



REVIEW OF RECOVERIES

A report to the Ministry of Civil Defence & Emergency Management

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Foreword

This review of recoveries (the Review) was commissioned by Sarah Stuart-Black, Director Civil Defence & Emergency Management (CDEM). It examines how the newly legislated recovery provisions of the Civil Defence Emergency Management Act 2002 (CDEM Act) supported the recoveries after the 2016 earthquakes and tsunami and the 2017 flooding in the Whakatāne District, and how the provisions were applied in practice. It excludes management of the response, except to inform the transition into recovery. The recoveries have long tails and so it is too early to include an evaluation of outcomes in this Review.

To inform my work, Ministry of Civil Defence & Emergency Management (MCDEM) asked key people involved in the two recoveries to provide feedback via a survey and selected interviews. Appendix C lists the reports that informed the Review.

The CDEM system has been tested by a number of significant emergencies in recent years and reviews have confirmed it is functioning well, whilst recognising there are opportunities for improvement.

The rich and diverse nature of recovery, especially in its latter stages, results in evolving roles, responsibilities and arrangements. This lays creates the potential for confusion. Clarity is needed, particularly in the crossovers and linkages between local, group and national levels; between CDEM roles and business as usual local authority roles; within MCDEM; and between MCDEM, other parts of central government and the CDEM sector. Clarity is needed about the nature of the support and leadership provided by central government, particularly in the social recovery environment.

My first key recommendation is therefore that MCDEM work with the CDEM sector to clarify roles and responsibilities. This complements the emergency management system reform recommendation about making it clearer who is responsible for what, nationally and regionally (Government's [response](#) to the [Better Responses to Natural Disasters and Other Emergencies](#) Technical Advisory Group report).

While MCDEM can provide a framework and guidance on roles and responsibilities, the reality is that optimal arrangements will, and need to, evolve over time. Those involved in recovery therefore need to regularly pause, take stock and reflect. This means being pragmatic and considering recovery as a process, rather than following a prescribed set of rigid instructions.

My second key recommendation is about capacity and capability. MCDEM is currently inadequately resourced in terms of capacity and capability to be wholly effective in stewarding the ongoing strengthening of the emergency management system, while also leading the national element of recoveries (especially after a medium- or large-scale emergency or if several emergencies occurred concurrently).

I therefore recommend MCDEM consider establishing a dedicated, standing recovery resource, including a permanently delegated National Recovery Manager (and alternates) and Recovery team of senior staff. Such a set-up would strengthen MCDEM's recovery capability, so it can focus on building capability and capacity for recovery across the CDEM system at all levels, and yet be at the ready to take a national lead when necessary.

This recommendation aligns with the emergency management system reform recommendation about strengthening the national leadership of the emergency management system, and about building the capability and capacity of the emergency management workforce.

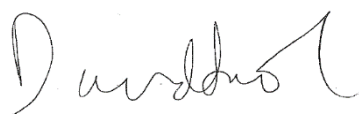
My third key recommendation is about guidance. Several areas of potential confusion emerged. I recommend MCDEM review its guidance and education on several matters:

- Roles, responsibilities and arrangements as per recommendation one
- The evolving nature of recovery
- The implications of declaring a state of local emergency or giving notice of a transition period and of extending transition periods multiple times
- Evaluating the impacts of an emergency to help recovery managers develop, monitor and evaluate recovery structures, explaining that the recovery environment framework is adaptable and that a project-based approach may be more relevant and effective in some situations.
- The implications of different people holding the Recovery Manager role pre- and post-emergency.
- Factors to consider when making transition decisions and how to facilitate effective handovers from response to recovery.
- Central government funding and support.

MCDEM should work with the CDEM sector to understand how it can best promote and embed the guidance.

Overall, feedback confirmed the legislative changes to the CDEM Act, introducing the statutory Recovery Manager positions and the addition of transition notices and powers, enabled recovery activities for both recoveries, and helped raise the profile of recovery.

Finally, the excellent progress made in both recoveries is a tribute to the dedicated work and huge commitment of those involved. A clear theme about continuous improvement and learning from the lessons of these two recoveries, plus from the 2011 Canterbury earthquakes, permeated most conversations. Respondents were keen to participate in and contribute to effective recovery. I am very grateful for their valuable insights.



David Smol

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Executive summary

Background and context

1. This review of recoveries was commissioned by Sarah Stuart-Black, Director CDEM. It examines how the newly legislated recovery provisions of the Civil Defence Emergency Management Act 2002 supported the recoveries after the 2016 earthquakes and tsunami and the 2017 flooding in the Whakatāne District, and how the provisions were applied in practice. To inform my work, MCDEM asked key people involved in the two recoveries to provide feedback via a survey and selected interviews.

Transition notices and powers

2. Transition powers were exercised by territorial authorities and transition periods were extended several times.
 - Feedback on the transition arrangements was limited but positive.
 - The arrangements enhanced recovery outcomes by providing for powers to protect life and property, but without the need for a state of local emergency.
 - The processes for accessing and reporting on use of the powers were judged to be about right.
 - The early implementation of the legislation meant some were unfamiliar with the new processes.
 - No major gaps in the powers were identified.
3. MCDEM should provide guidance on the implications of declaring a state of local emergency or giving notice of a transition period and of extending transition periods multiple times.

The nature of recovery

4. Recovery is an evolving continuum, with different needs at differing stages. The changing nature of recovery means:
 - Changing accountabilities present challenges in designing and implementing optimal organisational arrangements.
 - Changes in structures, roles and responsibilities should be followed by clear communication to ensure mutually consistent understanding.

Engaging with iwi

5. Strong trust-based relationships should be in place pre-emergency.

Engagement with iwi should be undertaken to recognise and provide a practical commitment to the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). When engaging with iwi, the CDEM sector should be realistic about expectations, being cognisant of capacity constraints, but still ensuring iwi are given full opportunity to participate.

Mutually useful engagement with iwi includes:

- Recognising their mana and status.
- Partnering in designing and providing recovery support to the extent practicable.
- Taking an inclusive and culturally aware approach from the outset.

- Understanding culture, needs and opportunities are not homogenous.
- Finding accessible ways to engage.
- Working to build pre-emergency understanding of response and recovery.

The role of iwi is being considered as part of the CDEM Act amendments. This will include consideration of engagement with iwi as part of any future bespoke legislation.

Roles and responsibilities

6. The maxim 'locally-led, regionally-coordinated and nationally-supported' works differently in practice and changes during the course of a recovery. A lack of clarity, particularly about the role of regional coordination, especially in the latter stages of recovery, was noted. A flexible and adaptable approach to roles and responsibilities is needed, taking account of the different strengths needed at different times during the recovery.
7. Local Recovery Managers in place pre-emergency were generally not the Recovery Managers appointed post-emergency. Local Recovery Managers pre- and post-emergency need different skill sets. This means careful consideration is needed when appointing Recovery Managers. If a new Recovery Manager is appointed, training and handover are needed to maintain continuity and momentum.
8. With the shift from response to recovery, leadership transferred from Controller to Local Recovery Manager to territorial authority chief executive, supported by their business as usual team, working alongside the recovery team. While most saw the shift of recovery leadership as appropriate, the crossover of responsibilities caused confusion in some instances.
9. The natural tension between locally-led recovery and central government accountability is best managed through dialogue and pre-existing relationships between leaders at local, group and national levels. CDEM Group and national officials should be prepared to become more actively involved, if necessary.
10. MCDEM should work with the CDEM sector to clarify evolving roles and responsibilities at local, group and national levels. It should then provide guidance and education and consider how best to promote and embed the guidance.

Organising central government for recoveries

11. MCDEM's leadership of the system and of collective work across the four Rs is well understood. However, feedback indicated less clarity about MCDEM's role in recovery, particularly in relationship to DPMC.
12. The delegation and appointment of a National Recovery Manager, and the establishment of a National Recovery Office, enabled effective, streamlined coordination and is recommended for future recoveries of a similar scale. The Director CDEM should consider:
 - A dedicated recovery resource, including a permanently delegated National Recovery Manager (and alternates) and Recovery team. This would strengthen MCDEM's recovery capability, so it can focus on pre-emergency preparedness and maintain links across government, enabling a warm start to a medium- or large-scale recovery.
 - The differing National Recovery Manager roles pre- and post-emergency and consider disaggregating the roles. If two separate roles are decided, one or more post-emergency National

Recovery Managers, with the right background and experience for very significant emergencies, should be pre-appointed and ready to start soon after an emergency.

- The Recovery team needs to be scalable, with capacity to have oversight of concurrent recoveries or where a recovery crosses multiple areas. It needs to have the right mix of resource, at the ready to be deployed.
- Feedback was supportive of the broad approach that MCDEM steward the emergency management system through the National Recovery Manager and Recovery team, ensuring planning for recoveries and then, post-emergency, implement the right mix of capabilities to enable effective national level contribution to the recovery.

13. MCDEM is currently inadequately resourced to be wholly effective in stewarding the strengthening of the emergency management system, and in leading the national element of recoveries, especially after a medium-or large-scale emergency or if several emergencies were to occur concurrently.

14. Mechanisms that helped promote engagement and action include:

- The Officials Committee for Domestic and External Security Coordination being a well-established mechanism for coordinating and directing action, particularly in response and the early stages of recovery. MCDEM should explore advising the Committee to expand its role, for example, by including recovery on the agenda of its regular Board meetings.
- Local and national forums were useful for information sharing, coordination and initiating action. MCDEM should consider establishing similar forums when the need arises.

15. A coordinating group of Ministers to oversee central government's input for significant emergencies through major recoveries would help ensure appropriate focus and weight in departmental decisions about priorities. MCDEM should consider providing advice about establishing such a model, which Ministers could adopt at short notice.

Transitioning from response to recovery to business as usual

16. Several pointers on the transition from response to recovery emerge:

- the earlier recovery planning starts, the better
- ensure knowledge transfer is as complete as possible
- response staff need to be ready for transition.

17. The decision to return to business as usual requires a balance between continuing to provide support where it is needed and a return to business as quickly as practicable. MCDEM should provide guidance on factors to consider when making transition decisions, and how to facilitate effective handover from response to recovery.

Recovery environments

18. The MCDEM-recommended framework was generally used as a starting point for organising recovery structures, but then adapted to fit particular challenges. Some recovery teams focused more on projects (such as Kaikōura Harbour) than on recovery environments.

19. Some recovery teams questioned whether rural should be a fifth environment, on the basis that rural communities had some different needs and different support mechanisms from urban communities. Others questioned whether cultural should be an additional environment, but generally concluded

that cultural is an important element in each environment and is probably best woven through the environments.

20. MCDEM should provide guidance about how to use the recovery environment framework, explaining it is meant to be adaptable and that a project-based approach may be more relevant and effective in some situations. Guidance about factors to consider when evaluating the impacts of an emergency would help recovery managers develop, monitor and evaluate recovery structures.
21. The importance of good information to underpin each recovery environment was a common theme. There is scope to improve arrangements for data collection and information management after significant emergencies. MCDEM should continue to engage with EQC, the Insurance Council NZ, the Privacy Commissioner and utility providers (including energy and telecommunications). Data sharing protocols should be developed, obviating the need to use powers to collect data.

Natural environment

22. Both emergencies significantly impacted the natural environment, particularly in Kaikōura, Hurunui and Whakatāne. Feedback is that recovery work generally went well.

Built environment

23. Interviewees generally commented positively on transport recovery, notably of Kaikōura Harbour, SH1 and the Main North Line, although iwi had concerns about the impact of the rebuild on sites of cultural significance, and would have liked to have spent more time working with NZ Transport Agency and NCTIR to build a shared understanding and agree appropriate mitigations.
24. Housing issues presented complex recovery challenges. Both emergencies resulted in families being displaced from their homes due to damage. Feedback from local government interviewees on temporary accommodation was mixed. Several issues raised might warrant further work, for example providing clarity about the circumstances and extent of support, dedicated funding for Temporary Accommodation Service activities, a stock of rapidly deployable temporary housing units, and working with local recovery offices to reach out to affected families, which have not applied for support.
25. While feedback from local government interviewees on the responsiveness and quality of service from EQC and the insurance companies was positive, some issues were identified, including access to data on the insurance of affected houses and the challenges presented by fixed sum cash settlements. MCDEM's ongoing relationship with EQC, Insurance Council NZ and its members in identifying and working through potential issues ahead of emergencies will be important in supporting future recoveries.
26. Development of a standard Residential Advisory Services model (including accountability for deployment and funding arrangements) as part of post-emergency housing support may be a worthwhile investment.
27. A housing oversight role would add value to a recovery, and clarity as to which agency has this responsibility should be considered.

