (subject to amendment in current policy processes), but consider additional options that provide for a Tiriti-based partnership at the council table	Central Govt	Further review by CG (and legislative change)	
		Support Māori wards mechanism and additional options – note the ECan example	
<i>Q. How can local government enhance its capability to undertake representation reviews and, in particular, should the Local Government Commission play a more proactive role in leading or advising councils about representation reviews?</i>		Comments on LGC and representation reviews – need additional thought	
<i>Q. To support a differentiated liberal citizenship, what are the essential key steps, parameters, and considerations that would enable both Tiriti- and capability-based appointments to be made to supplement elected members?</i>			

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
<b>Chapter 8 (pg187-204) EQUITABLE FUNDING AND FINANCE</b>			
21. That central government expands its regulatory impact statement assessments to include the impacts on local government; and that it undertakes an assessment of regulation currently in force that is likely to have significant future funding impacts for local government and makes funding provision to reflect the national public-good benefits that accrue from those regulations.	Central Govt	Dependent on CG	Chair Canterbury Finance Managers Group, Hurunui District
		Strongly agree.  There are numerous instances of central government imposing additional responsibilities onto local government but without the commensurate funding or limited funding. It is critical that local government is actively engaged as part of the process. Assessment of the future funding impacts and making appropriate funding allowance will encourage positive engagement from local government to proposals put forward by central government.	
22. That central and local government agree on arrangements and mechanisms for them to co-invest to meet community wellbeing priorities, and that central government makes funding provisions accordingly.	Local Govt + Central Govt	How to agree? What change required?	
		Strongly agree.  This will require a clear and transparent process for individual TAs to make applications for proposals. This may also require additional resources for smaller TAs to be able to participate in the process, so they are not disadvantaged compared to better resourced TAs	
23. That central government develops an intergenerational fund for climate change, with the application of the fund requiring appropriate regional and local decision-making input.	Central Govt	Dependent on CG	
		Strongly agree.	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		<p>The review document describes the future climate change challenge for local government being greater than the infrastructure deficit faced by councils over the past 30 years. There are numerous communities (especially small coastal villages) that are facing these challenges already and many do not have the ability to fund the significant costs involved in mitigation works.</p> <p>The key discussion is what funding mechanism is used to develop the intergenerational fund – Taxpayer funded or Ratepayer funded?</p> <p>In addition, prior to an intergenerational fund being established, a principles-based risk assessment needs to be determined.</p>	
<p>24. That central government reviews relevant legislation to:</p> <ul style="list-style-type: none"> <li>a. enable councils to introduce new funding mechanisms</li> <li>b. retain rating as the principal mechanism for funding local government, while redesigning long-term planning and rating provisions to allow a more simplified and streamlined process.</li> </ul>	Central Govt	<p>Further review by CG</p> <p>Strongly agree with both.</p> <p>The current legislation is restrictive on Council's ability to explore other funding mechanisms, which may be appropriate for individual communities.</p> <p>A more simplified and streamlined approach to Long Term Planning will be welcomed. Anecdotally, active engagement with the LTP process appears to have reduced over time unless there is a particularly contentious issue proposed in the draft LTP.</p>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		Again, for both issues that local government needs to be part of the process in the review.	
25. That central government agencies pay local government rates and charges on all properties.	Central Govt	Dependent on CG	
		Strongly agree  The charges should also include the relevant Development Contributions. Many TAs have large tracts of Department of Conservation land that currently is non-rateable, but visitors of the land still consume council services (roading, public toilets etc). The inability to charge rates on school houses is a particular anomaly that should be addressed.	
<i>Q: What is the most appropriate basis and process for allocating central government funding to meet community priorities?</i>		Any basis and process for allocating government funding needs to take into account of individual communities' ability to pay, especially for those with small ratepayer bases or have high deprivation levels. These communities often cannot contemplate major community projects because limited funding is prioritised on core infrastructure.	
<b>Chapter 9 (pg. 206-220) - SYSTEM DESIGN</b>			
26. That central and local government explore and agree to a new Tiriti-consistent structural and system design that will give effect to the design principles.	Local Govt + Central Govt	Further work by central and local govt (who leads/how)	Christchurch City Council
		Agree that central and local government should invest in a programme to develop a consistent framework to enable Tiriti-consistent structural and system design with advice from iwi/ hapū.  To the extent possible the framework needs to empower councils and their communities to make	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		decisions regarding structural and system design rather than having central government or a prescriptive framework override local decision-making.	
27. That local government, supported by central government, invests in a programme that identifies and implements the opportunities for greater shared services collaboration.	Local Govt + Central Govt	Local govt could implement, depending on support/appetite	
		<p>Agree that there needs to be impetus given to increasing the investment in seeking opportunities for efficiencies and service improvements via shared services collaboration.</p> <p>Development of shared services needs to explore opportunities for nationally consistent approaches that further provide economies of scale beyond that possible by regional approaches only.</p> <p>It could be that a national review framework is developed that requires all councils to participate in assessing shared service opportunities. There has been far too little investment made to date in regions and it seems clear that an element of compulsion is required.</p> <p>Could be undertaken by or commissioned by LGNZ and LG contribution funded as a surcharge on LGNZ membership</p> <p>CG should contribute at least 50% of cost</p>	
28. That local government establishes a Local Government Digital Partnership to develop a digital transformation roadmap for local government.	Local Govt	Local govt could implement, depending on support/appetite	
		Agree that a digital partnership is likely to produce efficiencies.	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		However, it could also stifle innovation and investment in new technologies if change needs to occur at a national level. Any Digital Partnership would need to include investment in innovation and trialling of new software and hardware options among member councils.	
<i>Q. What other design principles, if any, need to be considered?</i>		Communities of interest. It is challenging forcing some communities to work together as part of a redesigned local government system. Some towns and districts still haven't resolved issues arising from the 1989 local government reorganisation. Where possible any reorganisation needs to be coalitions of the willing.	
<i>Q. What feedback have you got on the structural examples presented in the report?</i>		<p>Example 2 – local and regional councils (status quo with tweaks) – seems unlikely to enable the economies of scope and scale likely to be necessary for efficient local government service delivery with three waters, resource management and possibly building regulation shifted out of local authorities.</p> <p>Example 1 – essentially an Auckland Council model – and Example 3 - Local councils and a combined council with shared representation – appear better models to deliver economies of scope and scale.</p> <p>It seems unlikely that either Example 1 or Example 2 would be able to be applied nationally and deliver the best outcomes for all regions. Regions should be able to decide for themselves which model will work best for them.</p> <p><b>What is a region?</b> There also needs to be thought given to what a region is. There seems no logical</p>	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		<p>reason why it can only be regions as we currently have them. Again, councils need the ability to decide what a region might be under a new structure. A nationally consistent assessment and decision-making as referred to above and appropriate community engagement should ensure decisions on structure are appropriate to the communities concerned.</p> <p><b>What is a district or locality?</b> There is also no logical reason why a district or locality follows current district council boundaries. Again, the assessment and decision-making framework needs to allow for this.</p> <p><b>Rohe also need to be considered.</b> Iwi/ hapū rohe or takiwā need to be built in to the assessment and decision-making framework. There will need to be space for compromise to resolve possible inconsistencies within the assessment and decision-making framework.</p>	
<b>Chapter 10 (pg. 227-233) SYSTEM STEWARDSHIP AND SUPPORT</b>			
29. That central and local government considers the best model of stewardship and which entities are best placed to play system stewardship roles in a revised system of local government.	Local Govt + Central Govt	Further work required by Central and Local Govt	Secretariat
		Key points - support nationally coordinated stewardship function (note gaps and limitations in current approach). Need better mechanism for central-local partnership so there is a more joined-up public sector – Office for Local Govt (like Public	

## Future for Local Government draft submission points

PANEL DRAFT RECOMMENDATIONS and QUESTIONS	WHO	CMF response	Proposed Author
		Service Commission)? Expanded role for LG Commission? Role of LGNZ and Taituarā?	
<i>Q. How can system stewardship be reimagined so that it is led across local government, hapū/iwi, and central government?</i>			
<i>Q. How do we embed Te Tiriti in local government system stewardship?</i>			
<i>Q. How should the roles and responsibilities of ‘stewardship’ organisations (including the Secretary of Local Government (Department of Internal Affairs), the Local Government Commission, LGNZ, and Taituarā) evolve and change?</i>			
Chapter 11 (pg. 236) THE PATHWAY FORWARD			
What is missing from the report? <ul style="list-style-type: none"><li>Measuring wellbeing outcomes</li><li>Cost implications of reforms</li></ul>		Highlight the constitutional status of local govt, which needs clarifying still. Also need to note/ask who will lead the change programme as it changes the entire local governance system, not just local government.  Reiterate the importance of: <ul style="list-style-type: none"><li>a solid way forward for improving the local/central relationship. Little detail in current report on the practicalities of this</li><li>how local govt can give effect to Te Tiriti</li></ul> Completely overhauling the way the way local govt is funded	Secretariat
Next steps			



## Future for Local Government draft submission points

KEY
<ul style="list-style-type: none"><li>• Further review required</li><li>• Potentially major reform</li><li>• Dependant on Central Govt decision</li></ul>
<ul style="list-style-type: none"><li>• Legislative change required</li><li>• Could be implemented to certain degree</li><li>• Unlikely to be major reform</li></ul>
<ul style="list-style-type: none"><li>• Local Govt could implement independent of Central Govt (subject to appetite/funding)</li><li>• Not major reform</li></ul>

# Canterbury Chief Executives Forum

**Date:** 30 January 2023

**Presented by:** Hamish Dobbie

## Resource Management reform submissions

### Purpose

1. The purpose of this paper is to provide draft regional submissions on the Natural and Built Environments Bill and the Spatial Planning Bill and to seek the Chief Executives Forum's advice on those areas that do not have universal agreement.

### Recommendations

**That the Canterbury Chief Executives Forum:**

1. **note the content of the draft regional submissions on the Natural and Built Environment Bill and the Spatial Planning Bill**
2. **provide advice on those areas that do not have universal agreement prior to finalisation of the regional submissions on the Natural and Built Environment Bill and Strategic Planning Bill.**

### Background

2. The Environment select committee is currently seeking submissions on the Natural and Built Environment and Spatial Planning Bills. The Canterbury Mayoral Forum sought, and received, an extension of time and submissions are now due Sunday 19 February 2023.
3. The Canterbury Mayoral Forum engaged Mark Geddes from Perspective Consulting Ltd to work with the Canterbury Planning Managers Group to prepare the draft submissions.
4. Submission preparation has involved a number of workshops between Mark and the representatives from the Canterbury councils, primarily planning staff, and for the most part there is general agreement on matters raised in the submissions.
5. The draft submission has also been shared with representatives from Te Rūnanga o Ngāi Tahu, and any feedback received will be considered prior to finalisation of the submissions.

## **Natural and Built Environment Bill**

6. The draft submission on the Natural and Built Environment Bill is provided at attachment 1.
7. The submission proposes a number of key amendments to the bill. These relate to the following:
  - increasing the time period to make the new combined natural and built environment plan
  - improving public participation opportunities
  - reducing central government political interference
  - better clarifying the bill's purpose, and clarity within the bill overall
  - addressing the bill's conflicting objectives
  - lack of promotion of urban design
  - resourcing the bill's implementation.
8. The appendix sets out the full list of proposed (key and minor) recommendations.

## **Spatial Planning Bill**

9. The draft submission on the Spatial Planning Bill is provided at attachment 2.
10. The submission proposes the following key amendments to the Bill:
  - reducing central government political interference in spatial planning
  - broadening the scope of the appointing body's review of draft spatial strategies
  - clarifying and strengthening the purpose of the Bill
  - ensuring spatial strategies integrate with other relevant legislation
  - amending the Water Services Entities Act 2022 to ensure its infrastructure strategies give effect to regional spatial strategies
  - ensuring that the drafting of the Climate Change Adaptation Bill integrates appropriately with the Spatial Planning Bill.
11. The appendix sets out the full list of proposed (key and minor) recommendations.

## **Outstanding matters**

12. A variety of matters have not yet been resolved by the Planning Managers Group. The group will be meeting on Friday 27 January to further discuss the submission and a verbal update will be provided to the Chief Executives Forum following that meeting.
13. The matters outstanding, to date, include:

- the extent that redrafting of the bills provisions is required, particularly the redrafting of the system outcomes, which is considered to require extensive consideration
- that elected members only should be allowed on the regional planning committee
- it should be mandatory that the composition of the regional planning committee reflects population
- sub-committees should be able to make decisions, not just recommendations
- voting arrangements if consensus cannot be reached on certain matters including the regional spatial strategy and the plan.

## **Finalising the draft submissions**

14. The Planning Managers group is continuing to work on finalising the submissions, currently working through those areas where there is not general agreement. It is expected that most matters will be resolved at their meeting on Friday 27 January. Any outstanding matters will be raised in a verbal update to the Chief Executives Forum on 30 January, and advice sought on resolving them.
15. Depending on what matters remain outstanding the final submission may note, where relevant, that a specific council did not agree with a particular aspect of the submission.

## **Next steps**

16. Following finalisation of the draft submissions they will be circulated to Policy Forum members for their final review and input.
17. Final draft submissions will be circulated to the Mayoral Forum by February 8 for its final review and approval
18. Final submissions lodged with the Environment Select Committee by COB Friday 17 February.

## **Attachments**

- Draft submission – Natural and Built Environment Bill
- Draft submission – Spatial Planning Bill

17 February 2023

Environment Committee  
Parliament Buildings  
WELLINGTON

[en@parliament.govt.nz](mailto:en@parliament.govt.nz)

Tēnā koutou

## **CANTERBURY MAYORAL FORUM SUBMISSION ON THE NATURAL AND BUILT ENVIRONMENT BILL**

### **INTRODUCTION**

1. This is a submission on the Natural and Built Environment Bill 2022 (NBE Bill) from the Canterbury Mayoral Forum.
2. The Canterbury Mayoral Forum (the Forum) comprises the mayors of the ten territorial authorities in Canterbury and the Chair of the Canterbury Regional Council (Environment Canterbury) and is supported by our Chief Executives. The purpose of the Forum is to promote collaboration across the region and increase the effectiveness of local government in meeting the needs of Canterbury's communities.
3. The ten territorial authorities are: Kaikōura, Hurunui, Waimakariri, Selwyn, Ashburton, Timaru, Mackenzie, Waimate and Waitaki District Councils, the Christchurch City Council, and Environment Canterbury.
4. The following submission has been developed with input from across Canterbury Councils and focuses on matters of general agreement. Most of our Councils are also planning to make individual submissions.
5. The Forum acknowledges the significant amount of work the Ministry for the Environment (MfE) has undertaken in developing the NBE Bill. The Forum also thanks the MfE for the consultation opportunities leading up to the NBE Bill, including the consultation on the Randerson Report and the exposure draft of the NBE Bill.

## GENERAL

6. The Forum generally supports the need for a new resource management system, the intent of the NBE Bill including the five objectives of the new resource management system to:
  - a. protect/restore the natural environment
  - b. better enable development within environmental biophysical limits
  - c. give effect to the principles of te Tiriti o Waitangi
  - d. better adapt to climate change and its risks
  - e. improve system efficiency and effectiveness, while retaining local democratic input.
7. The Forum also generally supports the focus of the new system on outcomes that will be achieved, amongst other things, by environmental limits and targets. Further, it supports the consolidation of the multiple existing plans and policy statements into one combined integrated plan. The enhanced enforcement powers are also strongly supported, as is the ability to create sub-regional committees.
8. Notwithstanding, our general support, the Forum considers that a number of important amendments are required to ensure the NBE Bill meets the reform objectives. Our key comments on the NBE Bill are set out in the section below, while the specific amendments requested are provided in Appendix 1.

## KEY AMENDMENTS REQUESTED

### Increase the Plan Making Period

9. The NBE Bill provides a four-year period to make the new combined NBE plan, with a two-year period to prepare the plan and a two-year period to make decisions on submissions. The Forum believes this period is far too short, especially for the first NBE plan, and attempting to comply with this timeframe will risk:
  - a. creating poor planning decisions and outcomes
  - b. not giving effect to the principles of the te Tiriti o Waitangi
  - c. inadequate community consultation
  - d. obtaining insufficient technical input
  - e. placing the resource management industry under extreme pressure.
10. Preparing a combined regional and district plan is an enormous and complex task in the Canterbury context which includes eleven local authorities and a range of environments from

the Mackenzie basin to Central City of Christchurch. It will potentially involve over 100 chapters of objectives, policy, rules, and standards that are interrelated and manage complex resource management issues for a range of different environments. Further, the mixed governance of the Regional Planning Committee (RPC) and the collaborative approach to developing the NBE plan is expected to take longer than through a single Council. Given the scope, complexity and challenges of this task, the Forum considers the four-year plan making period is completely unrealistic. The speed at which so much work will be required to meet the four-year timeframe will lead to poor planning decisions. The plan provisions resulting from these poor decisions could endure for over a decade and may subsequently result in poor on-ground outcomes that will endure for generations. The limited third-party appeal rights will exacerbate this, as appeal rights normally address poor decisions.

11. The short plan making period also has the potential to undermine engagement with Māori. This is concerning as giving effect to Te Tiriti o Waitangi is a key objective of the NBE Bill and one which Canterbury Councils take seriously. It is our experience that meaningful engagement with Māori takes time and is not well served by adherence to short timeframes.
12. Similarly, there is insufficient time for meaningful engagement with local communities. Considering the daunting nature of engaging with a regional policy document and considering the litigious nature<sup>1</sup> of engaging with the Independent Hearings Panel, community engagement in the NBE plan is likely to be low. Accordingly, adequate time needs to be provided at the start of the process to provide for meaningful community engagement. Ultimately, the planning system is intended to serve the community and therefore we see community engagement as a crucial part of the planning process. Sufficient time is needed to conduct this.
13. There is also a risk of not obtaining sufficient technical input required for the NBE plan. Canterbury Councils already experience long delays and shortages in obtaining technical input across a variety of technical areas. This is mainly due to the small market for specialised technical advice in some fields. A lack of sufficient technical input creates a risk that plans will not be based on robust technical evidence. Again, this could lead to poor plan provisions and subsequently poor on-ground outcomes.
14. The four-year plan making period is also expected to place the resource management industry in Canterbury under extreme pressure given:

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<sup>1</sup> The reduced rights of appeal will result in the hearings necessitating greater scrutiny of the proposed NBE plan.

- a. the size, complexity and challenges of creating the new NBE plans discussed above
  - b. that RMA plan reviews/changes are still being progressed
  - c. that the planning industry in Canterbury and across NZ is already suffering from acute staff shortages.
15. The Forum believes that this pressure will have a seriously negative effect on the wellbeing of the people involved in it. The Christchurch City Council district plan review provides a recent example of a short statutory plan making period that led to staff burn out and loss staff to the industry. This is counterproductive to an industry that is short of human resources and contrary to an employer's health and safety obligations.
16. In order inform the decision as to what regions should transition to the new system first, the Minister is requested to conduct a readiness assessment that would assess each region's capability and readiness to transition to the new system.
17. In summary, the Forum believe the four-year plan making period is unrealistic. Attempting to comply with this timeframe will undermine confidence in the new NBE plan and NBE from the outset.

Amendment Requested:

18. The plan preparation period is extended to 6 years overall, with a three-year period from commencement to notification of the plan and a three-year period notification to making decisions on submissions.
19. The Minister decides the sequencing for the commencement of each plan having regard to a readiness assessment. This readiness assessment would ensure Regions have:
- the information available to complete the plan
  - the technical resources available to complete the plan
  - an engagement agreement with Māori in place
  - a community engagement policy in place
  - secured the necessary human resources to prepare the new plan
  - the budget in place to finance the new plan
  - setup the regional secretariat and regional planning committee.

**Increase Public Participation**



20. The Forum is seriously concerned with the lack of public participation opportunities provided for in the NBE Bill. Public participation in the plan making process has been limited throughout the NBE Bill, including by:
- a. the limited 2-year plan making period that will significantly limit public engagement at the start of the plan making process
  - b. RPCs being responsible for plan making, which limits local authorities involvement in plan making
  - c. initial plan engagement consultation being limited to major regional policy issues, as opposed to district or local issues
  - d. requiring evidence to be submitted with submissions, which will likely be an impossible task for most submitters given the scope of the combined plan
  - e. the Independent Hearing Panel process that will be litigious, expensive and daunting for most members of the public
  - f. consent notification provisions that have been designed to limit the involvement of affected parties.
21. One of the stated objectives of the NBE Bill is to retain local democratic input. The Forum considers this has not been achieved and that the public should be provided with reasonable and genuine opportunities to engage in plan making. We consider this a fundamental democratic right that is supported by s.82 of the Local Government Act 2002. Further, it is our experience that not providing adequate engagement opportunities significantly reduces the quality of plans. Resource management issues by their nature are complex and affect people in different ways. The range of views the public bring to resource management issues in plan making processes is very helpful as it provides different perspectives not necessarily available to staff and decision makers. This greatly enhances the ability to make well informed decisions.
22. People should also be provided with appropriate opportunities to participate in consent processes when they are affected by a development and when it is outside of what is expected by a plan. However, the new consent notification provisions in the NBE Bill appear as if they have been designed to significantly constrain affected party involvement. For instance:
- a. The new ability to weigh positive effects of an activity against adverse effects has the potential to dismiss important adverse effects when considered against the broader positive effects of an activity.

- b. The new requirement to consider whether information from the person is necessary to understand effects and whether their involvement will result in information that will make a material effect on the decision, both has the potential dismiss an affected party's unique point of view and their local knowledge about the effects of the activity in that location. It will be difficult to know if the information held by a person will have a material effect without first knowing their views.
  - c. The absence of special circumstances means that consents cannot be notified/limited notified in situations which are unanticipated. For example, when a NBE Plan does not give effect to the NPF.
23. To constrain people's involvement in consenting processes that affect their property limits their rights over something which has very high importance. People have made substantial investments in their properties, in many cases their life savings. They are also often emotionally invested in their properties and the amenity and attractiveness of their property contributes to their wellbeing and is a key source of pride and social status. It is our experience that not providing people affected by development with participation rights in consent processes creates substantial discontent. Accordingly, the Forum requests amendments to ensure consent notification is triggered by an adverse effect threshold.
24. With these matters in mind, the Forum requests several amendments to increase public participation.

