



Ministry for the
Environment
Manatū Mō Te Taiao

DP/FR/06/02

Wellington Regional Council
11 MAY 2007

3 May 2007

Mr David Benham
Wellington Regional Council
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Referred to	by
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Dear Mr Benham

National Policy Statement on Flood Risk Management

The Government intends to develop a National Policy Statement on managing flood risk under the Resource Management Act 1991. We are seeking your views⁴ on this proposal, as the first step in this process of developing a national policy statement. Following your feedback, a proposed policy statement will be drafted and notified. Formal submissions and hearings will then be held.

Last year we asked you to comment on a summary document outlining the ways that councils' currently manage flood risk. Thank you for your comments, which helped us to further understand the opportunities and impediments to good practice when managing flooding.

A key message we heard was that the policy framework needed strengthening for councils to adopt and maintain policy approaches with more certainty. The government decided that a national policy statement may help in this area. A background paper on the formal process and potential matters that could be addressed in a national policy statement is attached.

We are particularly interested in your views on the following aspects of a possible national policy statements:

- **scope**, including matters, issues and policies that should or should not be addressed
- **opportunities and impediments** in achieving good practice
- **benefits and costs** and how those benefits and costs compare with current methods of managing flood risk
- **risks** that you see in acting or not acting, given current information about flood risk and climate change

⁴ The Minister for the Environment must seek and consider comments from stakeholders before preparing a proposed national policy statement to consult on. Section 46, Resource Management Act 1991

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- **alternatives** to managing flood risk effectively, including land use planning
- **consequences** for managing flood risk, intended or otherwise

You may also like to comment on anything else that may be needed to successfully implement a national policy statement.

We are also seeking comment from Local Government New Zealand (LGNZ) on the national policy statement. The LGNZ Regional Affairs Committee has appointed a Flood Management Sub-committee to work on flooding related matters. Links to the sub-committee's documents can be found at <http://www.lgnz.co.nz/projects/Flood>.

The government recognises that a national policy statement is not the only solution to all areas identified as concerns by councils. The government's review of flood risk management will be completed by the end of June 2007. Further initiatives may be announced after the government has considered all of the review's findings.

The national policy statement is likely to be of interest to staff in areas including:

- Planning and policy
- Asset management and engineering
- Natural hazards
- Emergency management

I would appreciate your comments by **15 June 2007**. Please send comments to the attention of Trecia Smith. If you have any questions Trecia can be contacted on (04) 439 7657 or trecia.smith@mfe.govt.nz.

Yours sincerely



Sue Powell
General Manager, Working with Local Government

Background Paper – not Government Policy

This paper outlines the process for developing a national policy statement, current issues in managing flood risk and potential matters of national significance. The paper should be read in conjunction with the accompanying letter seeking your views on a national policy statement for managing food risk.

National Policy Statement on Flood Risk Management (NPS)

The Minister for the Environment and Cabinet concluded in March 2007 that a national policy statement on managing flood risk is desirable. Cabinet's decision formally started the process to develop a national policy statement. A national policy statement can only address nationally significant matters relevant to achieving the RMA's purpose and can only cover matters set out in the RMA.

The process to develop a national policy statement is outlined in the Resource Management Act 1991 (RMA) and a diagram of the process is provided overleaf. There are two opportunities for you to provide comment on a national policy statement.

The first opportunity is now. The Minister must seek and consider the views of relevant stakeholders before preparing a proposed national policy statement. We are now seeking your views for the Minister and Cabinet to consider. Your views will be used to draft the proposed national policy statement. Formal submissions will be sought and heard on the proposed statement. This is the second opportunity for you to comment and is likely to be late this year.

The Minister must also decide the process to hear and consider submissions on the proposed national policy statement. Broadly speaking there are two options to consider submissions on a proposed national policy statement— a board of inquiry or an alternative consultation process. A board of inquiry must be used, if a national policy statement makes an amendment to a RMA document without further notice or a hearing.

A reference group of technical experts in flood risk management will be set up in addition to seeking and considering comments from stakeholders. The group will advise the Ministry on the aspects of planning, rivers, floods, land and people that are relevant to managing flood risk.

The benefits and costs of a national policy statement must be analysed before the proposed national policy statement is notified. The evaluation must examine;

- a. the extent to which each objective is the most appropriate way to achieve the RMA's purpose; and
- b. whether, having regard to their efficiency and effectiveness, the policies are the most appropriate for achieving the objectives.

This evaluation and a regulatory impact statement must be made again by the Minister before issuing a national policy statement.