Economic environment

28. Business support schemes worked reasonably well and served their intended purpose in supporting employment and business viability after emergencies, without removing incentives on businesses to manage their own recoveries.

Social environment

29. The social environment attracted the most varied feedback with several issues identified, including a lack of clarity about roles and responsibilities. The long tail of psychosocial issues outlives formal recovery arrangements, so it is important that responsibility for ongoing attention is clear.
30. MCDEM should consider leading work with agencies, councils and non-governmental organisations to develop a clear framework for the social environment. A model to clarify the scope, appointment and funding of navigators is needed.

Funding recoveries and cost-sharing between central and local government

31. Based on feedback to this Review, and accepting no set of arrangements will be perfect, there is a strong case to improve the current arrangements through:
 - Codifying arrangements, at least in principle, in areas that were relatively ad hoc in recent recoveries (such as business support and some aspects of housing related support).
 - Improving the consistency of funding support for social recovery.
 - Improving the predictability and reducing the process complexities in cost-sharing for local government-owned infrastructure, while retaining strong incentives for local government to make good investment choices.
32. MCDEM should consider providing guidance and education on the funding and support available from central government and how to access it. It should also consider providing information and education about threshold levels when Government financial assistance support is activated.

Section 1 Background

1.1 About recovery

Recovery means the coordinated efforts and processes to bring about the short-, medium- and long-term holistic regeneration and enhancement of a community following an emergency (from the [CDEM Act 2002](#)).

Recovery should:

- Support the cultural and physical well-being of individuals and communities.
- Minimise the escalation of the consequences of the disaster.
- Reduce future exposure to hazards and their associated risks, in other words build resilience.
- Take opportunities to regenerate and enhance communities in ways that meet future needs across the social, economic, natural and built environments.

Emergencies affect individuals, communities, regions and nations, depending on the scale and seriousness. How well we recover from emergencies will depend on how well we have prepared to recover.

1.2 2016 Earthquakes and tsunami

At 12.03am (NZDT) on 14 November 2016, Kaikōura and North Canterbury experienced a 7.8 magnitude earthquake that had wide-reaching impacts on New Zealand's North and South Islands. The earthquake ran from south to north and spanned an area of roughly 150km from the epicentre near Culverden. A series of aftershocks and a tsunami that peaked at 6.9 metres followed.

A state of local emergency was declared for the Canterbury region, followed by a national transition period for Kaikōura District Council, Hurunui District Council and the Wairau Awatere Ward for 180 days, and a local transition period for Wellington for 56 days.

The earthquake primarily affected the Hurunui, Kaikōura, Marlborough and Wellington areas:

- Significant infrastructure, housing and land damage, and pockets of isolation for rural communities already struggling with drought and financial pressures. Over \$900m of insurance claims were received.
- State Highway One (SH1) and the Main North Line railway were blocked by slips and the Inland Road suffered significant damage.
- Damage to water, wastewater, stormwater and stopbank systems across the Hurunui, Kaikōura and Marlborough districts.
- Damage to high profile buildings in Wellington and Hutt City, and to CentrePort.
- The seabed was raised up to 6 metres in places, and up to 2 metres around the Kaikōura harbour, severely restricting its use.
- Some rivers changed shape, and rockfall and landslips created significant new geotechnical hazards affecting land and buildings.
- Extensive mortality of taonga species, such as pāua and kelp bed habitats. Commercial, cultural and recreational marine use was affected.
- Kaikōura region visitors reduced by 64% (comparing August 2016 and 2017), with international visitors down by 58% and domestic by 67%.

More information about the effects of the earthquake and the recovery is on MCDEM's [website](#).

1.3 2017 Whakatāne District flooding

Ex-cyclones Debbie and Cook caused severe inundation and storm damage across the Whakatāne District in April 2017. A state of local emergency for the Whakatāne District was declared on 6 April 2017, when a breach in the stopbank in the Rangitikei River caused extensive flooding in the Edgecumbe Township and surrounding rural areas, including some parts of the Waikato Region. The Whakatāne District state of emergency was replaced by a state of emergency for the Bay of Plenty region on 11 April 2017. A local transition period was then in place for 56 days.

Around 1600 residents were evacuated. More than half of the 588 houses in Edgecumbe were red- or yellow-placarded, meaning people were prohibited or restricted from re-entering their properties. Residents in Poroporo, Rūātoki, Thornton and Tāneatua also had to leave their homes, and some rural communities were isolated for more than a week. Ex-cyclone Donna in May 2017 caused more flooding, exacerbating problems for people trying to dry out their properties, delaying rebuild works and affecting farmers.

The Whakatāne District also experienced widespread damage to property, businesses, farms, the natural environment and infrastructure, power outages and disruption to utilities and road networks.

Some of the impacts are illustrated below (from Whakatāne District Council's [Recovery Debrief](#)).



Stop bank breaches in Edgecumbe and Poroporo caused widespread flooding causing 1,900 people to be evacuated from their homes.



1,400 hectares of farm land was under water for 10-14 days.



4,086 cows were trucked out of the area in the first 48 hours after the breach in Edgecumbe.



1 hectare of river bank erosion deposited 24,000 cubic metres of soil into the Waitemana river – a volume that would fill the Aquatic Centre's pools 43 times.



Significant roading damage isolated some rural communities for over a week.



Nearly 3,500 tonnes of sediment has been taken to landfill from EQC section clearing operations.



Over 17 tonnes of white ware and steel have been recycled.



The Ministry of Social Development provided assistance to over 3200 people.



More than 7,000 tonnes of waste has been sent to landfill from clean-up in Edgecumbe, more than the volume the whole Whakatāne District would normally produce in 6 months.



Some 1,500 registered volunteers contributed more than 6,800 hours of work, over 11 days, to the NAVA clean up effort.



50% of families were back in their homes eight months after the event (by Christmas).



\$500k was distributed to businesses (\$200k) and farmers (\$300k) through the Business Recovery Grant and the Bay of Plenty Primary Sector Recovery Grant.



15 homes were severely damaged and needed to be demolished or removed.



Over 300 homes needed repair to be habitable again.



Around 260 free building consent applications for flood repairs have been processed by Council.



House insurance status varied for yellow stickered homes. 54% rebuilt through insurers, 30% cash settled, 5% were uninsured, and 11% had unknown insurance status.

1.4 National coordination

The Director CDEM delegated her statutory position of National Recovery Manager and established a National Recovery Office to support and coordinate an efficient locally-led recovery for the 2016 earthquakes and tsunami. The scope of the National Recovery Office was subsequently expanded to support the 2017 Whakatāne District flooding.

1.5 Survey and interview feedback

In May and June 2018 MCDEM surveyed 81 representatives of local, regional and national organisations, iwi, and Department of the Prime Minister and Cabinet (DPMC) and MCDEM staff, who had been active in one or both recoveries.

In July 2018 I interviewed various people involved in the recoveries; some interviews were in a group setting and others one to one. (See Appendix D for a list of survey respondents and interviewees.)

Feedback from the survey was valuable in several respects, including:

- enabling input to the Review from a broader range of recovery participants than would have been possible through interviews alone
- providing a snapshot of the range of views and feelings about the recoveries
- informing the focus of the subsequent in-depth interviews.

On the questions where respondents scored on a scale of one to five, average scores were:

- 3.5 on 'how well did local transition periods enable the recovery' for both events (1 being 'very little' to 5 'greatly')
- 3.3 for the 2016 earthquake and 3.6 for the 2017 Whakatāne floods on 'how well do you think recovery environments were managed' (1 being 'not very well' to 5 'greatly')
- 3.5 for the 2016 earthquake and 3.4 for the 2017 Whakatāne floods on 'how well did you understand the roles and responsibilities at a local, regional and national level' (1 being 'not very well' to 5 'very well').

These scores indicated people generally thought local transition periods enabled the recovery, recovery environments were well managed and that roles and responsibilities were understood. However, the scores also indicate people thought things could be improved.

The survey responses and interview transcripts are an important resource for MCDEM in its ongoing stewardship and strengthening of the emergency management system.

Feedback from the surveys and interviews is incorporated into the comments below.

Section 2 Transition notices and powers

2.1 Legislation

In 2016, in the aftermath of the February 2011 Christchurch earthquakes, the government amended the CDEM Act to enable recovery from emergencies to be more efficient and effective. The amendments recognised the value of an intermediate step between a state of emergency and business as usual, and introduced transition notices and powers.

The Civil Defence Emergency Management Amendment Act 2016 (CDEM Amendment Act) amended the CDEM Act to:

- establish a legislative framework for recovery management by providing a mandate for recovery managers
- strengthen the requirement to plan for recovery
- support a seamless transition from response into the initial recovery phase, by establishing a transition notice mechanism to make some emergency powers available nationally and locally.

Transition arrangements were designed for small to medium-sized emergencies, but could also be used for a larger scale emergency until bespoke emergency legislation is created, for example a major large-scale emergency such as the 2011 Christchurch earthquake.

The transition powers were intended to be used for purposes directly and indirectly related to the protection of life and property, and were designed with checks and balances for triggering, exercising and reporting on their use.

The CDEM Amendment Act was due to come into force on 15 November 2016, with the new legislative arrangements due to take effect on 15 May 2017. However, the date the new provisions could be used was brought forward by the Civil Defence Emergency Management Amendment Act 2016 Amendment Act 2016, which was passed on 29 November 2016 under urgency to assist with recovery from the 14 November 2016 earthquakes and tsunami.

The recoveries following the devastating 2016 earthquake and tsunami and the 2017 flooding in the Whakatāne District emergencies were the first to use the new recovery provisions of the CDEM Amendment Act.

The damage caused by the 2016 earthquake was significant enough to warrant enacting specific legislation, in addition to the new transition powers under the CDEM Amendment Act:

- The Hurunui/Kaikōura Earthquake Recovery Act 2016 sought to support the region's response and recovery (the region included parts of Canterbury and the Marlborough and Wellington districts) by allowing Ministers, by Order in Council, to make temporary law changes to help with economic recovery, planning processes, rebuilding and the recovery of land and infrastructure in earthquake-affected areas.
- The Hurunui/Kaikōura Earthquakes Emergency Relief Act amended the Resource Management Act. It aimed to allow those affected by the earthquakes to focus on recovery by modifying some of the provisions of the Resource Management Act.
- The Civil Defence Emergency Management Amendment Act 2016 Amendment Act 2016 also introduced a new power to require the owners of a structure to obtain an assessment of the effect of the emergency (and related events) on the structure.

Appendix A contains an explanation of the CDEM Amendment Act 2016 Amendment Act 2016, the Hurunui/Kaikōura Earthquake Recovery Act 2016, and the Hurunui/Kaikōura Earthquake Emergency Relief Act 2016.

2.1.1 National transition period

The Minister of Civil Defence may give notice of a national transition period under the CDEM Act. A national transition period allows a National Recovery Manager to exercise powers to manage, coordinate or direct recovery activities.

National transition periods have a maximum duration of 90 days. They may be extended after 90 days or terminated at any time.

2.1.2 Local transition period

The CDEM Act provides for CDEM Groups to give notice of a local transition period following an emergency, whether or not a state of emergency has been declared. The purpose of the transition period is to aid recovery by providing powers to manage, coordinate or direct recovery activities. Powers can only be exercised by the Recovery Manager.

Local transition periods last for up to 28 days. They may be extended or terminated at any time.

2.2 Feedback on transition notices and powers

The new transition powers under the CDEM Act were exercised at local levels by territorial authorities and the transition periods extended several times (Appendix B). Uses included preventing access to cordoned areas and dangerous buildings. In Wellington, the powers were used to require building assessments.