#### Amendments Requested:

- 25. Provide a 6-year plan making period to help ensure adequate community engagement.
- 26. Broaden the scope of the regional planning committee's engagement policy to include district and local issues.
- 27. Not require evidence to be submitted with submissions.
- 28. Ensure that public and limited notification of resource consents is triggered by adverse effects thresholds.

#### **Reduce Political Interference**

29. The NBE Bill provides opportunities for central government political interference in plan making including the Minister's ability to:
- a. appoint a substitute to the regional planning committee (s.632)
  - b. direct the preparation of a plan change or variation (s.633)
  - c. direct a plan review to commence (s.634)
  - d. direct any other action to be taken (s.635)
  - e. direct the preparation, change and variation to plans that relate to the coastal marine area (s.636)
  - f. direct exemptions to environmental limits (s.44).
30. The Forum considers this is contrary to good governance practice, which, as outlined by the auditor general<sup>2</sup>, should separate governance from management. In this context, central government should focus on creating appropriate legislation and national policy, while RPCs should focus on implementing that legislation and national policy through the NBE plan.
31. As proposed the NBE Bill potentially politicises the planning system by providing an opportunity for the government of the day to make changes for political gain. Such changes could be unintended by the government that passed the NBE Bill.
32. The Forum acknowledges the need to review the performance of the regional planning committees and the need to direct changes in the interest of national importance. However, it considers that it would be more appropriate for the Minister to direct an independent authority (e.g. the Environment Court) to direct those changes. It is important that any such authority is not appointed or aligned with a political organisation. This would ensure planning decisions are based on evidence and good practice as opposed to political motivations, or a result of lobbying. The Forum considers it is vital to protect the integrity of the planning system.

Amendments Requested:

33. Amend sections 632 to 635 and section 44 of the NBE Bill so that the Minister can only refer these matters to Environment Court for their consideration and determination.

**Clarify the Bill's Purpose**

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<sup>2</sup> Good Practice Summary: Good Governance ([oag.parliament.nz/good-practice/docs/good-governance.pdf](https://oag.parliament.nz/good-practice/docs/good-governance.pdf))

34. A particular issue with the NBE Bill is that its purpose is unclear. The Forum have requested several amendments to help clarify its purpose, which are set out in Appendix 1. A key amendment is the integration of te Oranga o te Taiao to create a single purpose, rather than having a purpose with two inconsistent and overlapping parts. It is vital the purpose of the Bill is clear as an unclear purpose has subsequent implications for the interpretation of the remaining parts of the Bill, the National Planning Framework and NBE Plans.

Amendments Requested:

35. Amend section 3 to help clarify the purpose of the NBE Bill and integrate te Oranga o te Taiao to create a single purpose.

**Address the Bills Conflicting Objectives**

36. Another important issue is that system outcomes of the NBE Bill are not prioritised and conflict with each other. This is concerning as it creates on-going confusion about what the system is trying to achieve. If clarity is not provided, it will be difficult for the National Planning Framework and NBE Plans to resolve these conflicts. Leaving these conflicts to be resolved through the National Planning Framework also provides the opportunity for the government of the day to pick and choose what is prioritised. It took years for the Environment Court to clarify that section 6 of the RMA constitutes environmental bottom lines. Not only was this costly to resolve, but it also resulted in years of inconsistent decision-making and poor on-ground outcomes. Accordingly, the Forum requests amendments to resolve the potential for conflicting system outcomes. Ideally this would constitute a list of prioritised outcomes.

Amendments Requested:

37. Amend section 5 to prioritise system outcomes.

**Promote Good Urban Design**

38. The Forum is disappointed that there is nothing in the NBE Bill that promotes good urban design outcomes. The need to maintain and enhance amenity as required by section 7 of the RMA has not been included and nothing in the NBE promotes good urban design.

39. Approximately 87% of New Zealand's population reside in urban areas. Accordingly, it is appropriate that the planning system meets people's aspirations and contributes to making urban areas attractive places so that people want to live and work there.
40. The Forum acknowledges there is a need for change in urban areas over time and that it is not always appropriate for existing character and amenity to be retained. However, it is important that the new system promotes good urban design outcomes that consider context, provide connections, encourage creativity, creates/enhances identity and character and achieves a reasonable level of amenity.
41. The risk of not providing for good urban design as a system outcome is that good urban design will no longer be required or prioritised. Urban development will be left to the market, which if left unfettered by NBE plans to provide good urban design, will produce substandard development that adversely affects the lives of thousands of people. These affects will endure for decades. There are already too many examples of poor urban design, in Canterbury, New Zealand and internationally. The conception of urban areas as purely functional has been comprehensively decried. Urban areas are places for humans and human nature appreciates the aesthetic appearance of things and the amenity that it provides. The Forum believes it is crucial for the well-being of people that good urban design is promoted in the NBE Bill. It is our experience that plans with discretion over urban design produce considerably better urban design outcomes than those that do not.

Amendments Requested:

42. Amend the system outcomes to include good urban design.

**Reduce the Human Resources Required to Implement the Bill**

43. While system efficiency is a stated objective of the NBE Bill, the Forum believes that several amendments need to be made to ensure that objective is achieved. Human resourcing is a particular issue for Canterbury Councils as there has been on-going shortages of qualified and experienced planning staff across Canterbury for years. This has been a major constraint in implementing the RMA. The Forum believes there is no merit in creating a system that cannot be properly implemented. The impact on resourcing should therefore be a key consideration in the select committee's deliberations on the NBE Bill.

44. As discussed above, the short four-year plan making period is likely to create acute resourcing shortages for Canterbury Councils. Not only is creating a combined regional plan an enormous and complex task that will take all of Canterbury's resource of policy planners to achieve, but the existing resource of policy planners is already entirely taken up dealing with plan changes and reviews under the RMA. To resolve that situation, the Forum request the extension of the plan making period (as stated above). It also requests the transitional arrangements under the NBE Bill allow Councils that are working on plan changes and plan reviews under the RMA to have discretion as to whether to put their resources into continuing with their reviews or to focus their resources on transitioning to the new system. This would give Canterbury Councils the ability to concentrate all its planning policy resources on transitioning to the new system. It would also seem non-sensical for Council's to start full plan reviews now.
45. The Forum also believe that proposed Permitted Activity Notices (PANs) will create significant resourcing issues as they will need to be prepared by planners (or someone with a high degree of training) and will need to be monitored for compliance. This will exacerbate the existing shortage of planners and monitoring staff. While PANs are not compulsory, we request more limitations are placed on their use so that they do not create significant resourcing issues.

### **Improve the clarity of the Bill**

46. There are numerous sections of the NBE Bill that require clarification. Several key terms are not defined, while many other sections just require more detail to ensure that their meaning can be readily understood. Our submission addresses these matters in detail in Appendix 1. The Forum requests clarification of these sections to ensure they do not lead to confusion, misinterpretation and costs associated with seeking clarification through the courts. It took years of costly litigation to resolve the interpretation issues with the RMA and accordingly, Canterbury Councils would like to avoid repeating that situation.

### **Amendments Requested:**

47. Amendments to various provisions of NBE Bill as set out in Appendix 1

### **FURTHER INFORMATION**

48. Our secretariat is available to provide any further information or answer any questions about our submission. Contact details are: Maree McNeilly, Canterbury Mayoral Forum Secretariat, [secretariat@canterburymayors.org.nz](mailto:secretariat@canterburymayors.org.nz), 027 381 8924.

Ngā mihi

Nigel Bowen  
Mayor, Timaru District Council  
Chair, Canterbury Mayoral Forum

DRAFT

## APPENDIX 1 – AMENDMENTS REQUESTED

The proposed amendments sought are described below. Where text from the NBE Bill is quoted, new additional text sought is underlined and text that is proposed to be deleted is shown as ~~striketrough~~. The reasons for the requested amendments are also explained below unless it is explained in the main body of the submission.

### PURPOSE OF THE ACT

1. Replace section 3 with the following:

The purpose of this Act is to ~~—(a)—~~enable the sustainable use, development, and protection of the environment in a way that—

- (a)(i) supports the well-being of present generations without compromising the well-being of future generations; and
- (b) gives effect to upholds te Oranga o te Taiao by:
  - i. protecting the health of the natural environment; and
  - ii. recognising the essential relationship between the health of the natural environment and its capacity to sustain life; and
  - iii. recognising the interconnectedness of all parts of the environment; and
  - iv. recognising the historical, cultural, spiritual, and existential ~~intrinsic and~~ relationship between iwi and hapū and the natural environment te Taiao
- (c)(ii) ensures ~~promotes~~ outcomes that benefit the environment; and
- (d)(iii) complies with environmental limits and their associated targets; and
- (e)(iv) manages adverse effects to achieve subsections 3(a) to (d) and in accordance with the effects management framework. ~~And~~

2. The reasons for these amendments are:

- a. The word ‘sustainable’ should be included as it qualifies use, development, and protection of the environment. The concept of sustainability is also more relevant now than ever, is used in international environmental legislation and policy and will positively influence the interpretation of the remaining parts of this section. We consider it can co-exist along with the concept of te Oranga o te Taiao.
- b. Stronger language than ‘promote’ is needed in section 3(a)(ii) of the NBE Bill to ensure outcomes that benefit the environment are not something that are just encouraged.



- c. Te Oranga o te Taiao should be integrated with the rest of section 3 of the NBE Bill and its definition deleted. Otherwise, its inclusion as a separate arm creates confusion as to how it relates to the matters under section 3(a). The inclusion of te Oranga o te Taiao in section 3 also strengthen and embeds it more firmly in the purpose of the NBE Bill.
- d. The word 'uphold' in relation to te Oranga o te Taiao should be replaced with the words 'give effect to' to ensure there is no uncertainty as to what the word 'uphold' means. However, this amendment is subject to the provision of te Oranga o te Taiao statements under section 106 being deleted. To give effect to te Oranga o te Taiao there has to be certainty as to what it means. The words 'protecting' and 'recognising' are used in the sub-sections under clause 3(b) to help clarify how te Oranga o te Taiao will be achieved.
- e. The words 'intrinsic' and 'te taiao' in the definition of te Oranga o te Taiao are amended to address the uncertainty as what these words mean and how te taiao would be defined. There needs to be certainty about the meaning of te Oranga o te Taiao if it is to be part of the purpose of the Act, given that the purpose of the Act will influence national direction.

## TE TIRITI OF WAITANGI

- 3. Amend section 4 as follows:

### 4 Tiriti o Waitangi

All persons exercising powers and performing functions and duties under this Act must give effect to the principles of te Tiriti o Waitangi by:

- (a) the parties acting reasonably towards each other and in utmost good faith;
- (b) making informed decisions (which will often require consultation, but not invariably so);
- (c) not unreasonably impeding the Crown's capacity to provide redress for proven grievances; and
- (d) actively protecting Maori interests.

- 4. The amendment is requested in the interests of clarity and ease of reference. If all persons exercising powers and performing functions and duties under this Act must give effect to the principles of te Tiriti o Waitangi, it is important that they are clear what that means, so that it can

be consistently implemented. It is inefficient for the reader to have to refer to case law to ascertain the principles of te Tiriti o Waitangi. The requested wording has been taken from Court of Appeal judgements

## SYSTEM OUTCOMES

### 5. Amend section 5 as follows:

#### 5 System outcomes

To assist in achieving the purpose of this Act, the national planning framework and all plans must provide for the following system outcomes:

- (a) As first priority, due to their ability to sustain or threaten life:
  - ~~(a)(i)~~ the protection ~~or, if degraded, restoration~~, of the ecological integrity, mana, and mauri of—
    - (A) air, water, and soils; and
    - (B) the coastal environment, wetlands, estuaries, and lakes and rivers and their margins; and
    - I indigenous biodiversity:
  - (ii) if degraded, the restoration of the parts of the environment stated in section 5(a)(i)(A) to (C) proportional to the scale of the development or its effects on the environment:
  - ~~(b) — in relation to climate change and natural hazards, achieving—~~
    - (iii) the reduction of greenhouse gas emissions:
    - (iv) the removal of greenhouse gases from the atmosphere:
    - (v) the management of activities sensitive to significant natural hazards risks and significant climate change risks. the reduction of risks arising from, and —  
better resilience of the environment to, natural hazards and the  
effects of climate change:
- (b) As a secondary priority, due to their importance to social, cultural, and economic wellbeing:
  - ~~(ii)(i)~~ the protection of outstanding natural features, outstanding natural landscapes from inappropriate subdivision, use and development:

- (iii)(ii) the protection of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins from inappropriate subdivision, use and development:
- (e)(iii) well-functioning urban ~~and rural areas~~ that are responsive to the diverse and changing needs of people and communities in a way that promotes—
  - (A) the use and development of land for a variety of activities, including for housing and business use, ~~and primary production~~; and
  - (B) at least sufficient the ample supply of land for development capacity, ~~to avoid inflated urban land prices~~; and
  - (C) housing choice and ~~affordability~~ affordable housing options; and
  - (D) an adaptable and resilient urban form with good accessibility for people and communities to social, economic, ~~and cultural~~ opportunities, and natural and open space; and
  - (E) good urban design outcomes.
- (d)(iv) well-functioning rural areas that are responsive to the diverse and changing needs of people and communities in a way that:
  - (A) promotes the use and development of land for primary production, supporting activities, rural industry and other activities that require a rural location; and
  - (B) recognises some rural areas have a functional relationship with urban areas; and
  - (C) manages effects on existing sensitive activities; and
  - (D) manages reverse sensitivity effects.
- (d)(v) the availability of highly productive land for land-based primary production:
- (e)(vi) the recognition of, and making provision for, the relationship of iwi and hapū and the exercise of their kawa, tikanga (including kaitiakitanga), and mātauranga in relation to their ancestral lands, water, sites, wāhi tapu, wāhi tupuna, and other taonga:
- (f)(vii) the protection of protected customary rights and recognition of any relevant statutory acknowledgement:
- (g)(viii) the protection of significant conservation of cultural heritage from inappropriate subdivision use and development:
- (h)(ix) enhanced public access to and along the coastal marine area, lakes, and rivers:
- (i)(x) the ongoing and timely provision of infrastructure services to support the well-being of people and communities.

6. Define the terms 'degraded', 'mana' and 'mauri'.
7. The reasons for these amendments are:
  - a. Section 5 has conflicting objectives that need to be resolved. See the reasons stated for this request in the main body of the submission.
  - b. The terms 'degraded', 'mana', and 'mauri' are requested to be defined as there needs to be certainty as to what these terms mean. They could have a significantly different meaning in different areas, different environments and to different Māori, which would complicate the management of these resources.
  - c. We support restoration of degraded environments but consider that restoration should also be proportional to the scale of the development and the effects created otherwise it will lead to perverse outcomes.
  - d. The words 'reduction in risks arising from' in section 5(b)(iii) are inappropriate as it would be non-sensical to reduce very low risks from natural hazards and the effects of climate change. For instance, it would be non-sensical to reduce the risk of an event with an extremely low probability of occurring (e.g. a 1 in 10,000 year flood). Further, only the risks of activities sensitive/vulnerable to natural hazards and climate change risks need to be managed.
  - e. The term 'rural areas' should be removed from sub-section(c) as the subsections beneath it primarily relate to urban matters. A separate section has been added on rural areas to define the criteria for a well-functioning rural environment. Further, guidance should be provided through the NPF.
  - f. The word 'land' has been deleted from section 5(c)(ii) as the ample supply of land does not necessarily mean there will be an ample supply of development. The suggested amendment to 'at least sufficient development capacity' is consistent with the NPD-UD that recognises that land is only one component of development capacity. Also, the words 'to avoid inflated land prices' have been deleted as that would incorrectly attribute supply side factors to rises in land prices where, in reality, market dynamics are much more complex.
  - g. 'The word 'affordability' has been changed in section 5(c)(ii) to 'affordable options' as 'affordability' implies that all the houses must be affordable. That is unlikely ever to be feasible from a commercial viability perspective or desirable from a market demand perspective (e.g. some people want expensive houses). Use of the term 'affordable options' will ensure that development provides some options for affordable housing.

- h. The words 'natural and open space' are requested to be inserted into section 5(e)(iv) as it is a key requirement for a well-functioning urban environment and is consistent with Policy 1 of the NPS-UD that relates to a well-functioning urban environment.
- i. An additional subsection (v) is added section 5(c) so that 'good urban design outcomes' is included as a system outcome. The reason for this amendment is explained in the main body of this submission.
- j. In relation to section 5(g) we request adding the word 'significant' as it could lead to perverse outcomes of protecting any heritage despite its lack of significance. The use of the words 'inappropriate, subdivision and development' is a qualifier which allows the appropriate development of heritage items, which can help their conservation.

## **DECISION MAKING PRINCIPLES**

- 8. Amend section 6 to delete sub-section (e) and include 'cumulative effects. in sub-section (d). The reason for this request is to ensure cumulative effects have to be managed so that they achieve and do not undermine outcomes.

## **EFFECTS MANAGEMENT FRAMEWORK**

- 9. Amend section 62 so that the effects management framework applies to all effects, unless otherwise stated in the NPF. The reason for this request is to provide guidance as to the management of effects, otherwise the easiest option will be taken.

## **GOVERNANCE**

- 10. Amend clause 23(1) Schedule 8 to provide for 60% plus 1 voting rather than 50% plus 1. The reason for this amendment is that it better aligns with the aspiration for consensus decision making under clause 20 schedule 8 and is more appropriate for significant decisions (e.g. a decision to adopt a plan). There is also potentially an issue with the 50% plus 1 regime if the numbers of the RPC are skewed for population. For instance, if a large urban area had more members on the RPC, they could dominate the voting.
- 11. Alternatively, delete clause 23 Schedule 8 and add 'voting arrangements for the regional planning committee' to clause 3(1) schedule 8. The reason for this amendment is that it provides an opportunity to determine voting in an equitable way in tandem with composition arrangements.

12. Amend clause 2(2) schedule 8 to clarify that each local authority in the region of the committee may appoint at least 1 member which may be an elected member or a non-elected member. The reason for this amendment is to clarify that this clause provides discretion as to whether members of the RPC need to be elected or not. The Forum considers it is advantageous that local authorities' bodies have discretion for the member to be an elected or a non-elected member. While most Canterbury Councils have a strong preference for elected members, some Councils also see benefit in using non-elected members as non-elected members may have skills that elected members do not have.
13. Amend schedule 8 to ensure RPC members have adequate training for their role.

## PLAN MAKING

14. Amend the plan making period in clause 2, schedule 7 to a 6 year overall period, with a three-year period from commencement to notifying the plan and a three-year period to make decisions on submissions. The reasons for this amendment are stated in the main body of the submission.
15. Amend clause 2, schedule 7 to require the Minister to determine the sequencing for the commencement of each plan having regard to a readiness assessment. This readiness assessment would ensure regions have:
  - a. the information available to complete the plan
  - b. the technical resources available to complete the plan
  - c. an engagement agreement with Māori in place
  - d. a community engagement policy in place
  - e. secured the necessary human resources to prepare the new plan
  - f. the budget in place to finance the new plan
  - g. setup the regional secretariat and regional planning committee.
16. Amend clause 16, schedule 7 to broaden the scope of the RPC's engagement policy to include district and local issues. This will help public participation. Refer to the main body of this submission for a more detailed explanation for this amendment.
17. Amend the permitted activity category in section 153 to differentiate permitted activities that require a permitted activity notice and permitted activities that do not. The concern is that there

will be a lack of understanding of the need to require a permitted activity notice as permitted activities under the RMA did not have this requirement. This will lead to confusion and inefficient administration, compliance, monitoring and enforcement. We recommended naming permitted activities that require a permitted activity notice 'registered permitted activities'.

18. Amend the controlled activity category under section 153 as it will give rise to confusion with controlled activities under the RMA which have a different meaning. If consent can be refused, we recommend retention of the term restricted discretionary activities.
19. Delete section 106 that states that iwi and hapū can provide statements of te Oranga o te taiao to the RPC. Local interpretations of te Oranga o te Taiao will only cause confusion and will potentially conflict with the purpose the Act and the definition of te oranga o te taiao. We suggest this section is replaced with a statement as to the 'resource management issues of significance to iwi and hapū' and 'the resource management outcomes sought by iwi and hapū'.
20. Amend section 108(b) to (d)(iii) to clarify and refine the NIMBY<sup>3</sup> provisions. Presently subclause (d) is too broad and it could be interpreted to mean that any adverse effects must be disregarded from the use of land by people of low income; people with special housing needs; or disabled people that require support. This would mean these people could get consent for any land use, no matter how significant the adverse effects. There is also no definition of these terms, which means they could have broad and untended consequences.
21. Amend sections 643 and 645 regarding statements of regional environmental outcomes (SREO) and statements of community outcomes (SCOs) to require them to be consistent with the purpose and related matters listed under subpart 1 Part 1 and also the NPF. Otherwise, there is potential for misalignment between the SREO and SCOs and the purpose and outcomes of the NBE Bill and the NPF. It also has the potential to raise expectations of the community that these statements will influence decision making despite potentially conflicting with the purpose and related matters under subpart 1 Part 1 and the NPF.
22. To ensure the SREOs and SCO's have a sound basis, it is also requested that s. 643 and 645 are amended to require Councils to conduct public consultation to inform these statements, unless public consultation on similar matters has been previously conducted within the last year.

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<sup>3</sup> Not in My Back Yard

23. Amend part 1, schedule 7 to require RPCs to provide the proposed NBE plan to the councils in its region for review prior to making their final decision on the NBE plans. Also require the RPC to provide reasons why any recommendations from the Councils were not accepted.
24. Amend clause 34, schedule 7, to delete the requirement for evidence to be submitted with primary evidence. Generally, it is very difficult for submitters to review an entire plan or policy statement and make a submission within the statutory time-period. This will only be exacerbated with NBE plans combining both regional and district responsibilities. It would be near impossible for most submitters to provide evidence with their submission, particularly if it relates to multiple parts of the plan. It also does not provide the opportunity to respond to the officer's report. Providing impossible deadlines and not providing an opportunity to respond to the officer's report is not in accordance with the principles of natural justice.
25. Amend section 107 to require RPCs 'to have particular regard to all relevant statements and plans prepared under the Water Services Entities Act 2022' when making NBE plans.
26. Request that the Minister is required to provide operational guidance or suitable regulations to govern the operation, procedures and processes of the planning committee, secretariat and Independent Hearings Panel (IHP). Specifically in relation to the IHP, we request this guidance or regulations clarifies how the IHP is resourced and supported. To avoid a conflict of interest, support for the IHP should not be from the secretariate.