Background Paper – not Government Policy

Potential matters of national significance and objectives

Possible matters of national significance (issues)	Possible goals (leading to potential objectives)
<p>Flooding is the most frequent natural hazard experienced by people and communities need to be aware of the risk of flooding</p>	<p>The risk of flooding is clearly identified in each region and constituent district (rather than by individual rivers, streams, or schemes)</p>
<p>Climate change is increasing future flood risk and action is required now to manage the changing risks</p>	<p>The risk of climate change and sea level rise is known for each region and district</p> <p>Climate change is incorporated into flood risk management</p> <p>People, communities and critical assets are not located in future areas of high risk (managed retreat?)</p>
<p>Effective flood risk management is essential to the sustainable and integrated management of water and land resources across NZ.</p>	<p>Matters for success could include:</p> <ul style="list-style-type: none"> - Flooding from all sources (incl. rivers, streams, stormwater & drainage) is integrated and managed using a risk management approach – that is, an effects based approach that takes into account consequences of flooding occurring - Water and land resources are managed in a comprehensive and integrated way from the upper catchment to the sea - A risk based approach is adopted with clear linkages between the 4Rs of reduction, readiness, response and recovery - Residual risk is clearly identified and managed as part of the chosen risk management approach - Communities are resilient to flooding and involved in determining acceptable levels of risk and appropriate mitigation measures - The management and development of land should reflect the risk of flooding and should avoid, remedy or mitigate flooding or effects of flooding - Environmental limits and natural processes, including river and catchment processes are respected and the life supporting capacity of water, soil and ecosystems protected - The effects of activities, including cumulative, should avoid, remedy or mitigate flooding and any associated consequences of flooding
<p>Integrated flood risk management requires good working relationships to ensure flood risk is managed sustainably</p>	<p>Partnership and collaboration is an essential part of effective flood risk management</p> <p>Complementary roles in managing water resources and land resources contribute to flood risk management</p> <p>The roles and responsibilities for managing flood risk are clear and agreed.</p>

Background Paper – not Government Policy

Flood risk management issues

A series of case studies was completed to understand the challenges faced by councils in managing flood risk. A summary of the case studies was then circulated to all councils for comment.

Nearly 40 councils responded generally agreeing with the preliminary findings reported. More detailed comments focussed on

- the technical challenges of flood hazard identification
- climate change and how to provide for it in managing flood risk
- the need to clarify and strengthen provisions in the legal framework on roles, cumulative effects, protecting assets and the interface between the Building Code and Resource Management Act

The feedback confirms:

- Local authorities use a variety of methods and tools to manage flood risk. A clear benefit is that the chosen approach can be responsive to the local conditions. However, some councils have better resources, including information and funding, to achieve robust flood risk management. Comparison across the country is difficult as there is no one standard approach to managing flood risk.
- Good information is critical to understanding the nature of the flood hazard and methods to managing flood risk. Good information is also crucial to withstand scrutiny in planning processes that include developing and implementing plans as well as assessing development proposals.
- Many of our larger cities and towns are on floodplains. They are protected by physical works, which work well up to the point that they are designed for. At this point, emergency management is the most often cited response to a flood. The age of some structures means that in some cases the reliability of the structures is unknown but works are being maintained and often upgraded. Resourcing can be a constraint, including accurate information about flood hazards. Development is continuing to occur on floodplains.

Utility providers and Crown agencies were also approached to understand issues that may arise for these organisations. The findings from this work showed similarities with the findings above and underscored how important council information and planning documents to manage flood risk are.

Based on the above and other review findings, a number of issues have been identified that could be addressed in a national policy statement. The issues below are not policy but have been developed to prompt discussion. We are keen to hear your ideas.

- Flooding is the most frequent natural hazard experienced by people and communities need to be aware of the risk of flooding
- Climate change is increasing future flood risk and action is required now to manage the changing risks
- Effective flood risk management is essential to the sustainable and integrated management of water and land resources across NZ.
- Integrated flood risk management requires good working relationships between stakeholders to ensure flood risk is managed sustainably

Background Paper – not Government Policy

National policy statement (NPS) process

Step 1
RMA process

NPS is considered desirable



Step 2
Section 46

Seek comments from relevant stakeholders

Reference group of technical experts meets and reports to MfE

MfE collates and summarises the comments

Minister & Government considers the comments received

Minister & Government agrees the scope of the NPS and directs MfE to begin drafting a proposed NPS

Step 3
Draft proposed NPS



MfE drafts a proposed NPS in keeping with Government decisions above and with input from the reference group

MfE examines the costs and benefits and effectiveness of the proposed NPS

MfE reports to Minister & Government on the draft NPS

Step 4
Consider & consult on NPS



Government decides the process to release the proposed NPS

Board of Inquiry or alternative process to seek and hear submissions on the proposed NPS

Step 4
Finalise NPS



Board makes recommendations to the Minister on the proposed NPS

Government considers recommendations, the costs and benefits, regulatory impact statement to finalise the NPS

Publish NPS in Gazette