Findings

Overall, feedback on the transition arrangements was limited but positive.

Interviewees recognised the value of the transition notice arrangements, whether exercised or as a backstop, to be exercised if required. They thought the arrangements enhanced recovery outcomes by providing for powers to protect life and property, but without the need for the extensive and far-reaching powers of a state of emergency. The use of transition powers could remove the need for a state of local emergency to be issued or kept in place longer than necessary.

Transition periods, especially in Kaikōura, were extended several times.

The processes for accessing and reporting on use of the powers were judged to be about right. However, the early implementation of the legislation meant some council staff, like many others, were unfamiliar with the new processes.

No major gaps in the powers were identified. However, a minor policy gap was identified when transition powers under the CDEM Act expired, but territorial authorities felt a need to limit public access to properties considered at risk from natural hazards. In this case, powers under the Building Act were used to prevent access to dangerous buildings, however, these powers apply only to buildings and not to an area of land. This gap can lead to situations where it is not possible to exclude a property owner from an at risk area of their property, affecting, for example, large working properties such as farms or people wanting to camp on their land. Implications for buildings made unsafe by natural hazards is discussed at 4.3.6.

At least one insurance company declined a request for information under local transition notice powers (because of privacy considerations). Insurance and access to information are discussed at 4.1.

There was some confusion about whether and how a transition notice could be issued if a state of emergency had not been declared after the emergency. MCDEM has since provided factsheets on this. (If a state of emergency has been declared, the CDEM Group can declare a local transition period without the Minister's approval. However, if no state of emergency has been declared, the Mayor can give notice of a local transition period with the approval of the Minister.)

Overall, feedback confirmed the legislative changes to the CDEM Act, introducing the statutory Recovery Manager positions and the addition of transition notices and powers, enabled recovery activities for both recoveries, and helped raise the profile of recovery.

Recommendations

MCDEM should consider explaining in its guidance the implications of:

- declaring a state of local emergency or giving notice of a transition period
- extending transition periods multiple times.

Section 3 Roles and responsibilities in recovery

3.1 Recovery and the 4Rs

Recovery is an integral element of the '4Rs', which together determine New Zealand's approach to risk management and building resilience. The other three Rs are risk reduction, readiness and response.

Under the [National Civil Defence Emergency Management Plan 2015](#), recovery activities should start as soon as possible after an emergency. This integrates recovery considerations in the response phase and helps avoid loss of continuity in moving from response to recovery.

Findings

Recovery is an evolving continuum of stages, rather than one discrete element.

In its early stages, recovery is similar to response, with a focus on resolving short-term issues, including resumption of services to communities and ongoing life safety risk. It is appropriate at this stage that the statutorily appointed Recovery Manager (Local, Group or National) lead the coordination of the recovery effort.

Over time, the focus shifts to medium- to long-term needs, including investment decisions, which may be more appropriately addressed by business as usual local and regional leads, with national support. The extent of this shift, and the potentially long period over which it takes place, presents challenges in designing and implementing optimal organisational arrangements.

Pre-emergency planning for recovery is an important function of readiness.

Decisions on such things as quality of infrastructure rebuild and about whether to allow rebuild on what may have become vulnerable land can contribute to risk reduction and may result in increased resilience to future emergencies.

Decisions on allocating recovery costs between local and central government will influence incentives for local bodies to invest in pre-emergency resilience-building activities or initiatives. Generally speaking, the higher the proportion of central government investment, the weaker the incentives on local bodies to invest funds ahead of time. This may be a matter the Productivity Commission examines in its [inquiry](#) into local government funding.

Conclusions

Recovery is an evolving continuum, with different needs at differing stages, rather than one discrete element. The changing nature of recovery means there will likely be different accountabilities at different times over the short-, medium- and long-term. This presents challenges in designing and implementing optimal organisational arrangements.

When change is needed, explicit decisions about structures, roles and responsibilities should be followed by clear communication so all involved have mutually consistent understanding.

3.2 Engaging with Iwi

Iwi are a strong presence in the localities impacted by the two emergencies, notably in Kaikōura and Whakatāne.

Local iwi (mana whenua) whānau and wider Ngāi Tahu whānau provided considerable support to affected families, communities and tourists, including at the marae, supplies, planning, management expertise and labour. This support was a huge commitment.

Findings

Te Rūnanga o Ngāi Tahu were concerned they were not explicitly included as a party to be consulted in the Hurunui/Kaikōura Earthquakes Recovery Act 2016. Under the Canterbury Earthquake Recovery Act 2011 and the Greater Christchurch Regeneration Act 2016, however, they were included as a party to be consulted about amendments proposed to various planning documents.

Iwi had several concerns about the opportunities to participate in recovery activities.

In Kaikōura, these concerns included a desire to be involved at an earlier stage, notably in:

- planning for recovery, recognising their status as Treaty Partner and because of the impact of the earthquake on culturally important land, notably along the coastline
- the Ministry for Primary Industry's decision to suspend pāua fishing
- planning the rebuild of SH1, including such things as providing for freedom camping sites in areas of cultural sensitivity.

The relationship with the North Canterbury Transport Infrastructure Recovery Alliance (known as NCTIR, which rebuilt SH1 and the Main North Line) improved over time. However, from an iwi perspective, the NZ Transport Agency might have taken a more inclusive and culturally aware approach from the outset, notwithstanding the pressure for urgent action.

Iwi interviewees recognised the tension between their desire for engagement and the need for speed.

As with other parties, such as the small territorial authorities, resource constraints, especially staff capacity, limited iwi's ability to participate in some work streams, even when invited.

Iwi interviewees emphasised the importance of government agencies partnering with them in the design and provision of support (mainly social and housing).

Kaikōura District Council interviewees acknowledged the importance of relations with local iwi and the need to partner wherever practicable. Several changes in key positions in local iwi and Kaikōura District Council meant the strength of relationships at the time of the 2016 earthquake was less than ideal. Both groups commented positively on joint efforts to strengthen relationships since then.

Iwi interviewees acknowledged the importance of building their pre-emergency understanding of response and recovery. They commented favourably on the quality of material on the MCDEM website and appreciated CDEM staff visiting the Takahanga Marae after the earthquake.

Interviewees noted scope to offer post-emergency support in more accessible ways for Māori, for example by delivering support at the marae.

Local iwi in Whakatāne had differing approaches to the recovery; territorial authority interviewees noted the pitfalls of making assumptions about culture, needs and opportunities.

Conclusions

Strong trust-based relationships should be in place pre-emergency. Engagement with iwi should be undertaken to recognise and provide a practical commitment to the principles of the Treaty of Waitangi (te Tiriti o Waitangi). When engaging with iwi, the CDEM sector should be realistic about expectations, being cognisant of capacity constraints, but still ensuring iwi are given full opportunity to participate.

Mutually useful engagement with iwi includes:

- Recognising their mana and status.
- Partnering in designing and providing recovery support to the extent practicable.

- Taking an inclusive and culturally aware approach from the outset.
- Understanding culture, needs and opportunities are not homogenous.
- Finding accessible ways to engage.
- Working to build pre-emergency understanding of response and recovery.

These conclusions support the [Better Responses to Natural Disasters and Other Emergencies](#) Technical Advisory Group report, which recommends clearer protocols with iwi, and full participation of iwi in coordination and planning structures, and the emergency management system reform recommendation about participation of iwi/ Māori and marae in putting the safety and well-being of people at the heart of the emergency response system.

The role of iwi is being considered as part of the CDEM Act amendments. This will include consideration of engagement with iwi as part of any future bespoke legislation.

3.3 Reviewing roles and responsibilities in recovery

3.3.1 Responsibilities at local, regional/Group and national levels

The National Civil Defence Emergency Management Plan Order 2015 (the National CDEM Plan) describes organisational arrangements for recoveries, featuring the Local Recovery Office, CDEM Group Recovery Office and (if required) a National Recovery Office.

The intended relationship between the three levels is captured in the idea that recoveries are locally-led, regionally-coordinated and nationally-supported.

However, emergencies do not sit neatly within boundaries.

The disparate effects of the 2016 earthquake and tsunami complicated organisational arrangements as multiple regions and CDEM Groups were involved in recovery activity, yet only a subset of each region was severely impacted. The 2016 earthquake affected the Canterbury, Marlborough and Wellington regions. In Canterbury, Kaikōura and Hurunui were severely impacted but the balance of the region was not. Marlborough is a unitary council. The main impact in Wellington region was in Wellington city.

Similarly, the Whakatāne floods caused major damage and disruption in the Whakatāne District, but not in the rest of the Bay of Plenty region.

Findings

Feedback from all levels suggested some uncertainty and confusion over roles and responsibilities among those charged with leading and supporting the two recoveries, notably:

- territorial authority CDEM recovery officials and officials in their normal roles
- local authorities and regional councils
- local and CDEM Group
- CDEM Group and national
- between DPMC, MCDEM and the National Recovery Office
- roles of MCDEM relative to central government agencies with lead or support responsibilities for specific work areas.

Some respondents noted a lesson from the 2011 Christchurch earthquakes recovery about the implications for community engagement arising from perceptions that central government has taken over

from local leaders. However, there was general agreement the 2016 earthquake and the 2017 Whakatāne flooding recoveries were, appropriately, locally led.

Coordination of recovery activities after the emergencies was at a national, rather than regional, level. This worked in practice after the 2016 earthquake, especially in the later stages of the recovery, because the emergency crossed three regions and, in the case of Canterbury, only two of ten territorial authorities were affected.

Similarly, as the Whakatāne flooding was localised, it made sense for some aspects of the recovery, such as welfare and temporary housing, to be coordinated at a local and national level. This is because these arrangements are set nationally, for example financial assistance from the Ministry of Social Development. Other aspects, such as the stopbank repair and restoration of the Rangitikei River, were appropriately led by the Bay of Plenty Regional Council, working closely with the Whakatāne District Council.

In both cases, local recoveries needed the leverage and coordination of central government that the National Recovery Office could provide. Regional recovery was necessary to deal with issues such as harbour and stop bank repair, but CDEM Groups and regional councils had no responsibilities for issues such as housing. They could, however, provide surge resource capacity.

National coordination and support was implemented through local and national forums established by the National Recovery Manager, such as the 2016 earthquake Chief Executives' Forum, the Whakatāne Leaders' Forum and the All of Government Recovery Coordination Forum (Section 3.4.5).

Conclusions

The maxim 'locally-led, regionally-coordinated and nationally-supported' may work differently in practice and change over the course of the recovery. There is a lack of clarity, particularly about the role of regional coordination.

A flexible and adaptable approach to roles and responsibilities is needed, taking account of the different strengths needed at different times during the recovery.

Recommendations

MCDEM should work with Group and Local Recovery Managers to clarify the roles and responsibilities at local, group and national levels.

3.3.2 CDEM Groups

CDEM Groups (Joint Committees) are a consortium of the chairperson of the regional council and the Mayor of each territorial authority in a region. Under the CDEM Act, CDEM Group functions are to plan and carry out recovery activities for their CDEM Group area.

Joint Committee provides a governance role to the Coordinating Executive Group (chief executives of territorial authorities, plus senior members of the emergency services), which is responsible for coordinating, planning and implementing work programmes in the CDEM Group.

At the time of the 2016 earthquake, the National CDEM Plan provided for Recovery Managers to be appointed. However, these appointments did not have access to powers in the CDEM Act. The decision to bring forward the date of implementation of the new amendments to the CDEM Act enabled Joint Committees to appoint Recovery Managers to perform the statutory role, including access to powers.

Findings

Interviewees commented on the importance of the CDEM Groups' work in planning and carrying out recovery activities, and the opportunity to learn from recoveries to strengthen planning for future emergencies.

Interviewees felt the Coordinating Executive Group performed an important pre-emergency function in ensuring appropriate planning for response and recovery, and in building and maintaining the personal relationships critical for enabling collaborative working in highly stressful circumstances. The Coordinating Executive Group was active in Canterbury in identifying people with relevant experience who could provide support for the affected territorial authorities. This was recognised and appreciated, particularly by Kaikōura District Council.

Interviewees recognised the extent of variation across recoveries, but also elements, such as damage to infrastructure and natural environment, vulnerable families and communities, that are likely to be common, and for which good planning can be of considerable value.