## **CONSENTS**

27. Amend section 302 to place limitations on Permitted Activity Notices (PANs) so they do not create significant resourcing issues. PANs will create significant resourcing issues as they will need to be prepared by planners (or someone with a high degree of training) and will need be monitored.
28. Amend section 223(2)(f) to clarify whether the track record provisions apply to company directors and whether it should apply to all non-compliances or just significant non-compliances.
29. Amend section 223(8) to address the issues with NIMBY provisions as stated in paragraph 20 above.



30. Amend sections 223 and 512 to require decision makers on resource consents and designations 'to have particular regard to all relevant statements and plans prepared under the Water Services Entities Act 2022'.
31. Provide sufficient lead in time to change existing Council consent systems and processes to effectively manage the new system. It is our experience that IT programs associated with resource management systems can take several years to scope, budget for and implement. These changes can also have consequential effects on other Council systems (records, finance, GIS etc).

## **FUNCTIONS, POWERS AND DUTIES OF MINISTERS**

32. Amend sections 632 to 636 and section 44 so that Ministers can only refer these matters to Environment Court for their consideration and determination. The reason for these amendments is explained in the main body of the submission.

## **TRANSITIONAL ARRANGEMENTS**

33. Amend clause 6, subpart 2, Part 1, Schedule 1 to require the Minister considers the impact on council resourcing in any amendment to existing RMA national direction.
34. Amend Schedule 1 to provide certainty around the transition times so that Long Term Plan budgets can be confirmed to implement the new system.
35. Provide more details regarding the model plan process about what it really means and what is involved.
36. Amend schedule 1 to:
  - a. stop appeals for extant plan review processes under the RMA so that Councils can concentrate their limited resources on transitioning to the new system.
  - b. make progressing plan reviews under the RMA voluntary.
37. Amend schedule 1 to provide clarification regarding how to resolve conflicting plans and the weighting to be given to the NBE plan. Note the legal effect rules under clause 2(5) schedule 1

and the timing that RMA plans cease to have legal effect, means that there will be a period of two years that two plans made under two different Acts apply. For those Councils currently undertaking plan reviews, there could potentially be three plans to consider. This will potentially create a complicated transition period where two or three plans made under two different acts apply.

DRAFT

17 February 2023

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Environment Committee  
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Tēnā koutou

## **CANTERBURY MAYORAL FORUM SUBMISSION ON THE SPATIAL PLANNING BILL 2022**

### **INTRODUCTION**

1. This is a submission on the Spatial Planning Bill 2022 from the Canterbury Mayoral Forum.
2. The Canterbury Mayoral Forum (the Forum) comprises the mayors of the ten territorial authorities in Canterbury and the Chair of the Canterbury Regional Council (Environment Canterbury) and is supported by our Chief Executives. The purpose of the Forum is to promote collaboration across the region and increase the effectiveness of local government in meeting the needs of Canterbury's communities.
3. The ten territorial authorities are: Kaikōura, Hurunui, Waimakariri, Selwyn, Ashburton, Timaru, Mackenzie, Waimate and Waitaki District Councils, the Christchurch City Council, and Environment Canterbury.
4. The following submission has been developed with input from across Canterbury Councils and focuses on matters of general agreement. Some of our Councils will make individual submissions.
5. The Forum acknowledges the significant amount of work the Ministry for the Environment (MfE) has undertaken in developing the Spatial Planning Bill.
6. The Forum generally supports the need for greater integration of the resource management and infrastructure legislative systems and sees regional spatial strategies as an important tool to enable that integration. Notwithstanding, our general support, the Forum considers that several important amendments to the Spatial Planning Bill are required to ensure spatial strategies are an effective planning instrument. The key amendments requested are set out in the following section. A full list of the amendments requested is provided in Appendix 1.

## KEY AMENDMENTS REQUESTED

### Reduce Political Interference

7. The Spatial Planning Bill provides opportunities for central government political interference in spatial planning. This includes the Minister's ability under section 60 to direct a regional planning committee to amend a regional spatial strategy. It also includes the ability under section 62 to direct a regional planning committee or local authority to perform a power, function or duty under the Act.
8. The Forum considers this contrary to good governance practice, which, as outlined by the auditor general<sup>1</sup>, should separate governance from management. The Forum believes that the Government's role should be setting national planning policy and legislation, not directing regional and district spatial planning matters. As proposed, the Spatial Planning Bill potentially politicises spatial planning by providing an opportunity for the government of the day to make changes for political gain. Any such future changes may be unintended by the government that passed the Spatial Planning Bill. These powers provide for direct political interference in a spatial planning system that is otherwise a policy driven and evidential process.
9. While, the Forum acknowledges the need to direct changes if a regional planning committee is not adequately exercising their powers, it believes it would be more appropriate for the Minister to direct an independent authority (e.g. the Environment Court) that specialises in planning to direct those changes. It is important that any such authority is not appointed or aligned with a political organisation. This would ensure planning decisions are based on evidence and good practice as opposed to being politically motivated, or a result of lobbying. The Forum considers that it is vital to protect the integrity of the spatial planning system. Accordingly, the Forum requests amendment to sections 60 and 62 to ensure that the Minister can only refer these matters to the Environment Court for their consideration and determination.

### Broaden the Scope of the Appointing Body's Review of Draft Spatial Strategies

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<sup>1</sup> [Good Practice Summary: Good Governance](https://oag.parliament.nz/good-practice/docs/good-governance.pdf) (oag.parliament.nz/good-practice/docs/good-governance.pdf)

10. The Forum requests a broader scope for appointing bodies to review a draft spatial strategy. Clause 3, Schedule 4 of the Spatial Planning Bill intends to limit the scope of the appointing body's review to just identifying errors and any risks in the implementation or operation of the draft strategy. The Forum requests the ability for appointing bodies to provide a range of comments on the draft strategy. This will ensure that appointing bodies comments are not just limited to errors and risks but can also include:
  - a. any opportunities the draft strategy can address
  - b. any issues with the content of the draft strategy
  - c. any matters of local knowledge
  - d. any aspect of community concern known to the appointing body
  - e. any other matter.
11. Broadening the scope of the appointing body's feedback provides a valuable opportunity for the regional planning committee to obtain feedback on the draft spatial strategy prior to its public notification. This opportunity would be partly missed if the feedback is limited to errors and risks.

#### **Clarify and Strengthen the Purpose of the Bill**

12. The Forum requests several amendments to the purpose of the Spatial Planning Bill to help clarify and strengthen its purpose. It is important the Spatial Planning Bill has a clear purpose as an unclear purpose creates interpretation issues for its remaining parts, the spatial strategies made under it and for NBE Plans.
13. It is also important that more directive language is used in relation to the Spatial Planning Bill's purpose to integrate planning legislation with infrastructure legislation. Currently the Bill uses the word 'promote' to describe this relationship. The Forum is concerned that 'promote' is too weak, as it essentially means encourage, which is voluntary. The preparation of spatial strategies is going to be a significant task, involving a large investment of time and money. As such, the Forum believes that it is not worth developing spatial strategies if all that can be achieved is to encourage integration. Integration needs to be ensured or required for spatial strategies to be effective. Accordingly, the Forum requests that integration between the Natural and Built Environment Bill and the other relevant legislation is 'ensured'.
14. Similarly, we have requested more directive language about te Oranga o te Taiao. The use of the term 'upholding' te oranga o te Taiao is unclear. The Forum requests the words 'give effect to' is used instead, which has clear legal meaning. This will also avoid testing the

meaning of 'upholding' through the courts. The Forum has made a consistent recommendation on the Natural and Built Environment Bill.

### **Ensure Spatial Strategies Integrate with Other Relevant Legislation**

15. The Forum also requests that the purpose of the Spatial Planning Bill makes it clear that regional spatial strategies need to ensure integration with the Water Services Entities Act 2022, the Climate Change Response Act 2002 and the Climate Change Adaption Act.
16. The Water Services Entities Act 2022 has recently received royal assent. It manages the delivery of three waters infrastructure and requires 30-year infrastructure strategies. Three waters infrastructure includes water supply, wastewater and stormwater infrastructure. All three types of infrastructure are necessary for urban development and many rural communities have drinking water supply infrastructure. Therefore, it is crucial that land use planning integrates with three waters planning. Accordingly, the Forum requests that the Water Services Entities Act 2022 is listed in section 3(b) and section 4 of the Spatial Planning Bill as one of the Acts that regional spatial strategies need to integrate with. Section 4 needs to ensure that the infrastructure strategy is consistent with the regional spatial strategy.
17. The Climate Change Response Act 2002 (CCRA) puts in place a legal framework to enable New Zealand to meet its international climate obligations. The CCRA requires the Minister to prepare an emission reduction plan and a national adaption plan. The emission reduction plan sets out the policies and strategies for meeting the relevant emissions budget. Action 7.1 of the current emissions reduction plan seeks to *"embed emissions reduction and climate adaptation into resource management frameworks (for example, the proposed Strategic Planning Act and Natural and Built Environments Act), including measures that help to achieve urban density that improves access to community amenities"*. Similarly, the national adaption plan has objectives that new and existing places are planned and managed to minimise risks to communities from climate change. However, there is no reference to CCRA, the emission reduction plan or the national adaption plan in the Spatial Planning Bill. As the emission reductions plan sees the Spatial Planning Bill as a key tool to embed emission reduction and climate change adaption, the Forum requests that the CCRA is listed in section 3(b) and section 4 of the Spatial Planning Bill as one of the Acts that regional spatial strategies need to integrate with rather than being subject to a later amendment.
18. The Climate Change Adaption Bill is expected to be introduced to parliament in 2023 as part of the broader resource management reform programme. Although there is uncertainty

about the exact scope of the Climate Change Adaption Bill, its main purpose is to manage adaption to climate change. This will have a spatial aspect and particularly spatial implications for existing development, infrastructure, and urban areas prone to natural hazards and the effects of climate change. Therefore, it is also important that regional spatial strategies seek to integrate with the requirements of the Climate Change Adaption Act. Accordingly, the Forum also requests that the Climate Change Adaption Act is listed in section 3(b) and section 4 of the Spatial Planning Bill as one of the Acts that regional spatial strategies need to integrate with.

19. In respect of the timing of regional spatial strategies, it would be non-sensical that they are developed before the Climate Change Adaption Act receives royal assent. If they are developed before this, they may have to be significantly amended to address its requirements. This would be an inefficient use of resources. Accordingly, the Minister is requested to consider this in determining the timing of regional spatial strategies.

#### **Amendments to Other Acts**

20. The Forum also requests the amendment of the Water Services Entities Act 2022 to ensure its infrastructure strategies give effect to the regional spatial strategies. There is no mention of regional spatial strategies in the Water Services Entities Act 2022. As such and in the interests of consistency, the Forum requests the amendment of section 154 of the Water Services Entities Act 2022 to specifically require infrastructure strategies to give effect to regional spatial strategies.
21. As stated above, the Climate Change Adaption Bill has not yet been introduced to parliament but will likely influence regional spatial strategies. Accordingly, the Forum requests that that Bill is prepared to ensure integration with the Spatial Planning Bill.

#### **FURTHER INFORMATION**

22. Our secretariat is available to provide any further information or answer any questions about our submission. Contact details are: Maree McNeilly, Canterbury Mayoral Forum Secretariat, [secretariat@canterburymayors.org.nz](mailto:secretariat@canterburymayors.org.nz), 027 381 8924.

Ngā mihi

Nigel Bowen

Mayor, Timaru District Council

Chair, Canterbury Mayoral Forum

DRAFT



## APPENDIX 1 – AMENDMENTS REQUESTED

The proposed amendments sought are described below. Where text from the Spatial Planning Bill is quoted, new additional text sought is underlined and text that is proposed to be deleted is shown as ~~strikethrough~~.

### Purpose and related provisions

1. Amend section 3 as follows:

The purpose of this Act is to provide for regional spatial strategies that—

1. assist in achieving—
  - (i) the purpose of the **Natural and Built Environment Act 2022**, including by recognising and giving effect to ~~upholding~~ te Oranga o te Taiao; and
  - (ii) the system outcomes set out in that Act; and
2. ~~promote~~ ensure integration in the performance of functions under the **Natural and Built Environment Act 2022**, the Land Transport Management Act 2003, and the Local Government Act 2002, the Water Services Entities Acts 2022, the Climate Change Response Act 2002 and the Climate Change Adaption Act 2023.

2. The reasons for these amendments are explained in the main body of the submission.

### How regional spatial strategies promote integration

3. Amend section 4 so that regional spatial strategies are required to be consistent with the:
  - a. national emission reduction plan
  - b. national adaption plan.
3. Amend section 4 so that Water Services Entity Boards are required to ensure that their infrastructure strategy is consistent with the regional spatial strategy.

### Ministerial powers to intervene and assist

4. Amend sections 60 and 62 so that the Minister can only request the Environment Court to investigate and direct a:

- a. regional planning committee to amend its regional spatial strategy; or
- b. regional planning committee or local authority to exercise or perform a power, function, or duty.

### **Urban Centre of Scale**

5. Amend section 17(2) to clarify whether 'urban centre of scale' relates to an urban centre (e.g. town centre) or an area (e.g. town/city).

### **Amendments to Other Acts**

6. Amend schedule 5 of the Spatial Planning Bill to include an amendment to section 154 of the Water Services Entities Act 2022 to require infrastructure strategies to give effect to regional spatial strategies.
7. Ensure that the Climate Changes Adaption Bill integrates with the Spatial Planning Bill.

### **Other Requests**

8. The Minister ensures that regional spatial strategies do not commence until the Climate Changed Adaption Bill receives royal assent.

# Canterbury Chief Executives Forum

**Date:** 30 January 2023

**Presented by:** Stefanie Rixecker, Environment Canterbury

## Canterbury Water Management Strategy update

### Purpose

1. This paper provides the Canterbury Chief Executives Forum with an update on region-wide progress of Canterbury Water Management Strategy (CWMS) partners' work towards implementing the CWMS for October to December 2022.

### Recommendation

**That the Canterbury Chief Executives Forum:**

1. **receive the update on region wide progress of the CWMS partners' work towards implementing the CWMS for October to December 2022.**

## Update on region-wide progress towards implementing the CWMS

### Zone and Regional committee updates

2. The 2022 CWMS Zone Committee Refresh was conducted from May to August with the refreshed committee appointments approved by Councils between July and September. Following the Local Government Elections, Environment Canterbury publicly released the names of the new appointments to the CWMS committees at its 14 December Council meeting.
3. All territorial authorities have nominated their Councillor representative to serve on their local zone committee(s) and some zone committees have held their first meeting.
4. Hurunui District Council continues to lead the establishment of a new Hurunui Water and Land Committee in conjunction with Environment Canterbury, and Kaikōura and Ngāi Tūāhuriri Rūnanga.
5. Zone committees continue to focus on implementing actions on the ground to support the delivery of the CWMS targets and goals. Over the last year zone committees funded 48 projects through their CWMS Action Plan Budget of \$50,000 per zone (established through Environment Canterbury's Long-Term Plan 2021-2031). Work is underway to develop refreshed Action Plans for the 2022-2023 year. Attachment 1 provides a summary of the last three months' progress of zone committee projects.

6. Zone Committee 2021-2022 Annual Progress Reports are available online via the zone committees' respective [homepages](#)<sup>1</sup>. These reports will be provided to territorial authorities in early 2023.

### **Future direction of the CWMS**

7. In the context of the Essential Freshwater Package, Three Waters Reform and development of a new regional planning framework in partnership with Ngāi Tahu, consideration is being given to how the CWMS and its water management committees can continue to drive freshwater outcomes in Canterbury.
8. Environment Canterbury is exploring how the CWMS zone committees can support implementation of the Essential Freshwater package and engagement with the community in how Te Mana o te Wai is applied through a new planning framework in Canterbury. Additionally, while the CWMS Regional Committee is not yet formally established, it is envisaged that the Committee will be able to begin its work in the first quarter of 2023, and Environment Canterbury is exploring how the committee can best inform the future direction of the CWMS. Further advice will come to the Mayoral Forum as this work develops.

### **RMA planning and implementation**

9. Environment Canterbury continues to work through the two remaining appeals on Plan Change 7, which were made to the High Court on points of law. Two appeals were withdrawn by the appellants, and one has been resolved. Provisions not under appeal can now be treated as operative. Further information can be found on the Environment Canterbury [website](#)<sup>2</sup>.

### **Key regional projects/campaigns**

10. The CWMS is implemented throughout the Canterbury region by the CWMS partners through a range of statutory and non-statutory obligations and working with a number of agencies and community groups.
11. As noted in the November 2021 CWMS reports to the Chief Executives and Mayoral Forums, this section of the update provides information on the delivery of actions by CWMS partners to meet the 2025 goals under the ten targets, although not all ten target areas are intended to be covered each quarter.

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<sup>1</sup> <https://www.ecan.govt.nz/your-region/your-environment/water/whats-happening-in-my-water-zone/>

<sup>2</sup> <https://www.ecan.govt.nz/your-region/plans-strategies-and-bylaws/canterbury-land-and-water-regional-plan/change-7/>

12. Progress against the CWMS targets is reported on Environment Canterbury's [website](#)<sup>3</sup>.
13. The Supreme Court has now granted leave for Cloud Ocean Water's (one of the water bottling companies whose consent was overturned in July 2022) appeal to be heard, with a hearing to be held in March 2023. Environment Canterbury is awaiting further directions from the Court.
14. Key agencies, organisations and landowners continue to work together to directly address the health of the **Ōtūwharekai (Ashburton) Lakes** which supports progress towards the Ecosystem Health and Biodiversity Target.
15. The Ōtūwharekai Working Group presented its bi-monthly progress update on the range of activities undertaken to the Ashburton Water Zone Committee in November 2022. This information is also provided on the [Ōtūwharekai Ashburton Lakes webpage](#)<sup>4</sup> and shared with local hutholders in their newsletter.
16. The Working Group held two hui in November and December to discuss the detailed research prepared by scientists and agricultural experts on further changes needed to reduce nutrients in this catchment to acceptable levels for lake health. This research will inform the long-term action planning for the Ōtūwharekai catchment. Once the group has considered the research and its implications, and drafted an action plan, it will share the next steps on the journey for restoring the Ōtūwharekai Lakes with the community.
17. The Working Group is also working with the Ashburton Water Zone Committee to host a public information day on Saturday 25 February 2023 at Te Puna a Taka / Lake Clearwater.
18. More projects in the **Whaka-Ora Healthy Harbour Programme** (supporting progress towards the Ecosystem Health and Biodiversity Target) are underway with landowners at the head of the harbour and Purau, and there is growing community involvement with a focus on trapping, as identified within the Strategic Biosecurity Plan. Highlights from this quarter continue to include the Kai Mahi for Nature project led by Ngāti Wheke at Living Springs and Rāpaki and identified supplementary sites across the harbour.
19. In November 2022, the Chief Executives of the five agencies (Environment Canterbury, Land Information New Zealand, Department of Conservation, Mackenzie District Council and Waitaki District Council) met with Manawhenua (Te Rūnanga o Arowhenua, Te Rūnanga o Waihao, and Te Rūnanga o Moeraki) to discuss the progress of the various workstreams in the **Te Mōkihi Programme** (supporting progress towards the Ecosystem Health and Biodiversity Target), including the co-governance research and Rūnanga-led priority projects. Papatipu Rūnanga expressed their satisfaction with how Te Mōkihi was progressing and felt that their voice is being heard in these forums. The Chief Executives

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<sup>3</sup> <https://www.ecan.govt.nz/your-region/your-environment/water/measuring-cwms-progress/>

<sup>4</sup> <https://www.ecan.govt.nz/your-region/your-environment/water/whats-happening-in-my-water-zone/ashburton-water-zone/action-on-the-ground/o-tu-wharekai-ashburton-lakes/>

will be hosted by Manawhenua in a hikoī to Te Manahuna in January 2023. The hikoī is an opportunity to further cement Treaty relationships within the Programme, and to create an opportunity for genuine and effective dialogue between the Treaty partners, mana ki te mana.

20. In the current financial year, there are 14 projects in the **Whakaora Te Waihora Programme** (supporting progress towards the Ecosystem Health and Biodiversity and Kaitiakitanga Targets), which are delivering:
  - investigations into the establishment of a wetland/mahinga kai park for Te Waihora; wetland restoration (Whakaora Te Ahuriri project, and support for the work of the Weed Strikeforce around the lakeshore and for the Coe's Ford constricted wetland)
  - river restoration (the Whakaora Te Waikēkēwai project, and riparian restoration along the Huritini/Halswell River)
  - in-lake actions (water monitoring, and the trial establishment of macrophyte beds and
  - strategic alignment with partners and stakeholders (the Whakakōhanga Kōrero, which is an operational form of organisations delivering projects around the lake).
21. Currently, the largest project in the Programme is the **Whakaora Te Waikēkēwai project**. This is a \$4.16 million project, led by Te Taumutu Rūnanga, co-managed by Te Taumutu Rūnanga and Environment Canterbury, and funded by the Government's Freshwater Improvement Fund and Environment Canterbury to restore the mid-lower reaches of Te Waikēkēwai/Waikēkēwai Stream.
22. Over the last six months **Soil Conservation and Revegetation (SCAR) Programme** (supporting progress towards the Ecosystem Health and Biodiversity Target) delivered:
  - five Land Use Capability maps across four farms, covering 2,635 ha of land
  - four reversions across three farms during this milestone, covering 74,2 ha of erodible land in total. This included grants for fencing off land to exclude stock and grants for native planting to encourage regeneration and revegetation of the fenced area
  - 7635 poles were delivered to nearly 100 farms across the Kaikōura and Hurunui districts this season.
23. The Ministry for Primary Industries has yet to announce the successful applicants to its Hill Country Erosion fund. If successful, the fund of \$1.9M over four years will ensure the continuation of the SCAR programme in Canterbury.
24. **Water infrastructure projects** (supporting progress towards the Ecosystem Health and Biodiversity Target) such as the Waikirikiri/Selwyn Near River Recharge (NRR) scheme and Hekeao Hinds Managed Aquifer Recharge (MAR) project to improve water quality, increase river flows and groundwater levels continue to be trialled in the region.

