



Regional and
Unitary Councils
Aotearoa

30 March 2022

By Email

Rt Hon Jacinda Ardern, Prime Minister

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Hon Grant Robertson, Deputy Prime Minister, Minister of Finance

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Hon James Shaw, Minister for Climate Change

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Parliament House
Wellington

Dear Prime Minister and Ministers

CENTRAL GOVERNMENT CO-INVESTMENT IN FLOOD PROTECTION SCHEMES

A call for national leadership and urgent action to share in the challenge of managing the flood risks associated with climate change.

Flooding is the number one commonly occurring natural hazard in New Zealand. Climate change will make severe weather events, and resultant flooding, more frequent and bigger in magnitude. Our communities are now more at risk than they have ever been. Recent Gisborne events attest to this fact.

Future flood management solutions will need to consider important ecological, environmental, whole of catchment and te mana o te wai considerations, alongside spatial planning, managed retreat, building control and community preparedness responses. Regional councils, working alongside Māori / iwi partners, are ready and willing to lead the application of these 'multi-tool' interventions.

Further investment in flood protection schemes is a critical first action in responding to 'climate change-accelerated' flood events. For example, investment of a little over \$10m in a flood protection scheme may have prevented Westport from having to endure the 20 July 2021 flooding event. Instead, all parties are now spending over \$100m to recover from that event. The community pain of disruption and loss of resilience continues.

Flood protection schemes currently provide protection to around 1.5 million hectares of our most intensely populated and used land. They also provide safety, security and protection to the lives and livelihoods of New Zealanders living in communities alongside our rivers in over 100 towns and cities.

In total, these schemes currently provide an estimated annual benefit of over \$11 billion each year. This is over five times the capital replacement value of the schemes. Flood protection schemes have been some of the best value public investments ever made in New Zealand.

Such schemes protect not just those in the immediate vicinity of the rivers, but those whose access to work, supplies, power, medical care, schools, and family is impacted when roading and other infrastructure is damaged.

The cost of improving the quality of the protection provided by the schemes is significant. Regional councils estimate the combined regional and central government capital cost of upgrading flood protection schemes is \$350m per annum. This is at least \$150m more than the regional council level of expenditure included in their collective 2021-31 Long-Term Plans.

Working together, the regional councils prepared a 2019 business case seeking \$150m per annum of central government co-investment in flood protection schemes, to make up the necessary short fall. This request for central government funding was made on the grounds that crown assets and the efficient functioning of the economy and our communities is a responsibility that must be shared between regional councils and central government.

An update on the 2019 business case has now been completed (attached). It clearly documents the scale of crown assets and values protected by flood protection schemes. In addition, case studies are provided describing the effects of the late June 2021 and July 2021 flood events in Ashburton and Blenheim. In the case of Westport, information is also provided about what happens when adequate flood protection schemes are not in place.

The attached report will be made public at a meeting of Environment Canterbury's Natural Environment Committee on Wednesday 6 April 2022. Please note that the report is being released to you **under embargo until 3pm on Wednesday 6 April 2022**, at which time it will be released publicly. This release will be accompanied by media material.

On behalf of the regional sector, we are asking for dedicated funding in the Budget of a minimum of \$150m per year for flood resilience, to be delivered through a central government / regional sector group.

In summary, we note:

- The frequency and severity of flood events will increase with climate change.
- The impact of severe flood events on local, regional, and national interests is clear.
- The case for central government co-investing in flood protection schemes is therefore equally clear.
- A step change is required to the protection resilience provided by our flood protection schemes – and the time for this step change is now.
- Insurance companies are either exiting from the market or are making it more difficult for property owners to get cover. Without increased public intervention, the risks to lives and properties increases every day.
- Regional councils have structures and arrangements in place with proven capability to make the necessary step change to flood protection schemes.

- Regional councils recognise and are applying multi-tool approaches to meet contemporary community resilience flood risk expectations.
- Regional councils recognise the importance of working in partnership with central government to ensure today's shared investments yield protection and financial benefits to current and future generations. A shared investment today, is a reduced recovery cost in the future.
- The combined expertise and efforts of regional and central government can yield the necessary step-change in flood protection, alongside accelerated community climate resilience.
- Regional councils recognise previous decisions were made for their times; now is the time to make the necessary decisions for a resilient future.
- The regional sector is ready to engage immediately on this important work.

We would be pleased to receive your confirmation that necessary work will be commissioned to allow the right flood protection scheme co-investment decisions to be made.

We would welcome the opportunity to meet with you to discuss the attached report, our on-going concerns, and the proposed solution with you.

Yours faithfully,



Jenny Hughey
Chair
Environment Canterbury



Daran Ponter
Chair
Greater Wellington Regional Council



Doug Leeder
Chair
Bay of Plenty Regional Council