CDEM Group officials commented that, having played a part in supporting the establishment of leads and teams for response and recovery, they then stepped out of having a direct role, on the basis of the recovery being locally-led, with primary support coming from the National Recovery Office. They continued to offer support to local recovery teams and responded whenever asked. Territorial authorities, including local recovery offices, with their deep understanding of local communities, the impacts of the emergency, local knowledge and relationships (in a way CDEM Groups are unable to have) are best placed to organise and progress recovery in their districts.

Some CDEM Group officials felt uncomfortable about how they stepped out of role, primarily concerned they were not playing the role provided in the MCDEM guidance on recoveries or in the pre-emergency planning. However, they generally thought the recoveries were appropriately led, locally, with national support.

In the post-earthquake recovery, the Chief Executives' Forum (Section 3.4.5), convened by the National Recovery Manager, took on a coordination role that might otherwise have been played by the Group Recovery Manager. This made sense as the recovery encompassed three regions (although the Chief Executives' Forum covered Canterbury and Marlborough but not Wellington). Similarly, the Whakatāne Leaders' Forum, convened by the National Recovery Office's Whakatāne Recovery Facilitator, took on a role that might otherwise have been carried out by the Group Recovery Manager.

Under the CDEM legislation, the Joint Committee appoints Recovery Managers. Feedback was that this arrangement generally worked satisfactorily but achieving a decision-making quorum was challenging, given the scale of the emergencies and the resulting demands on some Joint Committee members (as well as the disruption to transport connections).

At the local level, the Recovery Managers in place pre-emergency were generally not the Recovery Managers appointed post-emergency. This reflected the fact that the 'peacetime' roles are part-time, with the incumbent having other responsibilities. After a significant emergency, the Recovery Manager is a full-time role, typically requiring a level of experience and seniority that may not be practicable to have in-house permanently.

Conclusion

In practice, Local Recovery Managers pre- and post-emergency, need different skill sets. Careful consideration should be given to the appointment of Recovery Managers pre-emergency, bearing in mind the different skill sets needed at different times.

Depending on the scale of the recovery and the size of the territorial authority, thought could be given to separating the roles, for example, one role with planning and capability building responsibilities to support the recovery pre-emergency, and a full-time Recovery Manager post-emergency with a leadership role,

performing the statutory functions, duties and powers under the CDEM Act. If Recovery Managers are different people pre-and post- emergency, training and a robust handover, including transfer of local knowledge and relationships, are needed to maintain continuity and momentum.

MCDEM should consider providing guidance about these matters.

3.3.3 Evolving responsibilities between CDEM Group and territorial authority executive teams

Findings

With the shift from response to recovery, leadership transferred from Controller to Local Recovery Manager to territorial authority chief executive, supported by their business as usual team, working alongside the recovery team. In practice, this meant territorial authority chief executives led recoveries, rather than Local Recovery Managers, and that, over time, recovery and business as usual became integrated. It meant the Local Recovery Manager's principal reporting line was to the territorial authority chief executive, rather than the Group Recovery Manager (as per the CDEM Act). It also meant the relationship between the recovery team and the territorial authority's business as usual structure became an increasingly important element of an effective recovery. (Note however, Recovery Managers, not chief executives, have the powers and responsibilities during a transition notice.)

Most interviewees saw the shift of recovery leadership from Local Recovery Manager to chief executive as appropriate, reflecting the accountabilities of territorial authority staff to their elected members and ratepayers, and the long-term nature of some aspects of recoveries.

Recommendation

The crossover of responsibilities between Local Recovery Managers and chief executives was an area of confusion for some. MCDEM should work with the CDEM sector to provide clarity on evolving roles and responsibilities. It should provide guidance on reaching an understanding through dialogue.

3.3.4 Supporting the territorial authorities

Findings

Following the Director CDEM's delegation of the statutory role of National Recovery Manager and the establishment of the National Recovery Office, the National Recovery Office became the primary point of interaction for local leaders, territorial authority chief executives and recovery managers. This was primarily because various parts of central government were key partners across the four recovery environments (Section 4) and because central government was the primary potential source for funding in multiple areas. The approach enabled effective, streamlined coordination and is recommended for future recoveries of a similar scale (Section 3.4.2).

The National Recovery Office being the primary point of interaction caused some uncertainty among CDEM Group staff, including Group Recovery Managers, for example about whether they were fulfilling their roles appropriately or if they were being by-passed.

The Canterbury Regional Council (Environment Canterbury) and Bay of Plenty Regional Council had direct responsibilities, for example for implementing the Resource Management Act, flood control, waste management, and Environment Canterbury, for the restoration of the Kaikōura Harbour. This work crossed between recovery and business as usual structures and was coordinated by the chief executives to ensure clarity of responsibilities. Clarity and guidance about the crossover of responsibilities between regional councils and territorial authorities in recovery would be useful.

Some interviewees discussed the practicality of locally-led recoveries in the face of emergencies that might be very large relative to the size of the community and territorial authority.

Some CDEM Group and central government officials questioned whether the desire for local autonomy in the recovery meant some value-adding offers of support, such as staff resource, may have been declined, to the potential disbenefit of the community.

Some territorial authority officials said the primary constraint they faced in leading recovery was in capacity rather than capability, and that access to additional capacity was the most valuable form of support.

Some local level officials would have liked support in the form they (rather than the offeror) saw as most helpful (for example, access to funds for urgent action, with complete flexibility as to how to deploy the money). 'Trust us and get out of the way' would be one characterisation. This comment is a reflection of the balance (and tension) between the need for locally-led determination of priorities and spend, with the need for government to ensure accountability for public funds, while still minimising bureaucratic processes. Funding is discussed further at Section 5.

Conclusion

The natural tension between locally-led recovery and central government accountability is best managed through ongoing dialogue and pre-existing relationships between leaders at the three levels. CDEM Group and national officials should be prepared to become more actively involved, if it becomes clear that the scale of recovery is beyond the capacity of local leaders. The matter reinforces the need for Recovery Managers with the right skills and experience being appointed pre-emergency.

Recommendations

MCDEM should provide clarity and guidance about roles and responsibilities across national, CDEM Group and local levels and the crossover of responsibilities between regional councils and territorial authorities in recovery.

3.4 Organising central government for recoveries

3.4.1 MCDEM, DPMC and National Recovery Office

MCDEM's leadership of the system and of collective work across the four Rs is well understood and accepted.

Findings

Feedback indicated less clarity about MCDEM's role in recovery, particularly in its relationship with DPMC after the 2016 earthquake and tsunami. External perception was that National Recovery Office was part of DPMC. National Recovery Office staff noted the value of being perceived and branded as part of DPMC, the credibility this implied for access to Ministers and the ability to influence central government.

Several factors contributed to the complexity of the situation:

- The 2016 earthquake and the Whakatāne flood were the first emergencies that required national level recovery coordination and support since MCDEM moved from Department of Internal Affairs to DPMC.
- The Director CDEM performs a statutory role under the CDEM legislation, and reports to the DPMC chief executive for non-statutory purposes.

- The DPMC chief executive chairs the Officials Committee for Domestic and External Security Coordination, which is the primary means of organising central government in support of Ministers for the National Security System.
- MCDEM's policy requirements are serviced by DPMC's National Security Policy unit. In the aftermath of the 2016 earthquake, the National Security Policy unit took a lead role in such things as the Kaikōura and Hurunui emergency legislation. This may have led to perceptions that DPMC was leading the recovery.
- The Director CDEM is National Recovery Manager unless she decides to delegate the role. (The Director CDEM delegated the role of National Recovery Manager and established the National Recovery Office about four weeks after the 2016 earthquake. The National Recovery Manager reported to the Director CDEM.)
- The National Recovery Office staff were contractors, who may not have strongly identified with MCDEM or have had an in-depth understanding of the emergency management system.

Feedback on the contribution of central government focused more on the National Recovery Office and on the performance of individual government agencies in specific areas of recovery, than on MCDEM or DPMC.

Some members of MCDEM's Analysis and Planning team and some MCDEM Unit staff, who ordinarily have recovery roles and responsibilities, noted they were unclear on their roles relative to those of the National Recovery Office, and that their local relationships and knowledge were not used to full extent.

Conclusions

These findings reinforce the need for clearly defined roles and responsibilities of all parties in recovery.

3.4.2 National Recovery Manager and National Recovery Office

The National Recovery Office was established to coordinate national recovery activities and be the first point of contact in central government's support for the locally-led recoveries.

The key strengths of a National Recovery Manager include an understanding of local government relationships, knowledge of the areas and communities, and relationship, conflict management and leadership skills. MCDEM appointed a National Recovery Manager whose strengths were in these areas, rather than with an emergency management background.

The National Recovery Manager appointed staff and built a small team with a mix of policy, communications and operational skills.

In April 2017, the remit of the National Recovery Office was extended to include support for recovery from the Whakatāne District floods. The Director CDEM appointed a Recovery Facilitator, who frequently visited the region. Feedback is that this model worked well and was valued by those leading the recovery locally as an effective way to access support from central government and enable integration across boundaries.

Findings

The National Recovery Office was effective in working across central government to promote joined-up support for the various local recoveries. As noted above, close association with DPMC probably helped the National Recovery Office exert influence across the relevant parts of central government.

Several interviewees noted the value of the National Recovery Manager being appointed early in the recovery. (While the appointment was made after the transition notice was issued, there was no gap in responsibilities, as the Director CDEM remained National Recovery Manager until delegating the position.)

Feedback overall on the establishment of the National Recovery Office and the role played by the National Recovery Manager was positive.

Several interviewees commented favourably on the National Recovery Manager's experience in working at senior levels in central government and with local government, his understanding of the affected regions and his established relationships. They also valued his regular visits, visibility and accessibility, support for locally-led recoveries, and had confidence he would follow through on commitments.

Local Recovery Managers and senior managers in territorial authorities particularly appreciated the National Recovery Office. They consistently commented on the value added by the National Recovery Office in helping them navigate central government, in 'knocking heads' in Wellington and accelerating action. The National Recovery Office understood and had access to the machinery of government and was not bound by regional, city or district boundaries.

Based on their understanding of MCDEM's recovery arrangements under the CDEM Act, a few CDEM Group staff questioned the appropriateness of the National Recovery Manager interacting directly with territorial authority teams, rather than working through CDEM Group. In the circumstances, this interaction reduced complexity. Again, clarity on roles and responsibilities is needed.

Recommendations

The delegation and appointment of a National Recovery Manager and the establishment of a National Recovery Office enabled effective, streamlined coordination and is recommended for future recoveries of a similar scale.

The Director CDEM should consider:

- A dedicated recovery resource, including a permanently delegated National Recovery Manager (and alternates) and Recovery team (similar to the permanently delegated National Controller and National Operations team). A permanent National Recovery Manager and Recovery team would strengthen MCDEM's recovery capability, so it can focus on pre-emergency preparedness and maintain links across government, enabling a warm start to a recovery after a medium- or large-scale emergency as needed.
- The Recovery team needs to be scalable with capacity to have oversight of concurrent recoveries or where a recovery crosses multiple areas. It needs to have the right mix of resource, at the ready to be deployed. In a similar way to response operations, in a smaller scale recovery, the Recovery team may only need to coordinate information and monitor, whereas in a large-scale recovery, it will need to exercise powers and functions.
- Recognising the differing National Recovery Manager roles pre- and post-emergency and consider disaggregating the roles. If two separate roles are decided upon, the post-emergency National Recovery Manager and alternates with the right backgrounds and experience for very significant emergencies should be pre-appointed. Depending on the scale and complexity of an emergency, the National Recovery Manager should be ready to start as soon as possible after an emergency.
- MCDEM would need additional funding to strengthen its recovery capability in this way.

While clarity on roles and responsibilities is needed, the approach should be flexible and adaptable to take account of the different strengths needed at different times during the recovery.

3.4.3 MCDEM Unit staff

MCDEM Unit staff in the regions act as an on the ground interface between MCDEM and the CDEM Groups regionally.