## Update on a new planning framework

25. Environment Canterbury continues to review its land and water plan framework to give effect to the National Policy Statement for Freshwater Management 2020. Council is undertaking this review alongside the review of the Regional Policy Statement and Coastal Environment Plan, with the aim of creating an integrated planning framework to manage the region's resources.
26. Environment Canterbury has agreed with Ngā Papatipu Rūnanga to work together in the development of a planning framework by way of a Protocol under the Tuia Relationship Agreement to provide joint strategic direction. Te Rōpū Tuia, the Governance group comprising all Environment Canterbury Councillors and the Chair (or nominee) of each Papatipu Rūnanga, will act as the partnership body for the governance oversight of the pre-notification phase (Phase 1) of the regional planning programme.
27. Environment Canterbury, in discussion with Ngā Papatipu Rūnanga, agreed to adopt the Protocol at Te Rōpū Tuia in December 2022 to provide joint strategic direction on Council's regional planning programme.
28. Consultation with the community is expected to commence in early 2023 on current state of the environment and long-term visions, and consultation on methods to achieve those visions expected in late 2023 and early 2024. Further information is provided on the Environment Canterbury [website](#)<sup>5</sup>.

## Central government policy

29. **The Future for Local Government** draft report was released on 28 October 2022 and the review panel have been carrying out visits across the motu to discuss their findings with Councils. Submissions on the draft report are due by 28 February 2023. The final report is due to the Minister for Local Government and LGNZ in June 2023.
30. As part of the Government's reform of the resource management system, the Government introduced the **Spatial Planning Bill** and **Natural and Built Environment Bill** into Parliament on 15 November 2022. Public submissions on the Bills are invited until 5 February 2023. The third piece of legislation, the Climate Adaptation Bill, is expected to be introduced in the second quarter of 2023.
31. The **National Policy Statement for Highly Productive Land (NPSHPL)** was released on 18 September and takes effect from 17 October 2022. The goals of the NPSHPL are to protect highly productive land from inappropriate use and development (including subdivision). Regional councils will need to identify and map highly productive land and include mapped areas within Regional Policy Statements by 17 October 2025.

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<sup>5</sup> <https://www.ecan.govt.nz/your-region/plans-strategies-and-bylaws/regional/>

Territorial authorities must amend their district plans to include mapped areas within six months of changes to the Regional Policy Statement being made.

32. Technical guidance for local authorities on giving effect to the NPSHPL is expected in early 2023.
33. The Minister for the Environment has amended provisions in the **National Policy Statement for Freshwater Management (NPSFM), National Environmental Standard for Freshwater (NES-F) and Stock Exclusion Regulations** relating to the protection and management of wetlands. The changes enable restoration and maintenance activities in wetlands, establish a consent pathway for specified activities in natural wetlands, clarify NES-F provisions for wetlands do not apply in the coastal marine area, and correct errors in the “low slope” maps for stock exclusion. The changes came into effect on 5 January 2023.
34. Ministry for the Environment officials are working through the submissions and feedback received on the exposure draft of the **National Policy Statement for Indigenous Biodiversity (NPSIB)**. Policy changes will be provided to Minister Shaw (Minister for Climate Change and Associate Minister for the Environment) before the final NPS goes to Cabinet to consider for gazettal in 2023.
35. The **Water Services Entities Act 2022** passed on 14 December. Immediately following that the Water Services Legislation Bill and the Water Services Economic Efficiency and Consumer Protection Bill were introduced building on the first Act.
36. The Water Services Legislation Bill amends the Water Services Entities Act and sets out the functions and powers of the new water services entities, what they are required to do, the tools they need for their work and arrangements for the transition to the new system. The submission period for the Water Services Economic Efficiency and Consumer Protection Bill closes on 12 February 2023, while the period for the Water Services Legislation Bill has been extended to 17 February 2023 for local government submissions.
37. Government is considering the amended **National Environmental Standards for Sources of Human Drinking water (NES-DW)**. No further public consultation is being sought.

### Essential Freshwater implementation

38. The “Supporting Land Use Adaption for a Climate Changed Future” report led by Ashburton District Council is now available [online](https://ourlandandwater.nz/outputs/supporting-land-use-adaption-for-a-climate-changed-future/)<sup>6</sup>. The Resilient Business proposal is now with Ministry for Primary Industries for funding consideration.

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<sup>6</sup> <https://ourlandandwater.nz/outputs/supporting-land-use-adaption-for-a-climate-changed-future/>



39. Alongside reviewing the regional land and water planning framework, Environment Canterbury continues to develop its approach to implementing the new requirements of the Essential Freshwater package and provides regular updates on the Environment Canterbury website<sup>7</sup>. This includes developing campaigns (including key messages, factsheets and resources) for wetland protection, synthetic nitrogen cap and intensive winter grazing to help landowners understand the requirements of the Essential Freshwater National Environmental Standards.
40. Dairy farmers are now required to report their annual synthetic nitrogen fertiliser use to Environment Canterbury by 31 July annually. Farmers can submit this data via the National Online Reporting tool or via the Ballance and Ravensdown external reporting tool. Environment Canterbury's Synthetic Nitrogen Cap [webpage](#)<sup>8</sup> has been updated with a FAQ section and downloadable calculator tool for farmers to calculate their nitrogen use. Over 500 Canterbury dairy farmers (35%) reported for the 2021/2022 year, while educational communications have been issued to farmers reporting over 200kg/ha or who reported with key information missing.
41. From 1 November 2022, new national rules around winter grazing came into force. Under these rules, Canterbury farmers who cannot meet the Permitted Activity rules need to apply for resource consent for intensive winter grazing (IWG) by 1 May 2023. A suite of information for farmers around IWG is now available at the [Environment Canterbury website](#)<sup>9</sup>. Environment Canterbury will also undertake a wider implementation campaign over the next 12 months which includes advertising, drop-in support sessions for farmers and a prioritised focussed work programme that will concentrate on education, advice and compliance in high priority areas (environmental, cultural, etc.) to support farmers in becoming compliant.
42. Environment Canterbury restarted Farm Environment Plan (FEP) auditing and associated compliance monitoring across Canterbury following the Government's review of the OVERSEER nutrient management tool. Auditing has resumed in central and far southern parts of the region. Auditing has not resumed north of the Hurunui River nor consenting in the far south where discussions with the local Rūnanga are still taking place.

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<sup>7</sup> <https://www.ecan.govt.nz/your-region/your-environment/water/essential-freshwater-package>

<sup>8</sup> <https://www.ecan.govt.nz/your-region/farmers-hub>

<sup>9</sup> <https://www.ecan.govt.nz/your-region/farmers-hub/essential-freshwater-package-farmers-guide/intensive-winter-grazing/>

43. Freshwater Farm Regulations (part of Essential Freshwater Package) are expected to be released in early 2023 with implementation expected to occur in a staged manner nationally between 2023-2025. Environment Canterbury staff have begun planning the regional implementation approach.

### **Correction to earlier CWMS update report**

44. In the August 2022 CWMS update report it was incorrectly stated under **Fish screens improvement project** that there were approximately 10,000 intakes across Canterbury. It should have stated that there were approximately 1,000 intakes across Canterbury.

### **Attachments**

- Attachment 1: Zone Committee Action Plan overview October to December 2022

## Attachment 1: Zone Committee Action Plan overview October to December 2022

Regional Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
	To be developed once Committee established	TBC
Kaikoura Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
Natural Character of Braided Rivers Target	Supporting “ki uta ki tai” projects and identifying future projects	<ul style="list-style-type: none"><li>The Committee made recommendations to support three initiatives using their Action Plan Budget which support the implementation of their Action Plan:</li><li>Hāpuku Catchment Collective (Year 2) (\$35,000) – following on from a successful year one, this project continues to enable collaborative and coordinated community actions within the Hāpuku catchment which support the CWMS and environmental outcomes. A “coalition of the willing” has been established upon last year’s mahi, encouraging a catchment group and empowering the community to lead action.</li><li>Waiau Toa/Clarence River Rafting Trapline (\$4,415) - an initiative led by Clarence River Rafting which sees the establishment of a trapline in one of the country’s unique braided river systems. Through this mahi, predator numbers will be reduced to help protect the catchment’s rare and threatened biodiversity and complements existing efforts in the catchment undertaken by rūnanga, stakeholders and landowners. Traps are currently being constructed by the Kaikōura Men’s Shed for deployment in March-April.</li><li>Waikōau Stream and Beach Clean-up and Planting Day funding (\$2,000) – funding to support the Waikōau Lower Lyell Stream and Beach Clean-up community event alongside planting days which support the health of the waterways and engage the community.</li></ul>
Ecosystem Health and Biodiversity Target	Enhance biodiversity, and improve amenity and recreation values	
Kaitiakitanga Target	Facilitate understanding of catchment systems within our zone, build community knowledge and connection to these systems and increase public participation	
Hurunui Waiau Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
	To be developed once Water & Land Committee established	TBC

<b>Waimakariri Zone Committee</b>		
<b>Target</b>	<b>Focus of the Action Plan</b>	<b>Highlights of practical work underway</b>
<b>Ecosystem Health and Biodiversity Target</b>  <b>Drinking Water Target</b>  <b>Natural Character of Braided Rivers Target</b>  <b>Recreation and Amenity Opportunities Target</b>  <b>Kaitiakitanga Target</b>	<b>Improved monitoring of water resources</b>  <b>Biodiversity improvements</b>  <b>Braided Rivers</b>  <b>Recreation resources</b>  <b>Mahinga kai improvements</b>	<ul style="list-style-type: none"> <li>The committee received a memo prepared by ECan Groundwater Science reporting on the review of the the current monitoring network (for both groundwater quality and groundwater levels) in the Waimakariri Zone. The monitoring network comprises of 103 wells, which are part of either the water level or water quality networks. Of these, 34 are sampled for water quality, 77 measured regularly for water levels and 8 are joint wells that are monitored for both water levels and water quality, including 2 sites with a cluster of wells installed to three different depths.</li> <li>The Sefton Saltwater Creek Catchment Group confirmed funding from NZ Landcare Trust to support the Group's monitoring of two intermittent hill fed streams and three spring fed streams in the catchment. This funding adds to the Zone Committee's Action Plan Budget support in 2021/22 with the aims of providing long term 'current state' monitoring data to support a better whole of catchment understanding to identify issues and mitigation options.</li> <li>The newly formed Waimakariri Biodiversity Trust was supported in 2021/22 by the Zone Committee's Action Plan Budget to host a visioning workshop for the district, which was held on 16 November 2022. A guest list of around 20 participants included ecologists from WDC and ECan, representatives from the Department of Conservation, local conservation Trust representatives, and industry stakeholders.</li> <li>Andrew Arps (ECan Northern Zone Manager) &amp; Sarah Worthington (ECan Braided River Revival Advisor) provided an update on the Ashley/Rakahuri Braided River Revival draft strategy to the committee in September, followed by two further workshop sessions in October and November to discuss community engagement on this draft strategy, which will commence in early 2023.</li> <li>The Zone Committee's December field visit went through Tūhaitara Coastal Park and included Pines Beach wetland, where the committee had supported a project through the 2021/22 Action Plan Budget to undertake willow control work and extend the Tūhaitara Coastal Park Trust vision for this area. The overall aim of the Pines Beach Wetland project is to balance biodiversity and cultural values with recreational access through the park.</li> <li>Irai Weepu (ECan Tangata Whenua Facilitator-Kaitiakitanga Targets) provided an update to the committee on the watercress project underway in the Zone in conjunction with Ngāi Tūāhuriri Rūnanga. The overall aim of this project is to increase the abundance, use and access to Watercress in the Cam by minimising or eliminating risks and enhancing watercress habitat, also to propose a long-term management programme for Mahinga kai ki Tuahiwi (food gathering at Tuahiwi) regarding watercress and to seek the support and cooperation of WDC and ECan to help implement the programme.</li> </ul>

Christchurch-West Melton		
Target	Focus of the Action Plan	Highlights of practical work underway
<b>Ecosystem Health and Biodiversity Target</b>  <b>Kaitiakitanga Target</b>	<b>Enhance mahinga kai</b>  <b>Engage community</b>  <b>Enhance ecosystem health</b>	<ul style="list-style-type: none"> <li>Awarded the Champion Stormwater Superhero Award to Tunnel Wash and Stormwater Superhero Award to Christchurch Ready Mix Concrete.</li> <li>Participated in a Community Waterways Partnership workshop to learn about measuring impact.</li> </ul>
Banks Peninsula Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<b>Ecosystem Health and Biodiversity Target</b>  <b>Kaitiakitanga Target</b>	<b>Enhance ecosystem health</b>  <b>Engage community</b>	<ul style="list-style-type: none"> <li>Had a display at the Little River A&amp;P Show on 21 January about mahinga kai, fish passage and climate change.</li> <li>Supported a number of community initiatives in Wairewa Catchment involving planting, fencing and maintenance and a project to survey for bat populations on the Peninsula.</li> </ul>

Selwyn-Waihora Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<b>Ecosystem Health and Biodiversity Target</b>  <b>Drinking Water Target</b>  <b>Natural Character of Braided Rivers Target</b>  <b>Recreation and Amenity opportunities Target</b>  <b>Kaitiakitanga Target</b>	<b>Healthy Waikirikiri/Selwyn River</b>  <b>Enhance mahinga kai, recreation and amenity values</b>  <b>Catchment nutrient targets and water quality outcomes</b>  <b>Healthy Te Waihora</b>	<ul style="list-style-type: none"> <li>The Zone Committee received updates on the Action Plan Budget funding provided to support the establishment of a catchment group in the Waikirikiri/Selwyn River Catchment. This led to a further Action Plan Budget project supporting a focus in the upper catchment of the Waikirikiri/Selwyn River, and specifically on the establishment of a biodiversity corridor. The Zone Committee received the project report at its 28 November meeting. This report provides options for how the community could engage on this corridor concept, which the committee will look to advance in 2023.</li> <li>The Boat Creek Reserve Native Restoration project, which has local volunteers being supported by the Water and Wildlife Habitat Trust, is another Action Plan project now underway. Information panels are currently being developed to tell the history of the Reserve, and profile the project's vision and progress.</li> <li>Muriwai o Whata/Coopers Lagoon is an area of cultural, natural, historic and recreational importance located within the Selwyn District. The Zone Committee's Action Plan Budget has provided support to Te Taumutu Rūnanga, who oversees this project, to fund initial plantings with the aim of enhancing mahinga kai, biodiversity and recreation opportunities at Muriwai o Whata. The committee received an update on this project which included an overview of the impact of coastal inundation, particularly how it impacts fish passage.</li> </ul>

Ashburton Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<b>Ecosystem Health and Biodiversity Target</b>  <b>Drinking Water Target</b>  <b>Natural Character of Braided River Target</b> <b>Recreation and Amenity opportunities Target</b>  <b>Kaitiakitanga Target</b>	<b>Focus on the Hekeao Hinds Catchment</b>	<ul style="list-style-type: none"> <li>Received an update from the newly formed Hekeao Hinds Science Collaboration Group outlining its draft priorities and seeking feedback. A key purpose of the group is to coordinate technical workstreams of relevance to resource management across the Hekeao Hinds Plains.</li> </ul>
Orari-Temuka-Opihi-Pareora Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<b>Drinking Water Target</b>	<b>Raise awareness of impacts of human activities on land and water</b>	<ul style="list-style-type: none"> <li>The committee welcomed five new members bringing the total members in the committee to ten. These include newly elected councillors from the Mackenzie, Waitaki district councils and Environment Canterbury.</li> </ul>

<b>Kaitiakitanga Target</b>		<ul style="list-style-type: none"> <li>In October committee members participated in a field trip to discuss the range of environmental impacts on the Horseshoe Lagoon and its biodiversity values, including Giant kōkopu. As part of that trip, they also visited the Waitarakao Lagoon and the Seadown and Ring Drains.</li> </ul>
<b>Upper Waitaki Zone Committee</b>		
<b>Target</b>	<b>Focus of the Action Plan</b>	<b>Highlights of practical work underway</b>
<b>Ecosystem Health and Biodiversity Target</b>  <b>Recreation and Amenity opportunities Target</b>  <b>Kaitiakitanga Target</b>	<b>Gaining insight into cultural values and areas of significance relating to mahinga kai</b>  <b>Engaging with schools and youth to illustrate the importance of mahinga kai and the local history</b>  <b>Increasing engagement with Ngāi Tahu regarding enhancement of Nohoanga sites;</b>  <b>Hosting hāngī for stakeholders and local schools.</b>	<ul style="list-style-type: none"> <li>The committee welcomed six new members bringing the total members to 11. These included newly elected councillors from the Mackenzie, Waitaki district councils and Environment Canterbury. The committee also includes an observer from the Waimate District Council.</li> <li>The annual Hāngī planned for December 2022 was postponed due to resourcing issues. This has now tentatively been pushed out to May 2023 and will include both Omarama and Twizel Area schools.</li> </ul>



Lower Waitaki Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<b>Ecosystem Health and Biodiversity Target</b>  <b>Recreation and Amenity opportunities Target</b>  <b>Kaitiakitanga Target</b>	<b>Investigating the urban impact on Wainono Lagoon and working with the Waimate District Council to develop and deliver and educational programme and community engagement</b>	<ul style="list-style-type: none"> <li>In December the Zone committee hosted a site at "Strawberry Fare in Waimate to educate the community on stormwater. Utilising the <a href="#">Stormwater Superheroes trailer</a> and other games the committee spoke with more than 70 children and around 40 adults throughout the day. The majority of visitors indicated their support and approval of the information provided. Many also said they were likely to change their behaviour to improve stormwater quality.</li> </ul>

# Canterbury Chief Executives Forum

**Date:** 30 January 2023

**Presented by:** Clare Pattison, Principal Strategy Advisor, Environment Canterbury

## Regional Transport Committee update

### Purpose

1. The purpose of this paper is to provide the Chief Executives the updated strategic framework and seek feedback on the funding options for the Regional Land Transport Plan 2024-2034 (RLTP) review prior to approval by the Canterbury Regional Transport Committee (RTC).

### Recommendations

**That the Canterbury Chief Executives Forum:**

1. **notes the Innovative Transport Funding and Finance Options report provides a range of new funding options and recommends further investigation**
2. **provides feedback on the recommendations from the Innovative Transport Funding and Finance Options report to the Regional Transport Committee**
3. **notes the preferred changes to the strategic framework include a 41 percent reduction in transport GHGs by 2035 to align with central government's Emissions Reduction Plan**

### Key points

2. The focus of the RLTP review is emissions reduction, funding options, and effectiveness for Māori.
3. The strategic framework has been updated based on government emissions reduction targets, of which the scale and pace of change is hard to comprehend.
4. Funding options have been investigated and the best option for business-as-usual transport investment is still the National Land Transport Fund.
5. There are other options that could be further investigated to fund regionally significant improvements.

## Background

6. The RLTP outlines the current state of our region's land transport network and the key challenges we face now and in the future. The priorities in this plan reflect the context of regional, national, and international events and trends.
7. Under Section 18CA of the Land Transport Management Act 2003 (LTMA), a regional transport committee must complete a review of the plan during the 6-month period immediately before the expiry of the third year of the plan. This means the mid-term review of the RLTP should be completed between January and June 2024. We began this process towards the end of last year and have updated the strategic framework to inform further plan developments such as the monitoring framework and activity ranking.
8. To continue this work two papers will be tabled at the February Regional Transport Committee meeting to address two statutory requirements of RLTP development under Section 14 of the Land Transport Management Act 2003 (LTMA):
  - funding options (Appendix 1) – the committee must consider likely funding from any source.
  - alternative objectives (Appendix 2) - the committee must consider alternative objectives and their feasibility and affordability

## Funding Options

9. The Innovative Transport Funding and Finance (ITF&F) report, which is provided at Appendix 1, was commissioned by the RTC to look across the entire RLTP and identify new ways to fund key areas of major investment in Canterbury:
  - a. state highway & local road maintenance (45% of the RLTP expenditure)
  - b. state highway & local road significant improvements (28%)
  - c. public transport opex and improvements (21%)
  - d. walking and cycling (3%)
  - e. any other activities potentially proposed by authorised organisations to achieve transport outcomes
10. Gemelli Consulting was engaged to look at how a \$1bn uplift may be achieved (20% increase in RLTP expenditure). This was based on feedback from transport officers regarding the potential size of financial uplift required to materially impact issues such as maintenance and emissions reduction targets.
11. Gemelli looked at funding internationally and nationally. No 'silver bullet' was identified, however there are some options available that councils in Canterbury have not taken up yet.

12. The ITF&F report reviewed twelve areas that could support an increase in funding:
  - a. rates
  - b. debt
  - c. central government funding
  - d. grants
  - e. traditional bonds
  - f. green bonds
  - g. social impact bonds
  - h. contracting for outcomes
  - i. public private partnerships
  - j. land value capture tax
  - k. road pricing
  - l. value for money assessments.
13. Except for government funding and traditional bonds it is proposed that further investigation is required on the opportunities provided by the other ten options.
14. Based on the types of solutions these funding options are likely to support, at this point the emerging approach to funding for the RLTP is to:
  - a. use National Land Transport Fund (NLTF) for BAU investment e.g., maintenance (MOR), minor improvements (LCLR) and PT opex<sup>1</sup>.
  - b. use grants (like Provincial Growth Fund) for significant investment tied to other outcomes (like economic development)
  - c. seek direct crown funding (Ministry of Transport /Treasury) for Urban Growth Partnership investment
  - d. progress the recommendations in the Innovative Funding Options report to support systemic change e.g. interregional travel, significant PT opex increases, widespread behaviour change initiatives.
15. This work is running parallel to the work being undertaken by the Ministry of Transport (MoT) on a new funding structure for transport. The Ministry will be running workshops

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<sup>1</sup> Note grants from philanthropic sources, such as Community Trusts and Lottery, support for Community Vehicle Trust opex

nationwide in March with members of the public regarding 'who should pay for transport', with a view to consult on a new system in 2024, to implement by 2027. It is still too early to know where this is heading, however staff are remaining in contact with MoT about it. Outcomes from the MoT work may not result in any change to income for councils.

16. Feedback is sought on the recommendations going to the RTC. The recommendations in the ITF&F report could be provided to the committee as is. This meets the statutory requirement that the committee considered funding options in a direct way. However, staff do act under delegation so alternatively the recommendations in the ITF&F report could be accepted by the CEs and the paper could advise that RTC staff have accepted the recommendations, noting further investigation is required for 2024 planning. Some solutions may require consultation to establish them, so ties to LTP Revenue and Financing Policy development is critical.
17. Lastly, another option is to push out investigations towards the 2027 planning timeframes. Regional transport staff could continue to investigate these funding options over the next few years and continue to link in with MoT on the future of transport funding. This does not solve the immediate funding needs or maintenance backlog.

## Alternative Objectives

18. The proposed amended vision for the 2024-2034 RLTP is "An innovative, low emissions transport system for all our communities, that facilitates our intergenerational shared prosperity". This reflects the feedback from the November 2022 workshop with the Canterbury Mayoral Forum to ensure that Canterbury responds to the challenge of emissions reduction through innovation and equitable outcomes.
19. Four options for objectives are outlined in Appendix 2. These have been developed based on the Better Business Case practice of including 'do minimum' and 'do maximum' options, with a staff recommending option three. The key shifts are:
  - change the target to a 41 percent reduction in GHG by 2035 to align with the Emissions Reduction Plan<sup>2</sup>
  - change GHG related policies to focus solutions on walking, cycling, PT, safer streets, behaviour change and advocating for or supporting better location of essential services, working from home, low emissions fleet, and hydrogen solutions for freight
  - introduce a policy to improve marae and Māori land access which makes visible and acknowledges Māori priorities and expectations
  - change priorities to focus on level of maintenance, Road to Zero, freight hubs, active transport, public transport and extreme risks exposure.

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<sup>2</sup> The previous target was a 30% reduction by 2031.

20. Emissions reduction solutions are far from certainty or agreement<sup>3</sup>, however improving the clarity and detail in the strategic framework would also improve certainty and agreement in this area.
21. The policies have been updated synthesising the most recent national, regional and subregional transport strategies, plans and research regarding emissions reduction.
22. It is important to note that we do not have the data or information to quantify the impact of policies on emissions reduction in Canterbury or to quantify unintended consequences. This limits our ability to know if the target is feasible or if the policies are suitable to meet the target. The target is solely based on the Emissions Reduction Plan.
23. Staff liaised with Waka Kotahi during the Transport 2035<sup>4</sup> tool development to ascertain what data could be used in emissions reduction planning. Due to the data limitations the tool is now solely to support conversations around scale and pace of change required. From using the Transport 2035 website, the level of change in Canterbury could require something like:
  - a. double walking
  - b. double cycling
  - c. double public transport uptake
  - d. double car occupancy
  - e. a further 25% reduction in remaining trips
  - f. 100% low emissions bus fleet
  - g. 30% low emissions light vehicle fleet
  - h. double rail freight.
24. This is a complete shift in the system of travel to shared transport and significant limitation on sole occupancy vehicles. This is not new; however, the scale and pace of change in 10 years is beyond traditional solutions and road network management solutions.
25. This scale of change is potentially comparable to the level of change of travel behaviour that occurred in the April 2020 level 3 COVID response<sup>5</sup>, but stretched over a decade. These timeframes are more comparable with the home heating behaviour change

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<sup>3</sup> Based on a Stacey matrix analysis of the key transport issues in Canterbury.

<sup>4</sup> Link to the website is here: [Transport 2035 \(mrcagney.works\)](https://mrcagney.works)

<sup>5</sup> Based on a single research paper that looked at vehicle kilometres travelled and the Riccarton Road air quality monitoring station results

supported by Environment Canterbury. When Research First presented their findings on transport emissions reduction solutions in Canterbury to the RTC in May last year they said that transport is now 'in the business of people'.

26. To achieve emissions reduction targets a greater proportion of the transport investment needs to shift away from road improvements towards working directly with people in some way. Usually, a 1-2% shift in expenditure annually over 10 years would be suitable to support strategic change, however given the scale and pace of change required shifting 3-5% of expenditure annually may be prudent. Any greater level of shift in expenditure towards new strategic objectives may require additional investment to manage the change e.g. to reduce staff turnover arising from organisational instability.
27. Given the scale of change, and without knowing the impact of the policies on GHG reduction, it is not known if this level of shift in investment would be sufficient to meet the target. New revenue streams are required to create a greater pace of change. The innovative funding options report seeks to address this.
28. **Government Policy Statement:** The committee has an obligation to be satisfied that the plan contributes to the purpose of the LTMA and is consistent with the Government Policy Statement on Land Transport (GPS). The draft GPS is not expected until March. Transport sector staff across the Ministry of Transport, Waka Kotahi, regional and local councils have been working collaboratively over the last year, given the significant shift required to address climate change. It is unlikely that the Canterbury RLTP strategic framework would need significant changes to address a new GPS.
29. However, minor amendments to ensure linguistic alignment and readability may be useful. It is recommended that this be delegated to staff for incorporation during the development of the full plan and consultation document. The committee will approve the consultation document in late 2023.

## Next steps

30. Staff will update the RTC papers to reflect the CE Forum feedback
31. RTC will meet on 23 February to approve the strategic framework and the approach to funding.
32. Local council staff will continue with Asset Management Plan development based on the strategic framework.

## Attachments

- Appendix 1 - Innovative Transport Funding and Finance Options report
- Appendix 2 - Recommended Objectives and policies

# Innovative Transport Funding & Finance Options



Final  
11 January 2023





## Contents

1	Executive Summary.....	1
2	Introduction .....	7
3	Overview of Current Funding .....	10
4	Funding Options .....	11
4.1	Rates .....	11
4.2	Debt .....	12
4.3	Central Government Funding.....	14
4.4	Grants: .....	15
4.5	Traditional Bonds.....	16
4.6	Green Bonds.....	17
4.7	Social Impact Bonds.....	19
4.8	Contracting for Outcomes.....	21
4.9	Public Private Partnerships (PPPs) .....	23
4.10	Land Value Capture Tax.....	25
4.11	Road Pricing .....	27
4.12	Value for Money Assessments .....	28
5	Summary and Next Steps .....	30

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## 1 Executive Summary

Canterbury's transport systems need to support growth and a thriving economy, be resilient to extreme weather events and provide safe and accessible modes of travel for all. In pursuit of these aims, the Regional Transport Committee has agreed three key headline targets for land transport in Canterbury:

1. a 30% reduction in greenhouse gas emissions from land transport by 2030
2. a 40% reduction in deaths and serious injuries on Canterbury roads
3. A 100% increase in tonnage of freight moved by rail in Canterbury.

To achieve these headline targets within the desired timeframes, bold and transformational change will be required in both the way in which transport services are delivered and the speed at which change is implemented. In particular, this transformation will need to focus on reducing Canterbury's reliance on fossil fuels and moving towards a more sustainable and low-carbon future.

While the exact shape and form of how this will occur has yet to be determined, the Canterbury Regional Transport Committee is keen to explore how it can support the introduction of new and innovative technologies and/or modes of transport to drive meaningful change in Canterbury's land transport sector. It is estimated that as much as \$1 billion could be required over the next ten years to support this change.

However, the current funding system for land transport in New Zealand is constrained by national and local funding methods (principally central government funding provided through the National Land Transport Fund and rates revenue derived at a local level). These are predominately allocated to maintaining the current network, supplying public transport, road safety and road improvements. This leaves little opportunity for regions to develop and fund (or finance) transport projects that sit outside of the usual expenditure categories and which are focussed on step change rather than incremental change.

With that in mind, the Regional Transport Committee is seeking to understand what options exist for providing additional capital over and above the region's current \$5.35 billion 10-year transport budget to 'fast-track' innovation and change in land transport delivery, while also supporting value for money investment

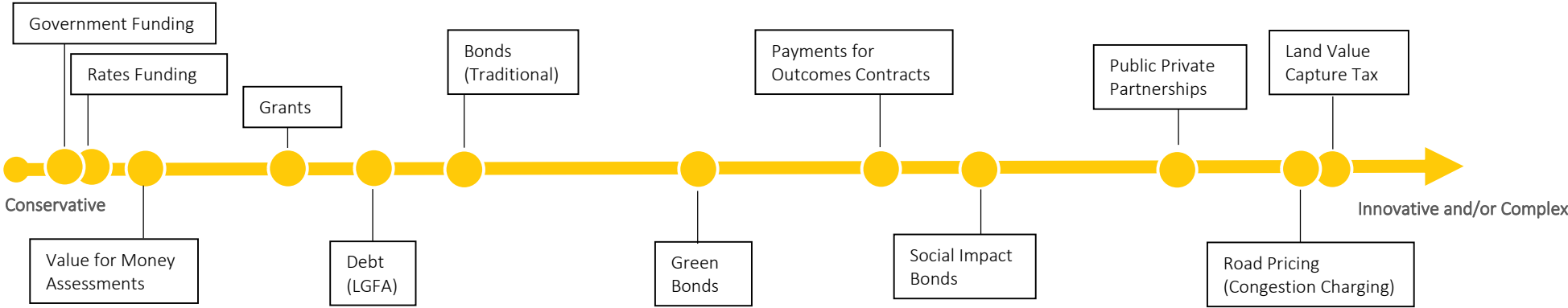
This paper presents a high-level desk-top review of a range of funding and financing options in order to identify which of the options have potential and may warrant further exploration in a subsequent, more detailed phase.

While the focus of this paper is on new and/or innovative funding options, it also notes existing methods of revenue generation. Twelve different funding options have been considered. These are:

- |                        |                                    |
|------------------------|------------------------------------|
| 1. Government Funding  | 7. Social Impact Bonds             |
| 2. Rates Funding       | 8. Payments for Outcomes Contracts |
| 3. Debt                | 9. Public Private Partnerships     |
| 4. Grants              | 10. Land Value Capture Tax         |
| 5. Bonds (Traditional) | 11. Road Pricing                   |
| 6. Green Bonds         | 12. Value for Money Assessments.   |



Each of the 12 options considered sits at a different point along the innovation spectrum, with many of the existing funding streams (Government Funding, Rates and Value for Money Assessments, for example) being at the more conservative end. Bond issues (including Green and Social Impact Bonds) and Payments for Outcomes sit nearer the middle of the spectrum, while Public Private Partnerships, Road Pricing and Land Value Capture Taxes sit at the far end as more innovative and/or complex to implement options.



Of the twelve options considered, only two (Government Funding and Traditional Bonds) are not recommended for further assessment. Government Funding offers limited scope for funding transformational transport projects, and Traditional Bonds have alternatives (namely Green Bonds or LGFA borrowing) that offer superior benefits.

Of the remaining ten options, all offer the potential to raise (or redirect) capital. Green Bonds, Payment for Outcomes Contract and Social Impact bonds all sit near the middle of the spectrum and are favoured for their ability to focus on the delivery of outcomes over outputs. Similarly, Value for Money Assessments, while not generating additional revenue, could deliver savings that could be used to fund innovation in transport. Public Private Partnerships, Land Value Capture Tax and Road Pricing all offer some potential, but sit at the far end of the spectrum, largely due to their complexity (both in terms of implementation and the need for cross-council support) and shift from the ‘status quo’.

We note that while many of the options have the potential to generate considerable revenue individually, it may be more realistic to progress several options in parallel to both allow for diversification and to ensure that the funding/finance options best match the chosen project(s). To this end, it is recommended that the Regional Transport Committee continue to investigate potential transformational transport projects with a view to ensuring projects are matched to the appropriate type of capital. Where appropriate, we have identified some examples of projects that could be supported by each funding/finance type, drawn from either international examples or our own experience, but these examples are intended as a guide only, and do not represent the full spectrum of projects that could drive transformational change in transport.

The table below outlines our initial high-level findings for each option and includes advice on which of the options should be progressed to a more detailed assessment in a subsequent stage.



Funding type	Description	Comment	Potential Projects	Recommendation
<b>i. Rates</b>	Rates may either be general or targeted and are the primary method of revenue generation for most local councils.	There is already a precedent within Canterbury for charging targeted rates for transport-specific projects, e.g. Environment Canterbury has a number of targeted rates for transport projects However, unlikely to be a sole source of additional revenue (a \$1 billion increase in rates revenue over ten years to fund transformation in transport would require a 65% increase in rates per rateable unit per year, which is unlikely to be palatable to ratepayers).	Any – although projects would have to be specified as a targeted rate must be used for the purposes for which it is raised.  Examples could include the establishment of a transport innovation grant or to purchase an electric bike fleet for the region's larger urban centres.	✓ Proceed to next stage detailed analysis.
<b>ii. Traditional Debt</b>	Borrowing allows councils to smooth the cost of construction over the life of the asset. The Local Government Financing Agency (LGFA) provides debt to councils at discounted rates.	Each council within the region has its own funding and financing policies, and different levels of debt. Environment Canterbury is well placed to take on additional debt given its current low level of borrowing. The LGFA has recently launched a dedicated Green, Social and Sustainability (GSS) lending programme, designed to “help councils ... drive forward ambitious climate, environmental and social projects in the New Zealand local government sector.” Other debt providers exist but are unlikely to be able to match the lending rates than the LGFA.	Best suited to larger capital projects, ideally with an attached revenue stream to provide for repayment, such as the establishment of a “green/sustainability” fund to provide low-cost finance to private providers to invest in sustainable modes of transport (e.g. a fleet of hydrogen freight vehicles).	✓ Proceed to next stage detailed analysis.
<b>iii. Government Funding</b>	The majority of government funding for transport comes from the National Land Transport Fund (NLTF), which is funded by user-pays, e.g. fuel tax, road user charges and vehicle licensing fees.	The NLTF presents little scope for funding innovation and/or projects that sit outside the strategic priorities set by central government. Therefore, the NLTF is unlikely to be a viable source of significant additional capital for transformational projects.	Suitable for low impact investments such as maintenance, operations and renewals, or low cost/low risk changes, not transformational/innovative projects.	✗ Do not proceed to next stage.
<b>iv. Grants</b>	Grant funding provides finance without the need for repayment.	Several (government) grant funds exist which are focussed on sustainability and/or low emissions transport technology.	Could be useful for funding pilot projects, e.g. an electric bike pilot (to understand demand and demonstrate the potential to scale to commercially and financially feasible levels)	✓ Proceed to next stage detailed analysis.



Funding type	Description	Comment	Potential Projects	Recommendation
		While relatively limited capital is available through grants and eligibility requirements may exclude councils, there could be opportunities to partner with the private sector and seek grant funding to run a pilot programme.	or to pay FBT the fringe benefit tax for employers who provide electric bikes to staff.	
<b>v. Traditional Bonds</b>	Councils can raise finance through a bond issue. Investors receive both periodic interest payments and their original capital at the end of the bond term.	Councils offering bonds would likely need to offer market returns, meaning this form of finance is likely to be more expensive than direct borrowing from the LGFA.	Best suited to large business as usual capital projects with an associated revenue stream.	✗ Do not proceed to next stage.
<b>vi. Green Bonds</b>	Same as Traditional Bonds but sourced from a different market of investors (amenable to discounted returns and/or have a greater tolerance of project risk).	Green Bonds offer a (potentially) lower-cost debt option as investors usually willing to forgo some financial returns in exchange for improved environment outcomes. There is strong demand from private capital to invest in “green” projects. Auckland Council have successfully raised over \$1 billion in Green Bonds issues since 2018.	Projects generally large-scale and would need to offer a revenue stream, e.g. decarbonising the public transport fleet, funding a shared bike fleet, subsidising a fleet of hydrogen freight trucks, or extending concessionary finance for inner city developments that encourage workers to travel by methods other than single occupancy ICE vehicles.	✓ Proceed to next stage detailed analysis.
<b>vii. Social Impact Bonds</b>	A contract between a third-party and the public sector or governing authority, where it pays for better social outcomes in certain areas and passes on part of the savings achieved to investors.	Relatively new financial instrument, but some New Zealand examples in Justice and Health. As social impact bond investors are paid based on achievement of the social value (“outcome”) that is delivered, investors have strong incentives to focus on results and performance.	Could be used for to drive specific outcomes related to, for example, increased public transport patronage leading to reduced greenhouse gas emissions, or to incentivise other forms of shared travel.	✓ Proceed to next stage detailed analysis.
<b>viii. Contracting for Outcomes</b>	Similar to Social Impact Bonds, except it is the provider (rather than investors) whose payments are linked to the delivery of specified outcomes.	Not commonly used for transport, but could provide an excellent and simple means of focussing contracts on achieving outcomes rather than outputs. Requires clearly specified and measurable outcomes, but incentivises innovation and new approaches to delivery.	Suitable for any contractual arrangements where outcomes can be measured. Well suited to large contracts, such as public transport, as well as behaviour change initiatives (e.g. car share schemes)	✓ Proceed to next stage detailed analysis.
<b>ix. Public Private Partnerships</b>	PPPs are a long-term contract for the delivery of a service, where provision of the service requires the construction of a new asset, or	A number of examples exist, including some NZ examples. Typical transport examples	Examples could include light rail/shared transport, the provision of an electric bus	✓ Proceed to next stage detailed analysis.



Funding type	Description	Comment	Potential Projects	Recommendation
	enhancement of an existing asset, that is financed from external sources (typically a private partner) on a non-recourse basis.	include development of new roads which are funded by tolls. Can be administratively complex and costly/risky to administer in immature markets.	fleet, or for decarbonising freight infrastructure.	
<b>x. Land Value Capture</b>	Allows public entities to take a share of, or in essence tax, the private economic benefit that public investment generates to help fund the project.	No New Zealand examples as yet (although the Government has indicated that properties around Auckland's light rail are likely to face value capture tax), but it has been used successfully overseas. Would require considerable consultation with public and significant coordination with other councils in the region.	Suited to projects where land value can be defined and measured, e.g. light rail and/or shared/ mass rapid transport.	✓ Proceed to next stage detailed analysis.
<b>xi. Road Pricing</b>	Various pricing methodologies where road users pay directly for the use of roads (e.g. toll roads, congestion charging). Often implemented to recoup capital costs (e.g. toll roads) or to encourage road users to change the time, route or way in which they travel.	No NZ examples as yet, although considerable research into the suitability of congestion charging has been considered for Auckland. Funds raised could be applied to alternative forms of transport, e.g. public transport. Pricing should include the costs of negative externalities from road user behaviour (e.g. congestion, noise, emissions, etc).	A central city congestion zone for Christchurch could be considered.	✓ Proceed to next stage detailed analysis.
<b>xii. Value for Money Assessments</b>	Existing contracts are evaluated for their effectiveness at achieving the desired outcomes.	Offers opportunities to explore the value of existing contracts and consider whether currently unfunded projects could offer higher benefits than existing ones. While all existing contracts should be regularly evaluated to make sure they are providing value for money, it makes sense to start with large contracts as these offer more opportunity for savings.	Public Transport offers an obvious place to assess value for money, given the scale of the spend and the ability to set and measure outcomes. Similarly, the consideration of a single regional transport entity could provide excellent value for money through economies of scale and a reduction in operational complexity.	✓ Proceed to next stage detailed analysis.



## Recommendations

It is recommended that:

1. Of the twelve options identified, Rates, Grants, Green Bonds, Social Impact Bonds, Payment for Outcomes Contracting, Land Value Capture Tax, Congestion Charging and Value for Money Assessments are all included in a more detailed, subsequent piece of work exploring these options in more detail.
2. Any subsequent detailed investigation should include consideration of the following factors (amongst others):
  - Potential quantum of revenue likely to be obtained
  - Implementation considerations, including cost, timing, legislative requirements, internal policy amendments, etc.
  - Case studies from overseas experience, including lessons learned and applicability to New Zealand context.
3. The Regional Transport Committee consider innovative funding options in conjunction with work currently in progress to explore the types of transport projects/innovations that could drive transformational change in transport, and its appetite to progress any options identified.





## 2 Introduction

A sustainable and connected transport network is integral to a healthy and productive economy. It supports the movement of goods and services and allows people to get to where they want to go safely and with ease.

However, Canterbury's transport sector is facing a number of challenges, including:

- Road transport greenhouse gas emissions are a significant contributor to climate change
- Population growth is placing pressure on existing transport networks and affecting accessibility
- Increasingly frequent extreme weather events continue to highlight the vulnerability of the current transport network to outages
- Safety remains an issue, with people continuing to die on our roads
- Transport issues must be considered with respect to other sectors of the economy, for example, urban design
- A number of policy and/or legislative issues are limiting councils' ability to respond to these challenges (although there are a number of policy reviews and reforms underway that will impact the provision of transport infrastructure and its funding)<sup>1</sup>.

In response to these challenges, the region's transport sector is seeking to achieve the following key headline targets:

1. A 30% reduction in greenhouse gas emissions from transport by 2030
2. A 40% reduction in deaths and serious injuries on Canterbury's roads
3. A 100% increase in tonnage of freight moved by rail in Canterbury

In addition, Canterbury's transport systems need to support growth and a thriving economy, be resilient to extreme weather events and provide safe and accessible modes of travel for all.

In order to meet these key headline targets, it is recognised that a step-change will be required, both in terms of the approach to the challenges facing the region's transport sector, and the pace of change required to address those challenges. This will require both new and innovative ways of thinking and responding to the challenges as well as significant additional funding

<sup>1</sup> These include: i) A Review into the Future for Local Government, ii) Future of the transport revenue system review, iii) Responses to climate change adaptation and mitigation, iv) Resource management reform and v) Government Policy Statement on Housing and Urban Development.

### KEY HEADLINE TARGETS

1. A 30% reduction in greenhouse gas emissions from transport by 2030.
2. A 40% reduction in deaths and serious injuries on Canterbury roads.
3. A 100% increase in tonnage of freight moved by rail in Canterbury.





While the current funding system is designed to ensure that key outputs, such as maintenance and the provision of public transport, are provided for, it provides little opportunity for regions to spend significant amounts of money on exploring transport innovation or advancing 'out of the box' ideas.

Consequently, for regions that wish to invest in new technologies and ways of doing things to drive transformation within transport additional funding is required. It is estimated that this could be as much as \$1 billion over a 5-10 year period to identify and develop transport solutions that will address many of the significant strategic issues currently facing transport in Canterbury.<sup>2</sup>

With that in mind, the Regional Transport Committee is seeking to understand what options exist for generating additional funding over and above the region's current \$5.35 billion 10-year transport budget to 'fast-track' innovation and change in land transport design and delivery.