Findings

Feedback from MCDEM Unit and CDEM staff in several regions and localities was that MCDEM Unit staff played an important role in supporting CDEM Group and local leaders to secure resource and establish appropriate organisational arrangements to support response and recovery. Their presence in the regions and existing relationships were assets.

The role of MCDEM Unit staff after the recovery arrangements had been established and the National Recovery Manager and Whakatāne Recovery Facilitator appointed was unclear - to them and to CDEM Group and local recovery teams.

3.4.4 MCDEM's roles in stewarding the emergency management system and contributing to recoveries

The National CDEM Plan details the comprehensive approach to managing hazards and risks in New Zealand. It sets out the very large number of entities with a part to play. For most, contribution to managing natural hazards and risks is one element of their core business, whereas this is core business for MCDEM and the CDEM Groups.

MCDEM is responsible for establishing the recovery framework for New Zealand, and the Director CDEM has the statutory position of National Recovery Manager under the CDEM Act.

MCDEM is the natural steward of the emergency management system, working with DPMC, and the Officials Committee for Domestic and External Security Coordination's Hazard Risk Board to ensure the system remains current and dynamic, for example by regular testing, learning from emergencies and updating as context changes.

The defining strength of the emergency management system and of MCDEM is in preparing for and performing in emergencies, with lives and property at risk and immediate action required. The CDEM Groups provide great value in keeping the system alive across the 4Rs during peacetime, in training and in pooling of resource. They are at the ready to support in a recovery. MCDEM works with the CDEM Groups to ensure recovery staff are appointed and trained.

Local recoveries after transition periods tend to be long-term, and involve a range of policy and operational issues. The 2016 earthquake and 2017 Whakatāne flooding recoveries were led by chief executives reporting to their elected members and using recovery teams that were a mix of CDEM and other staff working with business as usual teams and supported by CDEM Group and national resources. The national support of locally-led recoveries involved a range of agencies undertaking a mix of policy, operational and service delivery activities, over varying times.

Findings

Feedback was generally supportive of this broad approach: MCDEM, through the National Recovery Manager and Recovery team, stewarding the emergency management system, ensuring planning for recoveries and then, post-emergency, putting in place the right mix of capabilities to enable effective national level contribution (a mix of leadership and support) to the recovery.

Conclusions

MCDEM is well placed to support deliberate and regular assessment, decision-making and communication of roles and responsibilities across the emergency management system as recoveries unfold, to minimise uncertainty and concern. However, MCDEM, in its current form, is inadequately resourced to be wholly effective both in stewarding the ongoing strengthening of the system, and in leading the national element of recoveries as required, especially after a medium- or large-scale emergency or if several emergencies were to occur concurrently.

Recommendations

MCDEM should work internally and with the CDEM sector to provide clarity on roles and responsibilities, especially where there is potential for crossover and ambiguity. It should consider how roles and responsibilities might change with the evolving stages of a recovery. Clarification is needed on the roles and responsibilities of:

- MCDEM and DPMC
- Group Recovery Manager and territorial authority chief executive
- Regional Council and territorial authorities
- National Recovery Office staff and other MCDEM staff, including MCDEM Unit staff
- National, Group and Local Recovery Managers
- MCDEM and other central government agencies involved in recovery.

MCDEM should provide guidance and training to the CDEM sector and staff on:

- roles and responsibilities as above, once clear
- surfacing and resolving difficult and ambiguous issues through dialogue and collaboration
- appointing appropriately skilled and experienced Recovery Managers pre-emergency, requiring different pre- and post-emergency skill sets, signalling these may not be the same incumbent
- maintaining continuity between pre-and post-emergency Recovery Managers, where necessary
- transition to business as usual.

It should then consider how best to promote and embed the guidance.

See also the recommendations about the appointment of a permanently delegated National Recovery Manager in Section 3.4.2.

3.4.5 Local and national forums

In January 2017, the National Recovery Manager convened a Chief Executives' Forum, with membership from the earthquake-affected councils (local and regional) and Ngāi Tahu. Key central government agencies, including Department of Internal Affairs, Ministry for Business, Innovation and Employment, Ministry for Primary Industries, NZ Transport Agency and the district health boards, attended. The Local Recovery Managers sometimes attended.

The National Recovery Manager established an All of Government Recovery Coordination Forum of central government representatives to share knowledge and progress issues. The All of Government Forum had oversight of the 2016 earthquake, the 2017 Whakatāne floods and several other recoveries in 2018.

The Whakatāne Leaders' Forum, established by the Whakatāne Recovery Facilitator after the 2017 flooding, comprised chief executives of affected councils and local iwi and central government representatives. The Group and Local Recovery Managers always attended meetings.

Other forums included the Oversight Group (established to provide the Ministers of Transport and Finance with confidence the South Island Transport Corridors reinstatement project was well coordinated between NZ Transport Agency, KiwiRail and NCTIR), the Coastal Restoration Liaison Group (NZ Transport Agency, Ngāi Tahu and central government liaison about operational matters in the restoration of SH1) and the Kaikōura Earthquake Tourism Action Group of Kaikōura District Council, central government and operators.

Findings

Interviewees valued the Chief Executives' Forum because:

- attendees were senior and represented organisations with a first order interest in the work of the Forum
- the Forum could address issues that spanned regional boundaries
- Forum members had confidence the National Recovery Manager would ensure follow-through on agreed actions.

Limited feedback was received on the Whakatāne Leaders' Forum and the All of Government Forum Recovery Coordination Forum.

The Chief Executives' and Leaders' Forums and the actions they initiated meant Local Recovery Managers were often not directly involved in some of the decision-making for recovery. Some territorial authority interviewees noted this point and the value of the Local Recovery Office being a single point of leadership and coordination for all recovery-related matters.

Respondents felt the forums established by the National Recovery Office had the right people from the right organisations at local, regional and national levels. These forums were purposeful and the local authorities trusted them to initiate and follow through with actions.

Recommendations

Local and national forums were useful in both recoveries to enable information sharing, coordination and initiate action. MCDEM should consider establishing similar forums when the need arises. Thought should be given to making Group and Local Recovery Managers explicitly part of the forums. Templates and a database of contacts will facilitate the rapid establishment of such forums.

3.4.6 Central government departments and Crown entities

Feedback from territorial authorities and some MCDEM and CDEM Group interviewees on the performance of the various agencies with roles in recovery ranged from very positive to concerns about such things as slowness to act and to commit expenditure, risk aversion, inflexibility in approach and early withdrawal.

Findings

Mechanisms that helped promote appropriate levels of engagement and action include:

- Officials Committee for Domestic and External Security Coordination being a well-established mechanism for coordinating and directing action, particularly in response and the early stages of recovery.
- The Chief Executives' Forum and Leader's Forum, supported by central government, engaged key chief executives through the recoveries (Section 3.4.5).

Recommendations

MCDEM should explore advising the Officials Committee for Domestic and External Security Coordination to expand its role, for example, by including recovery on the agenda of its regular Board meetings.

3.5 Supporting Ministers

Significant emergencies affect multiple Ministerial portfolios. The Minister of Civil Defence was the lead Minister for the recoveries in this Review, but depending on the type of emergency or crisis, another portfolio Minister could be lead, for example the Minister of Health may lead for a public health issue or

pandemic. Optimal Ministerial arrangements for recovery will vary through time and from one recovery to another.

Portfolio Ministers are likely to take an active interest in response and the early stages of recovery, visiting affected communities and offering a range of support. However, maintaining the right level of focus and coordination through the full life of a recovery is more challenging.

Findings

Recovery from larger emergencies requires input from multiple agencies, which potentially raises several policy issues. There might be value in a Ministerial coordinating group to oversee central government's input for significant emergencies. Such a group, led for example, by the Minister of Civil Defence, could provide collaborative leadership.

A Ministerial coordinating group could help ensure consistent priorities across portfolios, and help avoid duplication or gaps for issues that cut across more than one portfolio (for example related to the CDEM, Resource Management and Building Acts). Having an approved default governance model as the basis for a discussion with Ministers pre-emergency might enable quick adoption of the model, amended to meet the specific circumstances.

Recommendations

A coordinating group of Ministers overseeing major recoveries would help ensure appropriate focus and weight in departmental decisions about priorities. MCDEM should consider providing advice about developing a Ministerial coordinating group model to oversee central government's input into a recovery, which Ministers could adopt at short notice.

3.6 Planning for and resourcing ongoing strengthening of the emergency management system

Findings

Interviewees noted the value of work done through the emergency management system, led by MCDEM, in planning for, appointing and training recovery staff. Past evaluations ([CDEM Capability Assessments 2012 and 2015](#)) concluded CDEM groups are less prepared for recovery than they are for response.

The recent legislative changes, introducing the statutory Recovery Manager positions, with the addition of transition notices and powers, have helped raise the profile of recovery.

Several interviewees commented positively on the recovery preparation they had done under MCDEM's leadership and prompting, noting they were better prepared than they otherwise would have been.

Local Recovery Managers in place pre-emergency (as a part-time role, concurrent with other responsibilities) generally did not remain in role post-emergency, reflecting the scale of the challenge and the need for a full-time resource.

Currently MCDEM has two full-time staff in its recovery team, and no permanent delegation to a National Recovery Manager. MCDEM interviewees thought MCDEM inadequately resourced to be wholly effective in stewarding the ongoing strengthening of the emergency management system, building relationships and leading the national element of recoveries as required.

As at the local level, MCDEM may not, during normal business, be able to appoint a National Recovery Manager of the seniority and experience needed after a major emergency. However, sufficient resource pre-and post-emergency is essential if MCDEM is to be effective in stewarding the system and in contributing to future recoveries.

Recommendations

Improvements are being made in strengthening the system and leading the national element of recoveries, but MCDEM should consider what more needs to be done.

These findings support increasing MCDEM's recovery capacity, including the permanent delegation of a suitably senior and experienced person as the National Recovery Manager (perhaps disaggregating the role as discussed at Section 3.4.2).

3.7 Transitioning from response to recovery to business as usual

3.7.1 Transitioning from response to recovery

Findings

Comments about determining when to switch from response to recovery included:

- Optimal transition timing will vary from one issue to another so characterising the switch as binary is an over-simplification.
- Ensure knowledge transfer is as complete as possible, particularly if all the Controllers take a break on transition from response. The earlier recovery planning starts the better.
- The new transition period provisions enabled an earlier switch from response to recovery than might previously have occurred. The implications of an earlier shift are that response staff need to be ready for transition. This involves a dialogue between the Controller and Recovery Manager to transition at an agreed point that maximises efficiencies. Reflections of respondents suggest most teams felt they had made the shift from response to recovery at about the right time. Some noted a loss of the immediacy of local relationships and detailed knowledge, and therefore of continuity and momentum.

Conclusion

Several pointers emerge:

- the earlier recovery planning starts the better
- ensure knowledge transfer is as complete as possible
- response staff need to be ready for transition.

3.7.2 Transitioning from recovery to business as usual

Functions of recovery are long-lived and are likely to outlast the life of formal organisational arrangements for recovery.

Continuing support versus returning to business as usual will depend on the size and scale of event, the size of the territorial authority, and staff capability and capacity in the affected territorial authority.

Findings

Feedback included that maintaining a Local Recovery Office is a good way to stay focused, but that it is important to target and manage a return to business as usual, with careful allocation of responsibilities where recovery is ongoing.

In central government, MCDEM faces the particular challenges of capacity and allocation of resource that it might be involved in multiple recoveries, while also needing to be ready to divert resource to respond to any new emergency. This means careful consideration of capacity and capability is needed.

Some local recovery teams expressed disappointment that the National Recovery Office had not remained in operation longer as they valued the connections it had into the Wellington machinery of government

and access to Ministers (Section 3.4.2). (MCDEM has an ongoing oversight and monitoring role, whether or not a National Recovery Office is active.)

The National Recovery Manager questioned whether a slightly earlier end date for National Recovery Office might have been feasible.

Ending or reducing National Recovery Office support earlier will reduce the possibility of territorial authority dependence, support territorial authority and community autonomy, and be a driver for territorial authorities to strengthen their internal capability across the 4Rs before an emergency.

The decision to return to business as usual requires a balance between continuing to provide support where it is needed and a return to business as quickly as practicable.

Recommendations

MCDEM should provide guidance on:

- factors to consider when making transition decisions
- how to facilitate effective handovers from response to recovery.

Section 4 Recovery environments

MCDEM guidance and pre-emergency planning recommends organising recovery structures around four environments: natural, built, economic and social. In combination, these environments address the main consequences of an emergency and interests of the impacted community.

Findings

Most interviewees reflected on the effectiveness of this way of organising, and on the effectiveness of the recovery effort in each of the environments.

Group and Local Recovery Managers generally used the MCDEM-recommended framework as a starting point for organising recovery structures, but then adapted to fit particular challenges. Some focused more on projects (such as Kaikōura Harbour) than on environments.

Some questioned whether rural should be a fifth environment, on the basis that rural communities had some different needs and different support mechanisms from urban communities. Support in rural communities was more targeted towards farmers than families in lifestyle blocks or owners of land that was not being actively farmed (including some Māori-owned land). An implication of rural not being a discrete environment is that support for lifestylers and Māori landowners could fall through the cracks.

Some also questioned whether cultural should be an additional environment, but generally concluded that cultural is an important element in each of the four main environments and is probably best woven through the environments (for example Whakatāne District Council underpinned the environments with 'Working in partnership with Iwi').

The recovery environments structure reflects the reality of most communities. Most emergencies will have natural, built, economic and social aspects, so the framework is a useful starting point to organise data and resources. However, impacts will vary so any framework needs to be scalable and flexible, and adaptable over time. The framework may quickly evolve into projects, which too may change over time. A project-based approach may be an appropriate starting point in some situations.

Recommendations

MCDEM should provide guidance about how to use the recovery environment framework, explaining it is meant to be adaptable and that a project-based approach may be more relevant and effective in some situations. Guidance about factors to consider when evaluating the impacts would help recovery managers develop, monitor and evaluate recovery structures.

4.1 Data, information, targets and performance measurement

Data and information findings

A common theme in the feedback was the importance of good information to underpin each recovery environment. Good situational information across agencies (a common operating picture) is needed for decision-making.

Having as complete a picture as possible of such things as the location and circumstances of families, animals, an accurate assessment of the condition of houses, buildings and other hard infrastructure, current risks and the emerging financial consequences of an emergency are all critical inputs to effective decision-making, resource allocation and performance monitoring through a recovery.

Problems in collecting data and managing information commonly cited by interviewees included:

- System inadequacies, including of MCDEM's Emergency Management Information System (EMIS system). This finding supports the emergency management system reform recommendation

about improving the information and intelligence system that supports decision-making in emergencies. (EMIS is currently being upgraded to a new platform.)

- Inconsistency in the way data was collected and stored, restricting its usefulness and interoperability. For example, interviewees noted insurance companies did not have a common set of data standards.
- Multiple and over-lapping data collection exercises in some areas, for example when door-knocking households in severely impacted communities.
- Privacy concerns about the release and use of some types of information. For example, some insurance companies were reluctant to share house-specific information with territorial authorities, and there was sensitivity around data collected for specific purposes (for example by the Ministry of Social Development). MCDEM has agreed a protocol for data sharing with the Privacy Commissioner, but this only applies in national states of emergency.

Targets and performance measurement findings

Setting targets, measuring performance against targets and objectively assessing the effectiveness of a recovery is inherently difficult. Comprehensive information on post-emergency conditions takes time to piece together, conditions can change (for example, weather and seismic activity after the earthquakes causing further slips and delaying works, or wet weather delaying the drying out of homes in Whakatāne) and outcomes typically depend on collaboration between public and private entities.

Some territorial authorities did set targets, such as having people home by Christmas, which helped with morale and in maintaining a sense of urgency. Ministers made public commitments on the timing for the reopening of SH1, which were important for morale and in informing planning by communities and businesses impacted by the road closure. Communications about targets can be a difficult balance between providing openness and transparency so communities and businesses can plan, but without over-committing and having to back track if events arise that prevent targets being achieved.

Recommendations

- There is scope to improve arrangements for data collection and information management after significant emergencies. MCDEM is the lead agency and already has some work underway (for example replacing EMIS).
- MCDEM continue to engage with EQC, the Insurance Council NZ, the Privacy Commissioner and utility providers (including energy and telecommunications). Data sharing protocols should be developed, obviating the need to use powers to collect data. If powers are to be used to compel the provision of data, enforcement mechanisms would need to be considered.

Feedback about the environments

The following sections of the Review reflect feedback about each environment. Housing and social attracted the most and the most strongly felt comments.

4.2 Natural environment

MCDEM defines the scope of the natural environment as including natural resources, water pollution, amenity values, biodiversity and ecosystems.

Findings

Both emergencies significantly impacted the natural environment, particularly in Kaikōura, Hurunui and Whakatāne. Feedback is that recovery work generally went well.

Regional Councils have a more central role in the natural environment than in the other environments. The Regional Councils have well-established relationships with central government agency partners, notably Ministry for the Environment, Ministry for Primary Industries, Department of Conservation and Department of Internal Affairs. Regional Councils have more resource, including specialist staff such as scientists, than do most territorial authorities.

Interviewees generally felt Regional Councils had taken a pragmatic approach to dealing with impacts on the natural environment, in relation to the Resource Management Act and in undertaking direct action, including for such things as new dams forming in Hurunui due to earth movements.

The regional-local dynamic following the Whakatāne flood was complicated in that the failure of the Regional Council's stopbank was a factor in the extent of the damage caused by the event.

4.3 Built environment

4.3.1 Infrastructure - transport

MCDEM defines the scope of the built environment to include residential housing, commercial and industrial property, public buildings, rural farmland and lifeline utilities. In practice, infrastructure is considered as part of the built environment.

Transport and water infrastructure was impacted in both emergencies, particularly in Kaikōura and Hurunui.

Local roads and water infrastructure are core business for territorial authorities, who have staff dedicated to these areas of activity.

Findings

Interviewees generally commented positively on transport recovery, notably Kaikōura Harbour, SH1 and the Main North Line.

Contributory reasons included:

- Central government accountabilities are clear for road (NZ Transport Agency) and rail (KiwiRail).
- Ministers made public commitments relatively soon after the emergency to restore SH1 and the Main North Line and to contribute to the restoration of Kaikōura Harbour.
- NZ Transport Agency's funding enables flexibility to reprioritise across its multi-year work programme in response to natural hazard emergencies, and in its cost-sharing arrangements with territorial authorities for local roads.
- Emergency legislation facilitated accelerated consenting processes.

As a result, consenting, decision-making, funding, cost-allocation and implementation all appeared to progress relatively smoothly.

As noted at 3.2, iwi had concerns about the impact of the rebuild on sites of cultural significance, and would have liked to have spent more time working with NZ Transport Agency and NCTIR to build a shared understanding and agree appropriate mitigations.

The NCTIR workforce had a significant impact on the housing market in Kaikōura, discussed at 4.3.6.

The 2016 earthquake caused significant damage to town and rural water supplies, and to wastewater and stormwater infrastructure services. Damage to water infrastructure after the Whakatāne floods was relatively minor.

Territorial authority interviewees had some frustrations about decision-making on scope of work and the nature of cost-sharing with central government, discussed in Section 5.

The ongoing funding and extent of resilience of three waters infrastructure is a challenge across several parts of the country and is the subject of a comprehensive [review](#) of the management of drinking water, stormwater and wastewater (three waters) by Department of Internal Affairs, working closely with local government and other stakeholders.

4.3.2 Infrastructure - Energy and telecommunications

Energy and telecommunications networks are largely privately-owned and market-based.

Supply was quickly reinstated following the 2016 earthquake, with the focus shifting to understanding and, where possible, strengthening resilience, given the heightened risk of subsequent major earthquakes.

Similar issues arose about the resilience of Wellington's port and regional water supply. This remains an important area of focus.

4.4 Housing, insurance and commercial buildings

Housing issues were among the more complex recovery challenges.

Both emergencies resulted in families being displaced from their homes due to damage, an issue in the immediate aftermath of the emergency and when damaged, but also while occupiable houses, were being repaired (which can be much later).

4.4.1 Temporary housing

Under the National CDEM Plan, the Ministry for Business, Innovation and Employment is responsible for providing a Temporary Accommodation Service, which works with affected householders to find safe, secure and accessible temporary accommodation until their homes are ready to be reoccupied.

Findings

Feedback from local government interviewees on temporary accommodation was mixed. Interviewees were appreciative of the support provided by central government through the Temporary Accommodation Service, and the speed with which support was initiated post-emergency. Interviewee also raised several Temporary Accommodation Service related concerns:

- The service took longer to establish in some of the more remote rural areas.
- The process for accessing the support required people to contact the Temporary Accommodation Service, which some were reluctant to do. A lack of reaching-out to families who clearly needed housing support was a gap.
- The development of workable solutions was sometimes too slow and included impracticable options (for example, housing some way from the normal place of residence, which would have disrupted work, school and social routines). This was a particular challenge for farm workers who needed to be housed on or close to the farm, and for Edgecumbe families temporarily housed in the Whakatāne Holiday Park.
- The range of housing solutions considered was too narrow.
- Some households with damaged but still liveable properties did not get the support they needed.
- The Temporary Accommodation Service (appropriately) worked directly with impacted families, rather than through the Local Recovery Office, which complicated coordination across work

streams and the building of a comprehensive picture of the current state for affected households and properties.

- Some families renting properties were displaced because of increased demand for housing in the locality and were not offered financial support.
- Financial support was insufficient to compensate households who had to continue mortgage payments while also meeting temporary accommodation costs.
- In some cases, damage to a house exposed asbestos, which complicated cost and timing of repairs.

Recommendations

Several of these issues might warrant further work (some of which is already underway):

- Ministry of Business, Innovation and Employment set clear guidelines about the circumstances in which support will be provided, and the extent of that support, to provide clarity and manage expectations. This applies to all government agencies that provide support during recovery.
- Ministry of Business, Innovation and Employment explore having a dedicated funding stream to support Temporary Accommodation Service activities, underpinned by a consistent approach to assessing the costs and benefits of different forms and levels of support.
- The Temporary Accommodation Service consider purchasing and holding a stock of rapidly deployable temporary housing units, pre-consented as far as possible. There would still be a need to find suitable sites and connect the units to water and power.
- Temporary Accommodation Service consider a process for working with local recovery offices to reach out to affected families, which have not applied for support.

MCDEM should consider leading conversations with the relevant agencies to progress these recommendations.

4.4.2 Housing and insurance

Insurance issues were a major cause of delay and stress to families after the February 2011 earthquake in Christchurch.

Findings

By comparison, feedback to this Review from local government interviewees on the responsiveness and quality of service from EQC and the insurance companies (and on managing the relationship between EQC and the private insurers) was much more positive. Notwithstanding this, some issues were identified, including:

- Access to data on the insurance position of affected houses. In Edgecumbe, following consultation with Insurance Council NZ, Whakatāne District Council estimated around 50% of the affected houses were uninsured and developed recovery plans on this basis (assuming uninsured families would require considerably more support than those with insurance). In the event, the figure turned out to be closer to 5% uninsured. Access to insurance data on a consistent basis was discussed at 4.1.
- The number of cash sum settlements and the insurance company new model of settling a fixed sum rather than replacement cost (adopted after the February 2011 Christchurch earthquakes). A potential impact of these matters is that some homeowners might not repair or rebuild, with a potentially long-lasting impact on the safety and liveability of the house and an impact on the surrounding neighbourhood.

Some interviewees commented on the value of rapid resolution of insurance issues, not least in reducing stress on homeowners, and expressed support for central government's appointment of Residential Advisory Services to support timely settlement of insurance issues. The Residential Advisory Services in Kaikōura and Whakatāne were well received, and the service is a useful standard recovery option for significant emergencies.

Interviewees noted no one had oversight of the local housing market through these recoveries, with the territorial authority and Local Recovery Office being the closest.

Recommendations

MCDEM's ongoing relationship with EQC, Insurance Council NZ and its members, and identifying and working through potential issues ahead of emergencies, will be important in supporting future recoveries.