Having access to additional capital of this magnitude could unlock:

- ✓ The opportunity for Canterbury to pilot and implement innovative transport ideas and technologies.
- ✓ The ability for the Canterbury region to achieve its transport outcomes and secure a low-carbon transport future.
- ✓ The ability to develop bespoke solutions to common transport problems, for example, increasing the use of public transport by those who currently rely on their cars.
- ✓ The potential to scale up solutions and roll out of other regions and/or countries.
- ✓ The opportunity for Canterbury to become a world-leader in developing and implementing innovative transport solutions.

This paper, therefore, presents a high-level desk-top review of a range of funding options [to support transformational change in region's land transport sector] in order to identify which of the options have potential and warrant further exploration in a subsequent, more detailed phase.

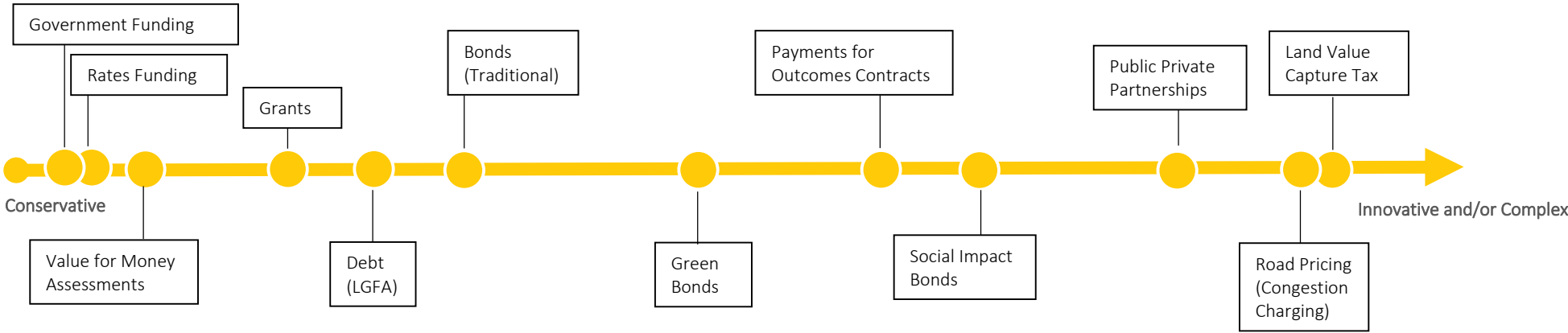
While the focus of this paper is on new and/or innovative funding options, it also includes existing methods of revenue generation. The twelve different funding options that have been considered are:

- |                        |                                    |
|------------------------|------------------------------------|
| 1. Government Funding  | 7. Social Impact Bonds             |
| 2. Rates Funding       | 8. Payments for Outcomes Contracts |
| 3. Debt                | 9. Public Private Partnerships     |
| 4. Grants              | 10. Land Value Capture Tax         |
| 5. Bonds (Traditional) | 11. Congestion Charging            |
| 6. Green Bonds         | 12. Value for Money Assessments.   |

<sup>2</sup> \$1 billion represents an increase in funding of approximately 20% on the total forecast spend of \$5.35 billion on Transport over the ten year Regional Land Transport Plan period (2021/22-2030/31).



Each of the options sits at a different point along the innovation spectrum, with many of the existing funding streams (Government Funding, Rates and Value for Money Assessments, for example) being at the more conservative end. Bond issues and Payments for Outcomes sit nearer the middle of the spectrum, while Public Private Partnerships, Congestion Charging and Land Value Capture Taxes sit at the far end as more innovative and/or complex to implement options.



Similarly, some of the funding options are more suited to financing particular types of projects. While the Regional Transport Committee has not provided details of any specific projects that it wishes to apply any additional funding to, where appropriate we have suggested some examples, drawn from either international examples or our own experience, to illustrate the types of things that may be suitable. Any examples provided are for illustrative purposes only and would need to be considered separately for their suitability or otherwise.

It is important to note that, as a high-level desk-top review, this paper does not explore the ability to implement any options presented based on the current legislative framework (except in passing where known) as this and other considerations will form the basis of the subsequent phase. In addition, this paper is neither exhaustive nor detailed, however it does draw on a number of published papers and examples of emerging trends overseas in the transport sector and makes recommendation on next steps.

Finally, it is acknowledged that land transport is just one part of a wider transport systems that also includes air and sea travel, and that ensuring integrated transport systems is imperative to ensure the wider transport system operates efficiently and effectively. However, given these other forms of travel are outside of the Regional Transport Committee’s sphere of influence, they have been excluded for the purposes of this report.



### 3 Overview of Current Funding

Public Land Transport in New Zealand is funded by both central and local government. Central Government administers the National Land Transport Programme (NLTP), a three-yearly transport investment package guided by the strategic priorities set out in the Government Policy Statement on Land Transport (GPS).<sup>3</sup> In response, regional and local councils must develop a Regional Land Transport Plan (RLTP) which sets out the objectives, policies and priorities for transport networks and services in their regions. These plans must align with the GPS.

Projects outlined in the RLTP may be eligible for contestable National Land Transport Fund (NLTF) funding. The NLTF is a ring-fenced transport fund predominately made up of petrol excise duty, road user charges and a portion of annual vehicle licensing fees.

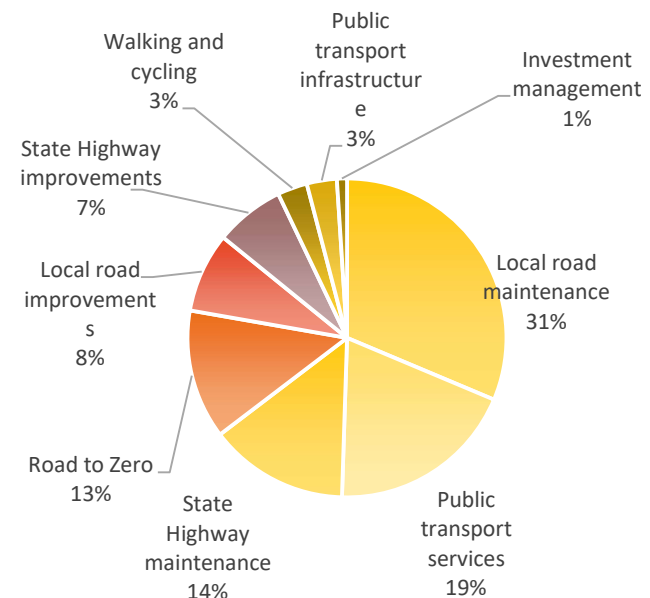
Much of the NLTF's funding is allocated to local and regional councils. Local and regional councils then supplement NLTF (and other transport) funding with their own contributions which they typically fund through rates and borrowing. State Highway development and maintenance is the responsibility of Waka Kotahi, the New Zealand Transport Agency, which also receives funding from the NLTF. Most rail and coastal shipping funding and expenditure is also the responsibility of central government.

For the Canterbury region, over the 2021/22 -2030/31 RLTP period:

- Approximately \$5.35 billion is forecast to be spent on land transport
- Of this, 60% (\$3.1 billion) will be spent on local and state highway road maintenance and improvements while 22% (\$1.2 billion) will be spent on public transport services and infrastructure.
- 63% (\$3.4 billion) of the region's transport expenditure will be funded from the NLTF, with local councils contributing a further 33% (\$1.8 billion). The remaining 4% (\$200 million) is made up of the New Zealand Upgrade Programme, the Provincial Growth Fund and the Department of Conservation.

The current funding system is designed to ensure that key outputs, such as maintenance and the provision of public transport, are provided for. However, it provides little opportunity for regions to spend significant amounts of money on exploring transport innovation or advancing 'out of the box' ideas. Consequently, for regions that wish to invest in new technologies and ways of doing things to drive transformation within transport, additional funding is required.

Canterbury Transport Spend  
by Activity  
2021/22 - 2030/31



<sup>3</sup> In 2021-2024, \$24.3 billion of funding is forecast to be managed under the NLTP, an increase of 44% compared to 2018-2021.



## 4 Funding Options

### 4.1 Rates

Councils raise a significant proportion of their revenue through rates. For example, rates revenue makes up approximately 57% (\$153 million) of Environment Canterbury's total revenue.<sup>4</sup> Rates may either be general rates, or targeted (in which case the revenue raised is used to pay for specific services or projects, but can be set generally across all ratepayers or to specific ratepayers in certain areas).

A targeted rate could provide a useful way to raise additional funds for specific transport projects and/or innovation, and may be more appropriate than a general rate given the specific focus on transport. There is also already precedent for targeted rates to be used to fund transport projects, with three transport-related targeted rates already in existence.<sup>5</sup>

However, were a single council to introduce a targeted rate to raise \$1 billion over 10 years for dedicated transport projects, this would likely require a significant rates increase. For example, were Environment Canterbury to do so this would equate to a \$335 (65%) rise in rates per year per rateable unit (assuming a single targeted rate was applied to all rateable units).<sup>6</sup>

Given the magnitude of the rates increase required, it is unlikely to be palatable to ratepayers. However, a new targeted rate might be able to be introduced to fund a portion of the increase as part of a wider funding package, or it could be explored whether all councils within the region progressively introduce a targeted rate and the pool the funding.

A targeted rate could be used to fund a wide variety of projects and/or outcomes. For example, this could include the establishment of a transport innovation grant designed to support the private sector to develop solutions to transport issues, or be used to purchase electric bike fleets for the larger urban centres.

#### Recommendation:

- ✓ It is recommended that rates funding, particularly through targeted rates, should be considered further as part of a wider transformational transport funding package.
- ✓ Further detailed analysis should consider:
  - any legislative restrictions on the total percentage of rates that can be derived from targeted rates
  - what changes, if any, would be required to the Revenue and Financing Policy
  - what level of targeted rate may be palatable to the public
  - what project(s) and/or outcomes would the rates increase be seeking to address.

<sup>4</sup> Environment Canterbury Annual Plan 2022/23.

<sup>5</sup> The three transport-related targeted rates are: i) Targeted Passenger Transport Rate, ii) Uniform Targeted Passenger Transport Rate, and iii) Targeted Greater Christchurch Transport and Urban Development Rate. Combined, they are projected to generate around \$50 million in revenue in 2022/23.

<sup>6</sup> Assumes 298,243 rateable units as per the 2022/23 Annual Plan.

### RATES

#### Advantages:

- ✓ Precedent for targeted rate for transport projects already exists
- ✓ Could increase existing targeted rates for transport projects to raise additional revenue.

#### Disadvantages:

- ✗ Significant rates rises are generally unpopular and must be consulted on as part of annual planning processes
- ✗ There are limits on how much revenue can be generated from targeted rates<sup>1</sup>
- ✗ Unlikely to be able to reach full funding requirements through rates increases alone.



4.2 Debt

Borrowing is typically used by councils to smooth the cost of investment in large infrastructure over the life of the asset, allowing the generations that make use of, or benefit from, the service or infrastructure being developed to pay for it, rather the burdening today’s generation with the full cost of the asset. It also makes large capital projects affordable, as few councils have the capacity to fund significant investments out of their operational income alone.

All Councils are required by law to set a debt limit in consultation with their residents, and while there are no firm rules that specify a prudent debt level, councils with relatively higher debt levels may find the cost of borrowing increases to reflect their risk profile, or may be unable to access borrowing from traditional sources.<sup>7</sup>

Councils may borrow from the open market or, more commonly, from the Local Government Funding Agency (LGFA) (which issues its own bonds and is able to lend at interest rates below those charged by the major financial institutions).<sup>8</sup>

The LGFA has recently released launched the Green, Social and Sustainability (GSS) lending programme, which offers reduced lending margins, and is designed to “help councils and council-controlled organisations undertake GSS projects that will help drive forward ambitious climate, environmental and social projects in the New Zealand local government sector.”<sup>9</sup> It offers sixteen different categories for lending projects, including one specifically for clean transportation projects. Currently Wellington City Council (WCC), the Greater Wellington Regional Council (GWRC) and Hutt City Council have drawn loans of \$73 million under the GSS loan programme.<sup>10</sup> This lending programme is strongly aligned with moving towards a low-carbon transport sector, and therefore could be used to fund projects such as a light rail / shared transport or electric bicycles, or to incentivise freight companies to move to hydrogen-powered vehicles.

Similarly, New Zealand Green Investment Finance (NZGIF) is a green investment bank established by the Government to “accelerate investment that helps reduce greenhouse gas emissions in New Zealand”. While it has a broad and flexible mandate (including the ability for its investments to be equity as well as debt) it operates on a

DEBT

Advantages:

- ✓ Debt allows councils to spread the cost of an asset over its life.
- ✓ Councils can generally borrow at rates significantly lower than those charged by major financial institutions through the LGFA. This makes projects more affordable.

Disadvantages:

- ✗ Debt limits must be set in consultation with ratepayers and published in the Revenue and Financing Policy. Taking on additional debt may require amendments to the Revenue and Financing Policy.
- ✗ As debt levels increase, so does the cost of servicing the debt. This must be paid for from operating revenues, so needs to remain affordable.

<sup>7</sup> For example, the LGFA advises that it will generally only lend to councils if the proportion of their income spent on interest payments is less than 20 per cent.

<sup>8</sup> The LGFA seeks to optimise the debt funding terms and conditions for Participating Borrowers. Among other things, this includes providing interest cost savings relative to alternative sources of financing.

<sup>9</sup> <https://www.lgfa.co.nz/sustainability/green-social-sustainability-gss-lending-councils>

<sup>10</sup> WCC commenced borrowing up to \$180 million for the construction of Tākina, the Wellington Convention and Exhibition Centre, GWRC commenced borrowing up to \$227 million which will fund the Council’s flood protection work on the RiverLink project and Hutt City Council will start to draw down \$41 million towards the Naenae Pool and Fitness Centre as the project progresses.



commercial basis and does not offer grants, subsidies or concessionary terms. Because of this, it's lending terms are less attractive than the GSS offered by the LGFA.

Not all councils within the region may be in a position to take on additional debt, although we note that Environment Canterbury is well placed to do so given its current low level of borrowing.<sup>11</sup> Should debt be progressed as a viable method of funding transport transformation, borrowing from the LGFA could likely provide the cheapest and easiest form of borrowing.

**Recommendation:**

- ✓ It is recommended that debt funding should be considered further as part of a wider transformational transport funding package.
- ✓ Further detailed analysis should consider:
  - Councils' appetite and ability to take on debt
  - what changes, if any, would be required to the Revenue and Financing Policies of contributing councils
  - what large capital project(s) the debt would support
  - any legislative restrictions on what the debt can be used for.

<sup>11</sup> As per the 2022/23 Annual Plan Environment Canterbury has \$84 million in long-term debt on \$1.2 billion of non-current assets, and is forecasting financing costs of \$1.7 million on total revenue of \$267 million (i.e. financing costs account for just 0.6% of operating revenue).



4.3 Central Government Funding

The majority of central government funding for transport infrastructure and investment is provided through the NLTF. The NLTF is designed to support existing roading priorities and projects must meet existing central government priorities. As this fund is limited and contestable, it creates uncertainty for councils over whether their proposed projects will secure funding, and gives councils little or no autonomy over the decision making process or outcomes.

While there is a degree of flexibility over how funding is actually applied, once secured, this is limited to minor changes within spending categories, rather than significant shifts between projects or approaches. While the quantum of NLTF funding is significant, it is considered unlikely that the Canterbury region could secure an additional \$1 billion over 10 years for transformational transport projects through the NLTF.

Other existing central government sources of funding for transport, including the Provincial Growth Fund and the New Zealand Upgrade Programme may offer some opportunity for additional funding, but are also unlikely to provide the full amount required.

While alternative central government funding streams may become available in the future, it remains unlikely that contestable central government transport funding will be suited to identifying and implementing innovative and/or transformational transport projects. For this reason, we do not recommend advancing Central Government Funding to the next stage of detailed analysis.

Recommendation:

- ✓ It is not recommended that central government funding is considered further as part of a wider transformational transport funding package.

CENTRAL GOVERNMENT FUNDING

Advantages:

- ✓ Some non-National Land Transport Fund (NLTF) funding is currently available.

Disadvantages:

- ✗ NLTF funding, as the main source of transport funding, is contestable and provides little scope for funding ‘out of the box’ projects
- ✗ Other, non-NLTF funding sources unlikely to provide the full amount of funding required
- ✗ Unclear whether transformational transport projects would meet non-NLTF funding criteria.





4.4 Grants:

Grant funding provides access to capital without the need for repayment.

Two current examples of central government grant funding currently available and targeted at transformation within transport include:

- **The EECA Low Emission Transport Fund**, which has up to \$18m available in 2022/23 to support the demonstration and adoption of low emissions transport technology, innovation and infrastructure to accelerate the decarbonisation of the New Zealand transport sector.
- **Hoe ki angitū – the Waka Kotahi Innovation Fund** has been set up by Waka Kotahi to support the private sector to develop and accelerate innovative solutions that will help to solve some of our biggest transport challenges. Up to \$15m is available over two years.

Other sources of grant funding could be large regional trusts (for example, the Rata Foundation).

Unfortunately, the eligibility criteria for grant funds typically exclude councils. They are also relatively insignificant in terms of the amount of funding available, and are often contestable funds that offer little certainty.

However, if grant funding could be secured (potentially through a partnership with a private provider to mitigate any eligibility issues) the Regional Transport Committee could use this to support, for example, the establishment of a pilot project to fund the fringe benefit tax on electric bikes, to understand whether this would increase the use of electric bikes by commuters and therefore reduce the use of private cars and reduce emissions.

Recommendation:

- ✓ It is recommended that Grant Funding is considered further as part of a wider transformational transport funding package.
- ✓ Further detailed analysis should consider:
  - What grants are currently available for transport projects (in addition to those already identified)
  - What projects would be suitable for grant funding.

GRANTS

Advantages:

✓

Provides funding without the need to repay.

✓

Could be used to fund pilot programme.

Disadvantages:

✗

Limited grant funding available.

✗

Councils typically excluded from eligibility criteria.

✗

Limited certainty over ability to secure a grant as a funding stream.





#### 4.5 Traditional Bonds

Councils are able to issue bonds to raise capital. Bonds are a fixed-income financial instrument for raising capital from investors through the debt capital market. Typically, the bond issuer raises a fixed amount of capital from investors over a set period of time, repaying the capital when the bond matures and paying an agreed amount of interest along the way. Investors may be private individuals, investment funds or large institutional investors, such as ACC or the New Zealand Superannuation Fund.

A traditional bond issue by a council would be priced based on that council's risk profile rather than being tied to the specifics of a particular project. This would mean the council would have significant flexibility over what types of projects it used the bond issue to fund. However, typically these would be large, capital projects with an associated revenue stream.

While councils could seek to issue standard bonds to raise additional capital, investors would likely require a market rate of return, therefore there would be little if any benefit to the council's from raising capital this way over borrowing directly from the LGFA. Issuing bonds would also likely incur relatively high establishment costs, increasing the cost further.

##### Recommendation:

- ✓ It is recommended that Traditional Bonds are not considered further as part of a wider transformation funding package for the reasons noted above.

#### TRADITIONAL BOND ISSUE

##### Advantages:

- ✓ Environment Canterbury currently has low levels of debt, so capacity to take on more.
- ✓ Would allow for flexibility over the types of transport projects funded.

##### Disadvantages:

- ✗ Potentially a more expensive form of raising capital than borrowing than LGFA directly.
- ✗ Bond issue could be complex and costly to establish.
- ✗ May require amendment to Revenue and Financing Policy.



4.6 Green Bonds

A green bond is differentiated from a regular bond by being designated as ‘green’ by the issuer or another entity, with a commitment being made to use the proceeds of green bonds (i.e. the principal) in a transparent manner, and exclusively to finance or refinance ‘green’ projects, assets or business activities with an environmental benefit.<sup>12</sup>

Typically Green Bonds offer lower returns to investors than traditional bonds, as investors are willing to forgo some financial benefits in return for increasing environmental outcomes. This makes them a cheaper source of funding than traditional bonds. There is also the potential for retail as well as wholesale investors to invest in green bonds, meaning both large institutional investors and small mum and dad investors can support projects that are environmentally focussed.

There is clearly an appetite from investors to invest in ‘green’ investments that are focussed on reducing the impacts of climate change<sup>13</sup>. This is demonstrated by the success Auckland Council has had in raising \$1.96 billion through Green Bond issuances since 2018 to fund assets and projects that are intended to benefit the environment, including electric trains and their associated infrastructure and cycleways.<sup>14</sup> The Government is also expected to undertake the inaugural issuance of New Zealand Sovereign Green Bonds in late 2022. Funds raised will help ensure high quality government projects with environmental outcomes are financed, delivered, monitored and reported on.

We consider that green bonds present a real opportunity for the Regional Transport Committee to raise capital focussed on delivering transformative transport projects/solutions that are focussed on reducing the environmental impact of transport.

Example of projects that could attract green bond funding include decarbonising the public transport fleet, funding a shared bike fleet within Christchurch’s central city, subsidising a fleet of hydrogen freight trucks, light rail / shared transport , or even extending to financing the construction of new office buildings that encourage workers to travel by methods other than single occupancy ICE vehicles (i.e. through the provision of bike lockers, showers, shared car fleets and charging infrastructure in their design).

GREEN BONDS

Advantages:

- ✓ Environment Canterbury currently has low levels of debt, so capacity to take on more.
- ✓ Investors may be willing to accept a lower financial return in return for improved environmental outcomes.
- ✓ Considerable private capital looking to invest in green technologies and outcomes.
- ✓ Precedent for successful green bond issue by Auckland Council.

Disadvantages:

- ✗ Green Bond issue could be complex and costly to establish.
- ✗ May require amendment to Revenue and Financing Policy.

<sup>12</sup> From Green Bonds: Mobilising the Debt Capital Markets for a Low-Carbon Transition, OECD.  
<sup>13</sup> <https://www.climatebonds.net/2022/09/investor-appetite-drives-pricing-benefits-sustainability-linked-bond-slbs>  
<sup>14</sup> Auckland Council’s Green Bonds have varying length terms (from five to 30 years) and fixed coupon rates between 0.250% and 3.170%. See page 7 of the Green Bond Annual report 2021/22 for more information.



While green bond issues tend to be project based, there is scope for a bond raise to simply commit to funding a project or suite of projects that are focussed on producing the transformation transport outcomes required to meet emissions targets.

We note that issuing bonds will likely require amendments to council's current financing and investment policies and we therefore recommend socialising this option with the appropriate internal people as soon as possible.

**Recommendation:**

- ✓ It is recommended that Green Bonds are considered further as part of a wider transformational transport funding package.
- ✓ Further detailed analysis should consider:
  - What appetite, if any, the council's contributing to the Regional Transport Committee have for issuing green bonds
  - What amendments would be required to any Revenue and Financing Policies
  - The estimated size of the market for green bonds, and potential investors
  - What level of discount investors would be willing to entertain for greater environmental outcomes, and how this is affected by the type of project seeking funding
  - Examples of 'green' projects that have the greatest success in raising capital during green bond issues.



#### 4.7 Social Impact Bonds

A Social Impact Bond (SIB) is a contract between a third party and the public sector or governing authority, whereby it pays for better social outcomes in certain areas and passes on part of the savings achieved to investors.

The purpose of SIBs goes beyond its financial component. The securities are intended to help align the interests of different entities – including governments, investors, social enterprises, and the general public – to develop effective solutions for public-sector problems.

SIBs typically work as follows:

- i. The Government contracts with a bond issuing intermediary (broker) for the required social outcome
- ii. The broker collects funds from investor and issues them with bonds.
- iii. Third parties provide specialist services to achieve the contracted-for social outcome.
- iv. The government pays the broker on successful completion of the contract.

Although the security is called a bond, they lack most of the features of conventional bonds. They feature a fixed term, but they do not offer a fixed return to investors. Instead, the repayment of the bonds primarily depends on the success of the project that has been subsidised using the bonds. If a project is successful, the investors are repaid by the government using the savings that have been created by the project. However, if the project fails, the investors do not receive anything. Therefore, social impact bonds come with high risks for investors.<sup>15</sup>

SIBs are relatively new and not yet widely used, with the first SIB developed in 2010 in the United Kingdom.<sup>16</sup> However, there is growing interest in their use as a means of financing better social outcomes. Since 2012 Big Society Capital has been funding social impact ventures in the UK. Established with £600 million of funding from both central government and four major banks, the social impacting wholesaler has supported a number of social investments including property, social lending, social outcomes and impact venture. The Australian Government is

#### SOCIAL IMPACT BONDS

##### Advantages:

- ✓ Incentivises different entities to work together to develop effective solutions to public-sector problems.
- ✓ Investment returns tied to outcomes, therefore potential to make significant change.

##### Disadvantages:

- ✗ Relatively new type of finance; not yet widely used.
- ✗ May require amendment to Revenue and Financing Policy.
- ✗ Potentially complex to establish.
- ✗ High risk for investors as returns not secure.
- ✗ Outcomes would need to be clearly defined and measurable.

<sup>15</sup> <https://corporatefinanceinstitute.com/resources/esg/social-impact-bond/>

<sup>16</sup> In 2010, Peterborough Prison in the United Kingdom issued one of the first social impact bonds anywhere in the world. The bond raised 5 million pounds from 17 social investors to fund a pilot project to reduce re-offending rates of short-term prisoners. The relapse, or re-conviction, rates of prisoners released from Peterborough were to be compared with the relapse rates of a control group of prisoners over six years. If Peterborough's re-conviction rates were at least 7.5% below the rates of the control group, investors would receive an increasing return that is directly proportional to the difference in relapse rates between the two groups and is capped at 13% annually over eight years. In 2017, the Ministry of Justice announced that the Peterborough Social Impact Bond was successful. Compared to a control group, it had reduced repeat offenses by short-sentenced offenders by 9%, surpassing the bond's target of 7.5%. As a result, investors received a return of just about 3% a year.



now considering establishing its own social impact fund with the support of the major banks, focused on investment in social housing, aged care, early education and disability services.<sup>17</sup>

In New Zealand, the first social bond was issued in 2017 by the Ministry of Health, and aims to get more people with mental health issues into employment, is now in operation. The bond, which runs for six years, has services provided by APM Workcare Ltd in six Auckland suburbs. Four investors, including the provider, have provided the \$1.5 million finance required for the Bond.

Also in 2017, Oranga Tamariki–Ministry for Children (Oranga Tamariki) entered into a six-year agreement with Genesis (a charitable trust) to deliver an intensive programme to reduce the frequency and severity of youth reoffending for a maximum of 1,000 participants. The target group was rangatahi with a Police Alternative Action Plan and who had a medium to high risk of reoffending. Three investors (The New Zealand Superannuation Fund, Mint Asset Management (a private fund manager) and the Wilberforce Foundation (a private philanthropic investor)) provided a \$6 million initial investment to finance the social bond.

As social impact bond investors are paid based on achievement of the social value (“outcome”) that is delivered, investors have strong incentives to focus on results and performance. This leads to a process of constant monitoring of the success of the initiative, strong incentives to identify and change poor performing programmes and the encouragement of innovation.<sup>18</sup> Therefore, SIBs could offer an excellent way for the Regional Transport Committee to incentivise and achieve better environmental outcomes from transport. For example, public transport, where the outcomes desired could be, for example, increased patronage, reduced CO2 emissions and increased accessibility (i.e. more services more often).

#### Recommendation:

- ✓ It is recommended that Social Impact Bonds are considered further as part of a wider transformational transport funding package.
- ✓ Further detailed analysis should consider:
  - What appetite, if any, councils contributing to the Regional Transport Committee have for Social Impact Bonds
  - What amendments would be required to any Revenue and Financing Policies
  - The estimated size of the market for social impact bonds, and potential investors (either private, charitable or institutional)
  - The types of transport contracts that could lend themselves to outcomes-based financing
  - Implementation considerations, including complexity, contracting, timing and cost
  - Lessons learnt from the current New Zealand SIB examples.

<sup>17</sup> Big four may back \$400m social impact investment bank, James Evers, Australian Financial Review, October 24, 2022.

<sup>18</sup> The Potential for Social Impact Bonds in New Zealand, Department of Internal Affairs, September 2011.



#### 4.8 Contracting for Outcomes

Contracting for Outcomes is an alternative method for achieving desired outcomes rather than outputs (services rendered). Like SIBs, it ties contractual payments to the achievement of pre-specified outcomes, but unlike SIBs (which offer *investors* a variable return based on their ability to meet desired outcomes), Contracting for Outcomes places the financial incentive for achieving the agreed outcomes on the provider of the services (the sub-contractor under the SIB model).

By tying contractual payments to the delivery of outcomes rather than services, Contracting for Outcomes encourages innovation, efficiency and, in some cases, collaboration.

Contracting for Outcomes is common in industries such as technology, but is not commonly seen in transport.

The current transport procurement model typically seeks providers to bid for contracts based on pre-determined outputs. For example, a roading contractor will be asked to bid on building a new area of road, or a public transport provider will be asked to provide bus services on certain bus routes. The outputs are defined. This approach creates little, if any, opportunity for flexibility or innovation.

In contrast, if a business is looking to implement a new IT system the procurement process would focus on the outcomes required as well as the budget and timeframes, rather than specify the inputs/outputs required. As such, the respondent would have the flexibility to tailor a solution to meet the outcomes.

Contracting for Outcomes could provide a useful way to encourage innovation in transport and challenge existing methods of service provision.

As an example, consider public transport. Over the next 10 years, around \$1 billion will be spent on public transport in Canterbury, with the vast majority of this being spent on providing bus services based on pre-specified routes and schedules.

Instead, of specifying the method of provision of public transport (i.e. buses), Contracting for Outcomes would allow outcomes to be defined, but the method of provision to be determined by the provider (with final sign off by the procuring authority).

Running an outcomes-based procurement process could:

- Allow for a redefinition of what “public transport” looks like, taking into account Christchurch’s unique geography, population and specific requirements, and allowing for a wider definition to include, potentially, all ‘shared travel’..
- Allow for the use/development of new and innovative technological solutions, for example on-demand services using real-time data collection.
- Create opportunities for collaboration between different industries to create bespoke solutions (for example, combining Google technologies with trackless trams).
- Drive value for money by creating a competitive process that focusses on delivering outcomes, rather than a pre-defined product.

#### Contracting for Outcomes

##### Advantages:

- ✓ Ties contractual payments to the successful delivery of outcomes rather than services.
- ✓ Promotes innovation.
- ✓ Allows providers the freedom to challenge and change existing models of service provision.

##### Disadvantages:

- ✗ Not common within transport sector contracting.
- ✗ Requires specific and measurable outcomes to be defined.



- Open up the procurement process to an international market and enable non-traditional (transport) suppliers to tender.
- Provide key data that the private sector can use to improve, adapt and tailor services.
- Drive outcomes by tying contractual payments to the achievement of pre-specified, clearly defined and measurable, outcomes.

Other behaviour change initiatives are also well suited to a Contracting for Outcomes procurement process, for example, the provision of car share schemes.

**Recommendation:**

- ✓ It is recommended that Contracting for Outcomes is considered further as part of a wider transformational transport funding package.
- ✓ Further detailed analysis should consider:
  - What appetite, if any, the Regional Transport has for exploring Contracting for Outcomes
  - The types of transport contracts that could lend themselves to outcomes-based contracting
  - Identification of examples of Contracting for Outcomes being used successfully to drive desired transport outcomes, either within New Zealand or internationally.
  - Implementation considerations, including complexity, contracting, timing and cost.





#### 4.9 Public Private Partnerships (PPPs)

PPPs are a long-term contract for the delivery of a service, where provision of the service requires the construction of a new asset, or enhancement of an existing asset, that is financed from external sources (typically a private partner) on a non-recourse basis. There are several different forms of PPPs, ranging from those in which full legal ownership of the asset is retained by the central or local government, to 'Build, Own, Operate and Transfer' (BOOT) models where the private sector owns and operates the asset for a time (often subsidised by central or local government financing or funding) before transferring the asset back to central or local government at a pre-determined time.

The primary purpose of PPP procurement is to improve the delivery of service outcomes from major public infrastructure assets by:

- integrating asset and service design
- incentivising whole of life design and asset management
- allocating risks to the parties who are best able to manage them
- only paying for services that meet pre-agreed performance standards.<sup>19</sup>

Within the transport context, PPPs are typically used to fund the development of new major roading projects/highways, and are often used on toll roads, where the cost to build the infrastructure is recouped via tolls.

In New Zealand, PPPs have been used for funding major transport infrastructure including Transmission Gully in Wellington (non-tolled) and the Pūhoi to Warkworth motorway project (tolled). There are many other international examples of PPPs, including a number of transport projects in Australia, including the Cross Sydney Tunnel and the Spencer Street Station Redevelopment in Melbourne.<sup>20</sup>

The advantages of PPPs centre around the ability to use private capital to fund public projects, and to take advantage of the efficiencies of the private sector. They also typically seek to transfer much of the risk from the public sector to the private partner. However, on the flip side, PPPs can be complex and costly to establish.<sup>21</sup>

#### PUBLIC PRIVATE PARTNERSHIPS

##### Advantages:

- ✓ Effective and efficient way of using private capital to fund large public projects.
- ✓ Risk (largely) transferred to private sector.
- ✓ Takes advantage of private sector efficiencies.
- ✓ Te Waihanga provides support for PPPs in NZ.

##### Disadvantages:

- ✗ Typically applied to large scale infrastructure projects
- ✗ May require amendment to the Revenue and Financing Policy.
- ✗ Can be complex and costly to establish.

<sup>19</sup> <https://www.tewaihang.govt.nz/major-projects/public-private-partnerships/#:~:text=The%20primary%20purpose%20of%20PPP,best%20able%20to%20manage%20them>

<sup>20</sup> PPPs in Australia by Duffield, C.F. 2001.

<sup>21</sup> Improving Public Private Partnerships: Lessons from Australia, DLA Piper, accessed at <https://www.dlapiper.com/en/newzealand/insights/publications/2020/05/improving-public-private-partnerships---lessons-from-australia/>





While New Zealand's transport-related PPP examples are limited to the construction of major roading projects (typically on state highways which are the responsibility of Waka Kotahi rather than local councils), PPP's could still provide a useful means of funding innovative transport projects, where private sector innovation and efficiency would result in lower costs.

Examples could include light rail / shared transport, a commercial partnership with a ride-sharing company (for example, Uber) for low-demand public transport routes, decarbonising freight infrastructure, or electrifying the public transport bus fleet.

**Recommendation:**

- ✓ It is recommended that Public Private Partnerships are considered further as part of a wider transformational transport funding package.
- ✓ Further detailed analysis should consider:
  - What appetite, if any, the Regional Transport Committee has for Public Private Partnerships
  - What amendments would be required to the Revenue and Financing Policy
  - Potential large infrastructure projects that could lend themselves to PPP financing
  - Implementation considerations, including complexity, contracting, timing and cost
  - Lessons learnt from other PPP examples.



#### 4.10 Land Value Capture Tax

Value Capture is an approach to infrastructure financing where government looks to take a share of, or in essence tax, the private economic benefit that public investment generates to help fund the project. It enables communities to recover and reinvest land value increases that result from public investment and government actions. Value capture shifts the funding focus from the a “user pays” approach to a broader “beneficiary pays” approach.<sup>22</sup>

Land Value Capture works on the premise that transport is one of the most powerful catalysts of urban land value increases, and that when new infrastructure is built (for example, a new rail line), land prices can rise rapidly.<sup>23</sup>

When value uplift is created following a transport project being completed, the land owner or holder of the development rights experiences a windfall gain in the value of their asset. Because these gains are very rarely the result of active participation or action on the part of the windfall recipient (as the transportation projects are often solely constructed by public authorities, and very commonly funded through their funds) there is an inequality in the cost sharing of implementation, with public authorities usually bearing the cost and the land owner or holder of development rights receiving the benefits of the value gains.

Broadly, value capture the aims to capture some or all of the value realisation that is achieved through direct taxation as one off fees, levies or ongoing special taxation; developer extraction, or through land asset management. This can be broad reaching and district wide or can be land parcel specific.

There are numerous international examples of value capture including examples from London, Australia and the USA.<sup>24</sup> However, we have been unable to find any contemporary examples of value capture taxes being used to fund specific transport projects in New Zealand, but note that the government has indicated that properties around Auckland’s light rail are likely to face value capture tax.<sup>25</sup>

A land value tax may be appropriate for use in Canterbury, should a significant rapid transit/light rail / shared transport project be approved. We note that, were rapid transit/light rail / shared transport to be introduced in Canterbury, it is highly likely that all of the Greater Christchurch partners would be involved and that these partners would need to be central to any land value capture tax discussions and consultation.

#### Recommendation:

- ✓ It is recommended that Land Value Capture Tax is considered further as part of a wider transformational transport funding package.

<sup>22</sup> PWC (2017). Using value creation and capture to fund the infrastructure our cities and regions need.

<sup>23</sup> International experience suggests these value gains can be as high as 30%. Source: Neville, J., Campbell, M., Dionisio, R & Kingham, S. (2015). Land value capture to fund transport investments in cities: international implementation case studies and the lessons that can be learned from these. BRANZ, Wellington, New Zealand.

<sup>24</sup> Refer to Neville, J., Campbell, M., Dionisio, R & Kingham, S. (2015). Land value capture to fund transport investments in cities: international implementation case studies and the lessons that can be learned from these. BRANZ, Wellington, New Zealand for seven case studies

<sup>25</sup> <https://www.stuff.co.nz/national/politics/300505493/properties-around-aucklands-light-rail-likely-to-face-value-capture-tax>

#### LAND VALUE CAPTURE TAX

##### Advantages:

- ✓ Provides a way of recouping a portion of the costs of establishment from those who benefit.

##### Disadvantages:

- ✗ Can be difficult to determine how much benefit is transferred to private sector.
- ✗ Only applicable to specific, large transport infrastructure projects.
- ✗ May require amendment to Revenue and Financing Policy.
- ✗ Can be complex and costly to establish.



- ✓ Further detailed analysis should consider:
  - Whether there are any upcoming transport projects in Canterbury that lend themselves to land value capture tax (e.g. light rail / shared transport)
  - What role, if any, the Regional Transport Committee would have in designing and/or implementing the tax
  - Policy considerations
  - International examples, including key success features.

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#### 4.11 Road Pricing

Road pricing is a catch-all term that includes various pricing methodologies where road users pay directly for the use of roads. Examples include toll roads, congestion charging, road user taxes, etc. For the purposes of this analysis we have focussed on congestion charging, a pricing method used to ease congestion by charging road users at different times and/ or locations to encourage some users to change the time, route or way in which they travel. International evidence from a number of cities (including London, Stockholm and Dubai) shows congestion pricing is being used successfully to influence travel demand and ease congestion.

Implementing a congestion pricing scheme would more accurately reflect where the cost of using the roads is higher, thereby encouraging people to think about travelling in different ways and influencing travel demand. Having a higher cost where the roads are busier, in order to manage demand, can increase the number of vehicles that can move along a road in any given time, as it increases the average speed of traffic. Even a relatively small reduction in traffic can have a big impact on congestion.

Local councils currently lack any direct mechanism to cover the cost of providing local roads, as the Land Transport Management Act 2003 allows for tolls to be imposed on new roads but not on existing ones. New legislation will therefore be required before congestion charging could be introduced.

Despite this, congestion pricing has been explored for Auckland and features as a one road pricing option considered in the Christchurch City Council's draft Christchurch Transport Plan.<sup>26</sup> It is unclear how effective congestion charging would be for Canterbury currently given congestion is not a significant issue in the city at the present time. However, with population growth this may change.

##### Recommendation:

- ✓ It is recommended that Congestion Charging is considered further as part of a wider transformation funding package.
- ✓ Further detailed analysis should consider:
  - Research already completed in Auckland around congestion charging.
  - Legislative implications
  - The role of the Regional Transport Committee in designing and/or implementing congestion charging
  - Other road pricing options (e.g. a tax on all-day parking in the central city to encourage alternative forms of transport) that could be explored in addition to congestion charging

#### Road Pricing (Congestion Charging)

##### Advantages:

- ✓ Allows for more accurate pricing of road use.
- ✓ Encourages people to travel in different ways at different times.
- ✓ Reduces congestion.
- ✓ Potential to piggy-back on work being undertaken in Auckland.

##### Disadvantages:

- ✗ Congestion not currently a significant issue in Canterbury.
- ✗ Legislation change would be required to allow councils to implement.
- ✗ Would require significant public consultation.
- ✗ The role of the Regional Transport Committee with respect to implementing congestion charging may need clarified.

<sup>26</sup> <https://www.ccc.govt.nz/assets/Documents/The-Council/Plans-Strategies-Policies-Bylaws/Strategies/Transport/Draft-Christchurch-Transport-Plan-Website-Version-Notice-of-Motion-release-25-August-2022.pdf>



## 4.12 Value for Money Assessments

Value for money assessment is used by public authorities as a decision-making tool in the context of public investment. Having a clear definition of what outcomes are, how they are defined and a clear articulation of what is trying to be achieved must be the starting point for any value for money assessment.<sup>27</sup>

While undertaking a wholesale value for money assessment of transport spending in Canterbury would not in and of itself provide any 'additional' funding for transport, it could identify areas of spending where the outputs are not meeting the intended outcomes, and therefore where there is potential to reallocate and/or rethink how existing funding is used to achieve the desired outcomes.

While value for money is a key consideration in contracting, undertaking regular value for money assessments for existing programmes is useful to ensure the desired outcomes are being achieved. We note that Environment Canterbury has a [draft] benefits realisation framework which could be applied to areas of transport spending. In doing so, the following questions should be asked:

- a) Why does the programme/project exist, i.e. what outcomes is it trying to achieve?
- b) What outputs are currently being employed to meet those outcomes?
- c) Are the current outputs achieving the desired outcomes?
- d) If not, what changes could be made the outputs to achieve the desired outcomes?

At a local level, Public Transport offers a logical starting point for undertaking a Value for Money Assessment for several reasons:

- The desired outcomes are already defined in the Canterbury Regional Public Transport Plan<sup>28</sup>
- A number of key targets, including around patronage and availability and accessibility are not being met (some due to exceptional circumstances, such as Covid-19)
- The quantum of spending on public transport is significant (around \$100 million per annum, or \$1 billion over 10 years), highlighting the need for value for money while at the same time offering opportunities for innovation and change
- A single entity (Environment Canterbury) is responsible for raising revenue and contracting for the provision of public transport services in Canterbury.

### Value for Money Assessments

#### Advantages:

- ✓ Allows for reassessment of spending to identify whether current outputs are producing the desired outcomes.
- ✓ Potential to identify significant savings and/or reallocate funding.
- ✓ Opportunity to redirect funds into solutions that drive outcomes.

#### Disadvantages:

- ✗ Challenging existing ways of providing services may be met with resistance.

<sup>27</sup> Value for Money Framework Review, Ministry of Transport accessed at <https://www.transport.govt.nz/assets/Uploads/NZ-MoT-Value-For-Money-Report.pdf>

<sup>28</sup> Refer to page 11 of the Canterbury Regional Public Transport Plan for the four outcomes.



Where the outcome of a value for money assessment identifies that the current approach is not resulting in the desired outcomes, it presents the opportunity to go back to first principles approach and rethink the way services are provided and how these are funded. Alternative contracting arrangement could also be explored (e.g. contracting for outcomes).

Another potential opportunity for ensuring value for money at a regional level could be the introduction of a single, separate regional transport, similar to the Northland Transportation Alliance (NTA). Launched in July 2016, the NTA is a collaboration between local government and Waka Kotahi to deliver joined up services for roading and transportation in Northland. The alliance combines staff, services and resources for roading and transportation in Northland to improve consistency and services for all Northland road users, while benefiting from efficiencies of scale e.g. specialist skills and purchasing power.

The exploration of a similar regional transport entity for Canterbury could provide similar benefits, including focussing on a regional approach, establishing agreed regional transport outcomes measures, greater efficiencies from specialist staff required (each council would no longer need its own transport planners), and being agnostic of individual council agendas, constraints and complexities. We also note that having a single regional transport entity could simplify the implementation of many of the options considered throughout this report.

At a central government level, there may be potential to request that Waka Kotahi outline its approach to ensuring value for money over current transport spending. This may also reveal additional funds that are able to be redistributed to effect better transport outcomes.

#### **Recommendation:**

- ✓ It is recommended that Value for Money Assessment is considered further as part of a wider transformational transport funding package.