Development of a standard Residential Advisory Services model (including accountability for deployment and funding arrangements) as part of post-emergency housing support might be a worthwhile investment.

In some circumstances, a housing oversight role (for example monitoring and reporting, coordinating across key players) would likely add value to a recovery, and decisions about who should have this responsibility (for example the territorial authority and Local Recovery Office or the new Ministry of Housing and Urban Development) should be considered.

4.4.3 Wider housing issues

Demand and supply

Major emergencies and their aftermath can cause a range of disruptions to local housing markets, well beyond creating the need to house temporarily displaced families.

Several interviewees had perspectives on the Kaikōura housing market, which went through several post-emergency phases that impacted on the local community.

Housing supply reduced in the immediate aftermath of the earthquake, as a result of damage to houses and to land (or adjacent buildings) that made houses in the vicinity unsafe to occupy. Demand also reduced initially, as tourism demand for accommodation temporarily ceased.

Over time tourism demand picked up, concurrently with displaced families needing temporary accommodation.

The build-up of the NCTIR workforce caused a sharp increase in demand for accommodation, which potentially flowed through to higher rent levels, and a consequent adverse impact on those least able to afford rent increases. This pressure abated with the construction of the NCTIR accommodation village.

The demand for repair work meant a shortage of tradespeople and an increase in their charge out-rates, which flowed through to the cost and timing of repairs. Kaikōura-based interviewees noted some homeowners were reluctant to engage tradespeople from places such as Christchurch because of uncertainty about the quality of their work and about the practicality of getting remedial work done if required.

Natural hazards

As discussed at 2.2, natural hazards in Kaikōura and Hurunui threatened buildings that were otherwise safe.

Government's offer to buyout red-zoned properties at pre-earthquake valuations in Christchurch raised expectations of house-owners with red placards after the 2016 earthquakes. Some interviewees

commented on speculative purchases of red-placarded houses in the expectation of on-selling to government.

Conclusions

A clear government framework on the treatment of red-placarded houses would help manage expectations and contribute to consistent decision-making through time.

Territorial authorities need to continue working with communities when the hazard scape changes after natural hazard events alter the risk status of properties.

4.4.4 Commercial and multi-tenant buildings in Wellington

The 2016 earthquake damaged several multi-storey buildings in Wellington, raising questions about the safety of some buildings in light of the failure of the Statistics House building.

Wellington City Council used transition notice powers and Building Act powers to control access to dangerous buildings and require building assessments.

Findings

Ensuring territorial authorities have the necessary powers via the most appropriate mechanisms (between the CDEM and Building Acts) in relation to buildings (for example to obtain information and limit access) is the subject of ongoing review. (A Bill to amend the Building Act 2004 was introduced in August 2018. It proposes new powers that aim to address risks to people and property from buildings during and after an emergency).

Wellington City Council interviewees noted they could draw on well-established relationships with MCDEM and Ministry for Business, Innovation and Employment to work effectively through building issues that required action.

The heightened risk of aftershocks led to senior officials from the Officials Committee for Domestic and External Security Coordination, Wellington City Council and Wellington Regional Council focusing on the limited resilience of aspects of Wellington's hard and soft infrastructure, including the port, water and electricity supply, and health services after a significant emergency. Several medium-term improvements to resilience were initiated; an example of taking advantage of a significant emergency to reduce future risks that might otherwise not have got priority.

4.5 Economic environment

MCDEM defines the economic environment as including individuals, businesses, infrastructure and government.

This part of the Review focused on support for individuals and businesses impacted by the emergencies, and on broader economic recovery for the affected regions.

Post-emergency support for businesses and their employees built on action taken in Christchurch after the 2011 earthquakes to provide support for employment and business. The Ministry for Social Development administered wage subsidies and Ministry for Business, Innovation and Employment established grant schemes for impacted businesses (administered by local business groups).

The nature of the impacts on businesses were varied, including loss of premises, loss of customers (for example because of the closure of SH1 or the temporary shift of people out of Edgecumbe) to the loss of critical equipment (such as tanks for the wine industry in Marlborough, where the wineries were proactive in finding solutions in time for harvest) to damage to a shopping mall and some of its premises (Lower Hutt).

Findings

Interviewees said support schemes worked reasonably well and served their intended purpose in supporting employment and business viability after emergencies, without removing incentives on businesses to manage their own recoveries. (Note affected businesses were not interviewed as part of the Review.)

The Ministry for Primary Industries provided financial support to farmers who were adversely impacted. Rural landowners who were not actively farming did not receive this support.

Central government also provided support for broader economic recovery, for example in reinstating transport infrastructure (including SH1, Main North Line and Kaikōura Harbour), which was critical to many businesses in the impacted areas, and support for communication about localities that were open for tourism (such as Hanmer Springs).

Interviewees suggested areas for further review including:

- Whether the criteria for support were wide enough.
- Some of the locally administered grant schemes were slow to set up and overly bureaucratic.
- Local Recovery Managers would have welcomed access to limited funding upfront while more considered schemes were established (Section 5).

To a significant extent, the Ministry for Business, Innovation and Employment's financial support to businesses post-emergency was developed on an ad hoc basis in response to immediate need.

Taking stock of recent experiences and the conclusions from evaluations and reviews would provide an opportunity to clearly articulate the principles and likely practice for central government support for future emergencies.

Conclusions

In relation to businesses and their employees who are adversely impacted by natural hazard events, a balance is required between:

- Ensuring strong incentives (for example for appropriate insurances and in terms of such things as location choices) and support (for example access to reliable sources of relevant information) for businesses to build their own resilience; and
- Being as clear as possible about the exceptional circumstances in which government might provide some level of tax-payer-funded support, and the principles that would underpin the provision of any such support.

Recommendations

A clearly articulated government position on this balance would provide clarity for the business community and help ensure some level of consistency in government response (and in the prudent use of taxpayer funds) in the aftermath of major natural hazard emergencies. MBIE and MCDEM should consider further scoping of the issue to progress these recommendations.

4.6 Social environment

MCDEM guidance defines the social environment as including safety and well-being, health and welfare.

Findings

The social environment attracted the most varied feedback from the survey and from interviewees, with several issues identified. To make the point anecdotally, one interviewee observed the Chief Executives' Forum meetings were effective in working through each environment, apart from social, the discussion of which took much longer, involved many more parties, and with markedly less clarity about objectives or about roles and responsibilities.

Social recovery challenges range from the tail end of emergency welfare support in response, through a potentially broad focus on community well-being to the long tail of psychosocial issues that can follow a significant emergency.

There is practical difficulty in separating pre-emergency social issues from those caused or aggravated by the emergency.

The extent of social problems is influenced, to a degree, by the speed at which other emergency-related sources of stress (such as housing and employment) are resolved.

Feedback from interviewees suggests a lack of clarity about roles and responsibilities in social recovery.

MCDEM has a national leadership role in coordinating the welfare aspects of the social environment through the National Welfare Coordination Group, and took up the role for the national social recovery environment. While not a formally mandated role, MCDEM picked up this coordination activity to maintain continuity, given its role in coordinating welfare services.

The territorial authorities' role in social well-being is unclear and is not core business, particularly after the previous government's removal of the four well-beings from the purpose statement in the Local Government Act (the well-beings are being reinstated by the current government).

Local Recovery Managers typically appointed Social Recovery Managers, who focused mainly on community connectedness, for example by organising events to bring people together.

Some Social Recovery Managers appointed navigators to help connect affected families with social support. Interviewees were positive about the value added by navigators, but noted the lack of a reliable source of funding (some territorial authorities used New Zealand Lotteries Commission funding) for navigators.

Feedback was that the district health boards brought an overly clinical perspective (note district health boards were not interviewed as part of this Review). Interviewees commented that district health boards were slow to act (for example in deploying expert resource into the affected communities), reluctant to commit funds (most likely because of ongoing pressure on their ongoing financial positions), and insufficiently responsive to requests from the local community. For example, in Kaikōura some felt that funding navigators, rather than free doctor visits, would have been a more effective spend.

Marlborough was an exception, with the district health board delegating to the Primary Health Organisation, which had established relationships with the affected communities, and could integrate post-emergency support in its normal activities.

Several non-governmental organisations were active in supporting the welfare of impacted communities. This support was valued, but complicated the challenge of coordination across the various entities involved, and resulted in some families feeling over-surveyed about their needs.

The Ministry for Social Development maintained its ongoing responsibilities for some elements of welfare support, emergency and social housing.

Conclusions

The potentially long tail of psychosocial issues is likely to outlive formal recovery arrangements, so it is important that responsibility for ongoing attention is clear (recognising the more serious issues may relate to only a very small subset of the total population supported).

In summary, the underlying issues in social recovery are inherently complex, with no clear agency lead, so no organisational arrangement will be ideal. A possible approach is for the response lead to discuss and agree a social lead during handover. Greater clarity of roles and responsibilities of the agencies involved in social recovery is needed.

There appears to be scope to clarify the scope, responsibilities and funding of the main elements of social recovery.

Recommendations

MCDEM should consider leading work with agencies, councils and non-governmental organisations to:

- Develop a clear framework for the social environment, with a single agency having oversight and clear leads for all elements, including community engagement, psychosocial issues and housing issues.
- Clarify the role of territorial authorities in the social environment.
- Develop a model to clarify the scope, appointment and funding of navigators.

Section 5 Funding recoveries and cost-sharing between central and local government

The National CDEM Plan sets out how central government will contribute to costs incurred by local government on response and recovery expenditures. The principles are designed to ensure local government has incentives to manage hazard risks prudently and to limit expenditures post-emergency.

Findings

In practice, the allocation of the costs of recovery varies significantly from one area of expenditure to another. For example:

- NZ Transport Agency (funded by all road users) funds a high share of the cost of road repairs.
- Temporary accommodation, wage subsidies and business grants are taxpayer-funded, in some cases from baselines or a new recovery-related appropriation.
- Insurance funds a significant element of the cost of building rebuild and repair.
- The Crown contributed to the cost of reinstating Kaikōura Harbour.

Most territorial authority interviewees commented on the funding of recoveries, including the need to make rapid decisions in some areas, without certainty about the level of subsequent cost recovery from central government.

Government funding of social recovery costs includes psychosocial support through the district health boards and temporary accommodation via the Ministry of Business, Innovation and Employment. However, district health boards are constrained by their financial position in the funding they can allocate to recoveries. Some territorial authorities felt they had to rely on fund raising and lotteries grants to fund social recovery, particularly for navigators.

Three waters infrastructure is typically owned by the territorial authority, but central government reimburses local authorities up to 60 percent (above a threshold) for the cost of repairing essential infrastructure damaged in an emergency. Some territorial authority interviewees expressed dissatisfaction with aspects of these arrangements, including:

- The amount of investigative work and the complexity of the process required to submit a claim to MCDEM for cost-sharing (and a lack of clarity in the relationship between MCDEM and Department of Internal Affairs in addressing matters about local government finances after major natural hazard emergencies).
- The possibility of perverse incentives, for example demonstrating greater damage may elicit a higher central government cost contribution. Territorial authorities might consider under-insuring water assets, in anticipation of cost-sharing to repair any event-caused damage.

Some territorial authority interviewees were concerned they might receive less financial support if they did not declare a state of emergency or transition period or that they might receive less support the more financially prudent they had been pre-emergency.

Some interviewees said elected members were (understandably) reluctant to commit to recovery expenditure, being unsure of the extent of central government reimbursement and considering the potential impact on future rates.

Local government legislation specifies the process for territorial authorities to plan and consult on expenditures in the year ahead. However, the financial consequences of major emergencies are difficult to plan for and incorporate into these processes.

Another funding issue raised by stakeholders was the tension between minimising the cost of necessary investments versus the opportunity to enhance resilience by cost-effectively strengthening infrastructure in the course of repair or rebuild (for example fitting flexible joints on connected pipes), rather than replacing like with like, and then doing necessary strengthening as a separate project later. From MCDEM's perspective, the tension is more about restoring network performance and functionality, rather than restoring or increasing remaining asset life. Territorial authorities can increase their contribution to cover betterment at the same time repairs are carried out, and are encouraged to do so by MCDEM to leverage efficiencies and economies of scale. Unless special arrangements are put in place, territorial authorities must fund the betterment component at 100%. These central government contributions to strengthening resilience during repair and rebuild are contemplated in MCDEM guidance, but the hurdles are high, including Cabinet approval.