## 5 Summary and Next Steps

A number of funding options have been assessed at a high-level to understand whether they have the potential to generate significant additional revenue to allow the Regional Transport Committee to lead and deliver transformation change in transport.

Of the twelve options considered, only Government Funding and Traditional Bonds are not recommended for further detailed assessment and investigation in a subsequent paper. In the case of existing Government Funding for transport, this is because it offers limited scope for funding transformational transport projects, and in the case of Traditional Bonds, it is because there are alternatives (namely Green Bonds) that offer superior benefits.

All other funding options considered are recommend for further, detailed investigation. Based on the current high-level investigation, Green Bonds appear to be the most promising form of raising additional revenue, while Social Impact Bonds, Value for Money Assessments and Contracting for Change all offer the opportunity to use funding to drive outcomes.

We note that while many of the options have the potential to generate considerable revenue individually, it may be more realistic to progress several options as a package, to both allow for diversification and to ensure that the funding options best match the chosen project(s). To this end, it is recommended that the Regional Transport Committee also investigate potential transformational transport projects to explore the Committee's appetite for the different potential projects.

In terms of next steps, it is recommended that:

1. Rates, Grants, Green Bonds, Social Impact Bonds, Payment for Outcomes Contracting, Land Value Capture Tax, Congestion Charging and Value for Money Assessments are all included in a more detailed, subsequent piece of work exploring these options in more detail.
2. Any subsequent detailed investigation should include consideration of the following factors (amongst others):
  - Potential quantum of revenue likely to be obtained
  - Implementation considerations, including cost, timing, legislative requirements, internal policy amendments, etc.
  - Case studies from overseas experience, including lessons learned and applicability to New Zealand context.
3. The Regional Transport Committee consider innovative funding options in conjunction with work currently in progress to explore the types of transport projects/innovations that could drive transformational change in transport, and its appetite to progress any options identified.



**Appendix 2 – Alternative Objectives for RTC consideration and preferred policy set.**

Issue	Option 1  Pull back on change at this time (do minimum)	Option 2  No change to objectives  One change to targets	Option 3 (preferred)  Improve multiple objectives  One change to targets	Option 4  Push for extreme levels of change (do max)
Advocacy	<del>Improved</del> National advocacy for regional transport needs	Improved national advocacy for regional transport needs	Move to a policy so it is clearer this need to apply to all the objectives.	Move to a policy so it is clearer this need to apply to all the objectives
Shared Prosperity	A network that <b>enables</b> prosperity across our region (economic, social, environmental and cultural)	A network that facilitates prosperity across our region (economic, social, environmental and cultural)	Move to the vision and a policy so it is clearer that all objectives need to consider this in developing solutions	Move to the vision and a policy so it is clearer that all objectives need to consider this in developing solutions
Freight	<b>Maintain</b> freight options	Better Freight Options	<b>Transition to a low emission freight system that is more resilient, productive, and innovative</b>	<b>Create</b> a low emission freight system that is more resilient, productive, and innovative
Safety	<b>Maintain</b> road safety	Reduced harm on our roads	Reduce harm on our roads.	<b>Eliminate</b> harm on our roads
Emissions	<b>Maintain</b> levels of support for sustainable transport modes	Mode shift – Sustainable transport choices (mode shift) with reduced negative environmental and health impacts	Develop <b>a range of transport solutions</b> across Canterbury to reduced negative environmental and health impacts.	Develop a range of transport solutions across Canterbury to <b>eliminate</b> negative environmental and health impacts.
Resilience	<b>Maintain</b> the level of network resilience	a resilient transport network that can better cope with unknown stresses, natural disasters and climate change impacts	<b>Develop</b> a resilient transport network that can better cope with unknown stresses, natural disasters and climate change impacts	<b>Create</b> a resilient transport network that <b>is fully responsive</b> unknown stresses, natural disasters and climate change impacts



Issue	Option 1 Pull back on change at this time (do minimum)	Option 2 No change to objectives One change to targets	Option 3 (preferred) Improve multiple objectives One change to targets	Option 4 Push for extreme levels of change (do max)
Maintenance	<b>Maintain</b> the current network, so the network continues to underpin the outcomes across the region.	N/A	<b>Strengthen</b> the maintenance of the current network, so the network continues to underpin the outcomes across the region.	<b>Strengthen</b> the maintenance of the current network, so the network continues to underpin the outcomes across the region.
Growth	<b>Avoid</b> developing the network to address growth	N/A	<b>Develop</b> the transport network to support well-planned, quality urban areas where there is high growth.	<b>Develop</b> the transport network to support well-planned, quality urban areas where there is high growth.
<b>Targets</b>		<p>Number of deaths and serious injuries on Canterbury's roads: 40% reduction in deaths and serious injuries on Canterbury Roads</p> <p>Greenhouse gas emissions from land transport in Canterbury: <del>30%</del> <b>41%</b> reduction in greenhouse gas emissions from land transport in Canterbury</p> <p>Tonnage of freight moved by rail in Canterbury: 100% increase in tonnage of freight moved by rail in Canterbury</p>	<p>Number of deaths and serious injuries on Canterbury's roads: 40% reduction in deaths and serious injuries on Canterbury Roads <b>by 2030</b></p> <p>Greenhouse gas emissions from land transport in Canterbury: <b>41%</b> reduction in greenhouse gas emissions from land transport in Canterbury <b>by 2035</b></p> <p>Tonnage of freight moved by rail in Canterbury: 100% increase in tonnage of freight moved by rail in Canterbury <b>by 2034</b></p>	<p>Number of deaths and serious injuries on Canterbury's roads: 100% reduction in deaths and serious injuries on Canterbury Roads <b>by 2034</b></p> <p>Greenhouse gas emissions from land transport in Canterbury: <b>100%</b> reduction in greenhouse gas emissions from land transport in Canterbury <b>by 2035</b></p>
<b>Feasible and Affordable</b>	Yes	Maybe, depending on solutions	Maybe, depending on solutions	No

**Preferred Policy set**

1. Advocate for targeted incentives to support a just transition to low emissions vehicles and other electric transport modes
2. Support the expansion of sustainable transport energy infrastructure such as electric charging stations and hydrogen fuel stations
3. Improve the reach, accessibility, and quality of public transport options and create shared travel modes connecting towns and cities
4. Fund and maintain infrastructure to increase safe and accessible walking and cycling routes
5. Ensure safer streets and well-functioning urban areas that reduce the number and distance of trips that people need to make
6. Advocate for more support to work from home, particularly where limited internet access or lack of co-working spaces are a barrier
7. Encourage the development of essential services to be in locations that are accessible by walking and cycling
8. Expand the support and tools available to enable communities to efficiently transition at pace to a low emission transport system
9. Encourage economic development opportunities in Canterbury resulting from a low emissions transport system
10. Continue to shift investment towards a step change in the transport system to the future state.
11. Consider wellbeing impacts for communities with a high or repeated exposure to extreme events, particularly when creating change at scale and pace
12. Collaborate and coordinate planning to prioritise investment to optimise freight mode shift
13. Support investment that provides a resilient freight network
14. Apply Road to Zero policies and principals to the development of safety solutions
15. Improve the safety of vulnerable transport users, in particular cyclists and pedestrians

16. Ensure maintenance and renewals is appropriately planned and sufficiently resourced to support a range of outcomes
17. Advocate for Government funding and changes in legislation for our Regional Transport Programme
18. Ensure there is regional alignment across our transport priorities
19. Improve understanding of network vulnerabilities arising from climate change and natural hazards
20. Ensure critical assets and corridors are resilient to disruptions so that lifelines can be maintained
21. Invest in alternative routes to build network resilience
22. Support solutions that reduce road maintenance costs and make maintenance more sustainable
23. Avoid investment that has poor alignment with spatial planning and creates urban sprawl
24. Ensure investment supports reliable and consistent journey times and the efficiency of the network
25. Improve safety and visitor experience for key tourist routes
26. Improve accessibility to and from marae, and current and future Māori land.
27. Ensure equitable outcomes across the region
28. Enhance value for money for transport investment across Canterbury
29. Develop transport solutions that promote shared prosperity and reduced inequality, including through unlocking growth opportunities and improving connectivity

# Canterbury Chief Executives Forum

**Date:** 30 January 2023

**Presented by:** Hamish Dobbie, Bede Carran, Stuart Duncan, Will Doughty, Dawn Baxendale, Secretariat

## Regional Forums update

### Purpose

1. This report summarises outcomes from the regional forum meetings since the Chief Executives Forum last met on 31 October 2022.

### Recommendations

**That the Canterbury Chief Executives Forum:**

1. receive the quarterly reports on December 2022 regional forum meetings
2. receive the quarterly update on the regional forums budget.

### Background

2. The following regional forums meetings occurred in the last quarter:
  - the Communications and Engagement Forum held its inaugural meeting online on 2 December
  - the Operations and Corporate Forums met online on 12 December
  - the Policy Forum met online on 16 December
  - the Economic Development Forum held its inaugural meeting online on 16 December.

### Communications and Engagement Forum (chair Will Doughty)

3. The Communications and Engagement Forum met for the first time on 2 December. At the meeting, the Forum:
  - introduced themselves and their role at their respective council
  - discussed the group's purpose and noted the Forum's terms of reference
  - elected a deputy chair (Alistair Gray, Waimakariri)
  - discussed its possible work programme for the term
  - discussed and provided feedback on the refresh of the Mayoral Forum's strategy for the new triennium
  - agreed to share council communications and engagement work plans with each other.

4. The Forum next meets on 17 March.

## **Operations Forum (chair Stuart Duncan)**

5. At its meeting on 12 December, the Operations Forum:
  - discussed key issues facing the Forum (including three waters transition, council alignment on the CWMS, and the importance of the Future for Local Government review) and agreed the chair would develop a shortlist of priorities for the group to discuss further
  - discussed the refresh of the Mayoral Forum's strategy for the new triennium
  - discussed the Mayoral Forum's three-year work programme
  - Elected a deputy chair (Andrew Dixon, Timaru).
6. In addition, the Operations Forum received updates on recent activities of the Engineering Managers Group, Drinking Water Reference Group, Wastewater Working Group, Stormwater Forum and Canterbury Joint Waste Committee.
7. The Forum next meets on 13 March.

## **Corporate Forum (acting chair Bede Carran)**

8. At its meeting on 12 December, the Corporate Forum discussed:
  - progress with the collaborative procurement project (see below)
  - the carbon footprint assessment project, noting there is a new lead for this at Timaru District Council
  - the refresh of the Mayoral Forum's strategy for the new triennium
  - the range of government reforms impacting councils, noting continued concerns about the NTU process and the volume and timing of information requests, as well as uncertainty around staffing transfers to the new entities
9. The Forum also elected a deputy chair (Kelvin Mason, Selwyn).
10. In addition, the Forum received updates on the activities of the People and Capability Working Group, Health and Safety Advisors Group, Chief Information Officers Group, Finance Managers Group, CPRAES and CRIMS.

### ***Collaborative procurement project***

11. The Forum discussed the possible range of procurement which staff find particularly challenging or complex, where a collaborative regional approach may offer benefit. These procurement categories include office furniture; forestry, carbon credits and emissions trading scheme consultants; IT consultants; vehicle purchases (noting however this is well covered by AoG contracts); fleet management and fuel; rating and valuation services; and electricity.
12. The next agreed step in the process is for the project manager to develop a regional forward plan for procurement collaboration for further discussion by the Corporate Forum. To

commence this process, members agreed that each council would provide the project manager with information on contracts that form the top 20% of corporate spend (excluding maintenance contracts for roading and three waters), as well as specific areas identified for cost saving (office furniture, forestry, carbon credits and emissions trading scheme consultants, IT consultants, fleet management, and fuel).

13. The Forum next meets on 13 March.

## **Policy Forum (chair Hamish Dobbie)**

14. At its meeting on 16 December, the Policy Forum:

- discussed government reforms, and capacity issues with regard to councils being able to draft submissions on the large range of relevant reports or bills out for consultation
- noted the Mayoral Forum's agreement to make a submission on the Review into the Future for Local Government draft report, and agreed that, where feasible, each council would take a different chapter of the report to draft key points for a regional submission
- discussed the refresh of the Mayoral Forum's strategy for the new triennium
- discussed the process for the regional submission on the resource management reform legislation, noting that the draft submission would come to the Policy Forum for review in early 2023
- received updates on the activities of the Natural Hazards Risk Reduction Group, the Planning Managers Group, and Climate Change Working Group.

15. The Forum next meets on 17 March.

## **Economic Development Forum (chair Dawn Baxendale)**

16. The Economic Development Forum met for the first time on 16 December. At the meeting, the Forum:

- noted the terms of reference for the group
- elected a deputy chair (Simon Worthington, Ashburton)
- discussed the refresh of the Mayoral Forum's strategy for the new triennium
- shared economic development activity updates from each council/economic development agency within the region
- received an update from Kānoa (through the secretariat) on relevant developments occurring in Canterbury
  - agreed to offer an invitation to a representative of Kānoa to attend these meetings so the organisation can keep across what's happening across the region.

17. The forum has received a formal request from Kānoa-RDU seeking the Mayoral Forum's general support for a funding application from a Canterbury enterprise. Given the commercial sensitivity of this proposal I will provide a verbal update to Chief Executives at the meeting.

18. The Forum next meets on 31 March.

## **Regional forums budget**

19. The Canterbury Chief Executives Forum approved the regional forums 2022/2023 budget at its meeting in August 2022.

20. The regional forums budget funds collaborative projects and regional training workshops. Environment Canterbury acts as fund holder for regional forums, as part of providing secretariat support.

21. The income and expenditure report as of 31 December 2022 is provided at Attachment 1.

## **Three-year work programme**

22. The work programme will be refreshed once the incoming Mayoral Forum confirms its priorities.

## **Next meetings**

23. Scheduled forum meetings for the upcoming quarter are:

23 February	Mayoral Forum dinner
24 February	Mayoral Forum
13 March	Corporate and Operations Forums
17 March	Policy and Communications and Engagement Forum
31 March	Economic Development Forum

## **Attachments**

- Attachment 1 – Income and Expenditure report as at 31 December 2022

**Attachment 1 – Income and Expenditure report****Regional Forums Budget 2022/2023 Budget**

<b>INCOME</b>	<b>Contribution</b>	<b>Budget 2022/23</b>	<b>Actual 2022/23</b>
<b>Regional Forums Levy 2021/22</b>	<b>Ratios</b>		
Environment Canterbury	21%	\$12,907.32	\$12,907.32
Christchurch City	21%	\$12,907.32	\$12,907.32
Selwyn District	11%	\$6,760.98	\$6,760.98
Waimakariri District	11%	\$6,760.98	\$6,760.98
Ashburton District	10%	\$6,146.34	\$6,146.34
Timaru District	10%	\$6,146.34	\$6,146.34
Hurunui District	5%	\$3,257.54	\$3,257.54
Waimate District	4%	\$2,458.54	\$2,458.54
Waitaki District	4%	\$2,458.54	\$2,458.54
Kaikōura District	3%	\$1,598.05	\$1,598.05
Mackenzie District	3%	\$1,598.05	\$1,598.05
<b>TOTAL INCOME</b>	<b>100%</b>	<b>\$63,000.00</b>	<b>\$63,000.00</b>
<b>SURPLUS carried forward from 2021/22</b>		<b>\$102,430.32</b>	<b>\$102,430.32</b>
<b>TOTAL FUNDS AVAILABLE for 2022/23</b>		<b>\$165,430.32</b>	<b>\$165,430.32</b>



<b>EXPENDITURE</b>	<b>Budget 2022/23</b>	<b>Forecast to end of FY (including actuals)</b>	<b>Actual 2022/23</b>
<b>Research</b>			
Canterbury Wellbeing – refresh	\$8,000.00	\$8,000.00	\$4,668.00
	\$8,000.00	\$8,000.00	\$4,668.00
<b>Mayoral Forum Plan for Canterbury 2023-2025</b>			
Refresh - research	\$3,000.00	\$3,000.00	\$-
Refresh - facilitated workshops	\$4,000.00	\$4,000.00	\$413.00
Refresh - engagement	\$3,000.00	\$3,000.00	\$-
Refresh - production	\$5,000.00	\$5,000.00	\$-
	\$15,000.00	\$15,000.00	\$413.00
<b>Workshops</b>			
CEs strategic planning day	\$4,680.00	\$5,075.00	\$5,075.00
	\$4,680.00	\$5,075.00	\$5,075.00
<b>Training Events</b>			
TBC	\$1,000.00	\$1,000.00	\$-
	\$1,000.00	\$1,000.00	\$-
<b>Collaborative projects</b>			
Model for Procurement	\$25,000.00	\$25,000.00	\$-
Climate Change Risk Assessment engagement	\$10,000.00	\$10,000.00	\$-
Resource Management Reform	\$27,317.00	\$27,317.00	\$7,611.00
CPRAES / CRIMS Information Mgmt Project	\$35,000.00	\$35,000.00	\$35,000.00
Collaborative projects (TBC)	\$5,000.00	\$5,000.00	\$-
	\$102,317.00	\$102,317.00	\$42,611.00
<b>Three waters</b>			
Three waters council contributions carried forward	\$9,268.00	\$9,268.00	\$-
	\$9,268.00	\$9,268.00	\$-
<b>Secretariat / Administration</b>			
Travel (secretariat support)	\$1,000.00	\$1,000.00	\$543.00
Mayoral Forum leaving gifts		\$378.00	\$378.00
Mayoral Forum photos		\$1,836.00	\$1,836.00
	\$1,000.00	\$3,214.00	\$2,757.00
<b>TOTAL EXPENDITURE</b>	<b>\$141,265.00</b>	<b>\$143,874.00</b>	<b>\$55,111.00</b>

	<b>Budget 2022/23</b>	<b>Forecast to end of FY (including actuals)</b>	<b>Actual 2022/23</b>
<b>SURPLUS / DEFICIT</b>			
<b>TOTAL FUNDS AVAILABLE</b>	\$165,430.32	\$165,430.32	\$165,430.32
<b>TOTAL EXPENDITURE</b>	\$141,265.00	\$143,874.00	\$55,111.00
<b>TOTAL SURPLUS / DEFICIT</b>	\$24,165.32	\$21,556.32	\$110,319.32

# DRAFT AGENDA

## CANTERBURY MAYORAL FORUM



<b>Name:</b>	Canterbury Mayoral Forum
<b>Date:</b>	Friday, 24 February 2023
<b>Time:</b>	8:30 am to 12:25 pm (NZDT)
<b>Location:</b>	Commodore Hotel, 449 Memorial Avenue, Burnside, Christchurch
<b>Board Members:</b>	Craig Rowley, Craig Mackle, Dan Gordon, Gary Kircher, Marie Black, Neil Brown, Nigel Bowen (Chair), Peter Scott, Phil Mauger, Sam Broughton, Anne Munro
<b>Attendees:</b>	Alex Parmley, Amanda Wall, Angela Oosthuizen, Bede Carran, David Ward, Dawn Baxendale, Hamish Riach, Hamish Dobbie, Jeff Millward, Maree McNeilly, Rosa Wakefield, Stefanie Rixecker, Stuart Duncan, Will Doughty, Boyd Becker

### 1. Opening meeting

#### 1.1 Karakia, welcome, introductions and apologies 8:30 am (5 min)

Nigel Bowen

#### 1.2 Confirmation of agenda 8:35 am (5 min)

Nigel Bowen

#### 1.3 Minutes from the previous meeting 8:40 am (5 min)

Nigel Bowen

Supporting Documents:

1.3.a Minutes : Canterbury Mayoral Forum - 25 Nov 2022

#### 1.4 Action List 8:45 am (5 min)

Nigel Bowen

Supporting Documents:

1.4.a Action List

### 2. For discussion

#### 2.1 Plan for Canterbury 2023-2025 8:50 am (20 min)

Nigel Bowen

#### 2.2 Future for Local Government Submission 9:10 am (45 min)

Hamish Riach

- |            |                                                                  |                   |
|------------|------------------------------------------------------------------|-------------------|
| <b>2.3</b> | <b>Regional Public Service Commissioner update</b>               | 9:55 am (15 min)  |
|            | Ben Clark                                                        |                   |
| <b>3.</b>  | <b>Morning tea</b>                                               |                   |
| <b>3.1</b> | <b>Morning tea</b>                                               | 10:10 am (20 min) |
| <b>4.</b>  | <b>For discussion</b>                                            |                   |
| <b>4.1</b> | <b>Greater Christchurch Partnership</b>                          | 10:30 am (20 min) |
|            | Urban Growth Programme (GCP Spatial Plan and Mass Rapid Transit) |                   |
| <b>4.2</b> | <b>Plan Change 7 and AWA decision</b>                            | 10:50 am (10 min) |
|            | Dan Gordon                                                       |                   |
| <b>4.3</b> | <b>Canterbury Water Management Strategy</b>                      | 11:00 am (10 min) |
|            | Peter Scott                                                      |                   |
| <b>4.4</b> | <b>Resource Management Reform</b>                                | 11:10 am (10 min) |
| <b>4.5</b> | <b>Chatham Islands</b>                                           | 11:20 am (10 min) |
|            | Nigel Bowen                                                      |                   |
| <b>4.6</b> | <b>Climate Change Action Planning update</b>                     | 11:30 am (10 min) |
|            | Dan Gordon                                                       |                   |
| <b>5.</b>  | <b>For information</b>                                           |                   |
| <b>5.1</b> | <b>Three Waters Reform</b>                                       | 11:40 am (20 min) |
|            | Chair                                                            |                   |
|            | There is no paper for this item.                                 |                   |
| <b>5.2</b> | <b>Chief Executives Forum report</b>                             | 12:00 pm (5 min)  |
|            | Hamish Riach                                                     |                   |
| <b>5.3</b> | <b>Mayoral Forum activities and engagements</b>                  |                   |
| <b>6.</b>  | <b>General business</b>                                          |                   |
| <b>6.1</b> | <b>General business</b>                                          | 12:05 pm (10 min) |
| <b>7.</b>  | <b>Close Meeting</b>                                             |                   |
| <b>7.1</b> | <b>Meeting review</b>                                            | 12:15 pm (10 min) |

## **7.2 Close the meeting**

**Next meeting:** Canterbury Mayoral Forum - 2 Jun 2023, 8:30 am

Lunch to follow