As discussed at 3.3.4, some territorial authority officials would have liked direct access to funding. In any recovery the balance (and tension) between locally-led determination of priorities and spend, with government accountability for public funds, while still minimising bureaucratic processes, is best handled through dialogue, underpinned by clear set of principles. It is important the CDEM sector understands the funding and support available from central government and how to access it.

Recommendations

Based on feedback to this Review, and accepting no set of arrangements will be perfect, there is a strong case to improve the current arrangements through:

- Codifying arrangements, at least in principle, in areas that were relatively ad hoc in recent recoveries (such as business support and some aspects of housing-related support).
- Improving the consistency of funding support for social recovery.
- Improving the predictability and reducing the process complexities in cost-sharing for local government-owned infrastructure, while retaining strong incentives for local government to make good investment choices (including careful consideration before consenting developments on damaged land).

MCDEM should consider:

- Providing guidance and education on the funding and support available from central government and how to access it, including information about the threshold levels at which Government financial assistance support is activated. It should work with the CDEM sector to determine the most effective ways of providing and embedding guidance.
- Providing information and education about threshold levels when Government financial assistance support is activated
- Reviewing the principles underpinning the approach to funding potential central government recovery-related expenditures as between a dedicated appropriation, funding from baseline and post-emergency funding, with the goal of ensuring funding arrangements do not distort prioritisation of expenditures.

Section 6 Leveraging work underway

This Review was commissioned to learn from recent recoveries rather than responding to any failure in a past recovery. Several areas may warrant further assessment and future change, but these would need to be progressed as resourcing allows. The system is continually evolving and, at any point in time, several areas might be under review in the light of experience and pursuit of further improvements.

Some of the recommendations in this Review might usefully be included in work streams already underway, including:

- DPMC's work developing options for the functions, form and location of the national emergency management agency.
- MCDEM's National Disaster Resilience Strategy
- The establishment of the Ministry of Housing and Urban Development, which will necessitate some revisiting of responsibilities under the National CDEM Plan.
- MCDEM's project to replace its EMIS system.
- MCDEM's ongoing conversations with the Privacy Commissioner on data sharing.
- The [public inquiry](#) into the performance of EQC during the 2011 Christchurch earthquakes may have implications for the housing environment in future recoveries.
- Initial work undertaken to identify and analyse the functions needed after a large-scale emergency to progress recovery in a timely, effective and coherent manner.
- The refresh of MCDEM's Recovery Management guidance.
- The Recovery Foundation and Recovery Managers' development programmes.

Appendix A Legislation

A.1 Civil Defence Emergency Management Amendment Act 2016 Amendment Act 2016

This [Act](#) amended the CDEM Amendment Act, bringing forward the commencement date of most provisions of the CDEM Amendment Act to allow them to be used to support recovery from the Hurunui/Kaikōura earthquake sequence, as well as providing transitional provisions and allowing owners of structures to be directed to obtain an assessment of the effect of an emergency on those structures.

The key provisions in the CDEM Amendment Act, which were brought forward to commence earlier, included:

- a. establishing a legislative framework for recovery management, by providing a mandate for roles and responsibilities of Recovery Managers during recovery;
- b. supporting a seamless transition of activities from response into recovery, by establishing a transition notice mechanism to ensure that appropriate powers (for example, evacuations, closing roads, marking buildings, works) are available for a specific prescribed period of time, in the initial stage of the recovery.
- c. A new power to enable Controllers (during a state of emergency) and Recovery Managers (during a transition period) to require the owners of a structure to obtain an assessment of the effect of the emergency (and related events) on the structure.

The CDEM Amendment Act also included a requirement for strategic planning for recovery to be included in CDEM Group plans (which are a statutory requirement under the CDEM Act), to ensure better preparedness for recovery for future emergencies. The commencement date for this provision was not brought forward (it came into effect on 1 June 2018).

A.2 Hurunui/Kaikōura Earthquake Recovery Act 2016

The Hurunui/Kaikōura Earthquake Recovery Act 2016 sought to support the region's response and recovery (the region included parts of Canterbury and the Marlborough and Wellington districts) by allowing Ministers, by Order in Council, to make temporary law changes to help with economic recovery, planning processes, rebuilding, and the recovery of land and infrastructure in earthquake-affected areas.

An Order in Council is an order made by the Governor General, on the advice of a Minister, to bring something into effect. The order in council process in the Act is exceptional because it allows primary legislation (and sometimes also plans and bylaws) to be amended, suspended or overridden. However, in the case of an emergency, it can be used to speed up standard processes, cut through impediments to recovery, and enable timely decision-making (therefore enabling the government to, where appropriate, remove legislative barriers to assist earthquake-affected areas, councils and communities to respond to and recover from the earthquakes).

The following orders in council were made under the legislation:

a. Hurunui/Kaikōura Earthquakes Recovery (Restoration of Coastal Route) Order 2016

- i. The Order sought to ensure that works to restore the coastal road and rail route could be progressed as quickly as possible. The Order modified or disapplied provisions of the Resource Management Act (Resource Management Act) (including plans made under the Resource Management Act and National Environmental Standards), other Acts¹, a Notice and a regulation to streamline consenting and statutory

¹ Conservation Act 1987, Reserves Act 1977, Freshwater Fisheries Regulations 1983, Marine Mammals Protection Act 1978, Marine Reserves Act 1971, Ōhau New Zealand Fur Seal Sanctuary (Restrictions) Notice 2014 and Wildlife Act 1953.

regimes applicable to the route recovery works. The primary modifications were to deem most restoration works to be controlled activities under the Resource Management Act and subject to conditions of consent specified in the Order. The Order also specified standard requirements that applied to modifications to the application of certain conservation related Acts.

ii. The Order was revoked on 31 March 2018. I understand all required consents/approvals were granted before that date.

b. Hurunui Kaikōura Earthquakes Recovery (Unreinforced Masonry Buildings) Order 2017 and Hurunui Kaikōura Earthquakes Review Panel Report – Unreinforced Masonry Amendment Order 2018

i. This Order introduced a short-term requirement to secure high-risk unreinforced masonry buildings (URM) parapets and façades on busy thoroughfares.

ii. The Order related to certain street facing buildings that have URM parapets or façades that had not been secured or strengthened to an acceptable standard, and that may fall in an earthquake onto any part of one of 38 public thoroughfares listed in the Schedule to the Order. The Order applied to Hurunui, Lower Hutt, Marlborough and Wellington. The requirements were administered by the four territorial authorities.

iii. The Order effectively speed up the deadline for securing URM buildings that posed the greatest risk to public safety, in line with the expected period of heightened risk. Building owners had one year to secure their buildings from March 2017.

iv. In March 2018, the Minister for Building and Construction announced building owners, who have taken 'reasonable steps' to secure unreinforced masonry, had a further six months to complete the remedial work.

v. The Order was revoked on 31 March 2018 (although some enforcement provisions remain).

c. Hurunui/Kaikōura Earthquakes Recovery (Rating Valuations Act) Order 2017

i. The Order in Council modifies the Rating Valuations Act 1998 and the Rating Valuations Rules 2008 as they apply to Kaikōura District Council. Specifically, it would prevent Kaikōura District Council from revaluing properties to reflect the impact of earthquake damage until either the implementation of the next general revaluation or 30 June 2019, whichever is earlier.

ii. The Order is revoked on the earlier of 30 June 2019 or the date the next general revaluation of the Council's district valuation roll takes effect.

d. Hurunui Kaikōura Earthquakes Recovery (Local Government Act 2002 – Kaikōura District 3 Year Plan) Order 2018

i. The Local Government Act 2002 requires local authorities to prepare a long-term plan with a ten-year horizon every three years. The Order applied to Kaikōura District Council and enabled a three-year plan in place of the statutory ten-year long-term plan. The plan would provide most of the same information as a long-term plan but with a three-year outlook rather than ten years. Kaikōura District Council adopted its three-year plan in July 2018.

ii. The Order is revoked on 30 June 2021.

A.3 Hurunui / Kaikōura Earthquake Emergency Relief Act 2016

The Hurunui/Kaikōura Earthquakes Emergency Relief Act amended the Resource Management Act. The Act aimed to allow those affected by the earthquakes to focus on recovery by modifying some of the provisions of the Resource Management Act.

The Act's changes cover three broad areas:

- a. extending emergency timeframes under the Resource Management Act (to enable more time to be given to notify council that emergency works were undertaken and for applying for retrospective resource consent under the emergency works provisions in the Resource Management Act),
- b. giving emergency farming works permitted activity status (therefore allowing farmers to respond to the earthquakes, fix serious damage to their land or property, and continue to care for their animals and the people on their farms without having to obtain resource consent under the Resource Management Act); and
- c. the restoration of Kaikōura's harbour (the Act changes the status of the activities necessary for rehabilitation work to 'controlled' unless the activities are already permitted; required a process for councils to seek comment on proposed work (rather than public submissions) and the consent authority to provide a summary of the written comments before making a decision; it also removed the opportunity for third parties to appeal these decisions.

The Act was repealed on 1 April 2018, although the farming permitted activity changes were repealed in July 2017.

Appendix B – Transition Notices

Year	Region	Naming Convention	Hazard Type	Locality	Type	Start Date	End Date	Number of days	Comment
2016	Canterbury and Marlborough	2016 / November / 14 Kaikōura/Hurunui earthquake	Earthquake	Kaikōura, Hurunui and Wairau Awatere ward of Marlborough District	National Transition Period	09/12/2016	07/06/2017	180	Given by Acting Civil Defence Minister Gerry Brownlee to assist with the recovery from the earthquake on 14 November 2016. Dwelling damage, infrastructure, limitation of access. Marlborough District reduced to a ward after 90 days.
2017	Canterbury	2017 / November / 14 Kaikōura / Hurunui earthquake	Earthquake	Kaikōura District	Local Transition Period	07/06/2017	22/11/2017	168	Renewed on 5 July 2017, 2 August 2017, 30 August 2017, 27 September 2017 and 25 October 2017. Notice given after end of national transition period. Dwelling damage, infrastructure, limitation of access.
2016	Wellington	2016 / November / 14 Kaikōura / Hurunui earthquake	Earthquake	Wellington City	Local Transition Period	14/12/2016	07/12/2017	56	Assessments of building damage
2017	Bay of Plenty	2017 / April / Edgumbe Flooding	Flooding	Whakatāne District	Local Transition Period	21/04/2017	08/09/2017	140	Renewed on 19 May 2017, 16 June 2017, 14 July 2017 and 11 August 2017. Dwelling damage, infrastructure, limitation of access.

Appendix C Reports that informed the Review

Other reviews

The [Cullen review report](#) (Rangitāiki River Scheme Review – April 2017 Flood Event)

[Ministerial Review: Better Responses to Natural Disasters and Other Emergencies in New Zealand](#)

MCDEM's National Recovery Office review

Guidance

[National CDEM Plan and Guide](#)

Guidance on [recovery framework](#), including legislation and management

[Changes to the CDEM Act](#) that strengthened recovery management:

[Factsheet on transition notices](#)

Legislation

[Hurunui/Kaikōura Earthquakes Recovery Act](#)

[Hurunui/Kaikōura Earthquakes Emergency Relief Act 2016](#)

[Hurunui/Kaikōura Earthquakes Recovery \(Local Government Act 2002—Kaikōura District 3 Year Plan\) Order 2018](#)

[Hurunui/Kaikōura Earthquakes Recovery \(Unreinforced Masonry Buildings\) Order 2017](#)

[Civil Defence Emergency Management Amendment Act 2016 Amendment Bill](#)

Cabinet papers

Cabinet paper and regulatory impact statement for the amendments to the legislation

Recovery Plans and Reports

Recovery Plans and Reports for Hurunui, Kaikōura, Marlborough, Wellington, Whakatāne

[Whakatāne Debrief](#)

Other recoveries

[EQ Recovery Learning](#)

Other

Briefing to the National Recovery Manager

[CDEM Capability Assessment Report](#)