

Kāpiti Coast District Council submission on the *Draft National Adaptation Plan and Managed Retreat*

DRAFT NATIONAL ADAPTATION PLAN

General questions

- 1. Climate change is already impacting New Zealanders. Some examples include extreme weather events such as storms, heatwaves and heavy rainfall which affects lives, livelihoods, health and wellbeing, ecosystems and species, economic, social and cultural assets, services (including ecosystem services) and infrastructure. How is climate change impacting you? This could be within your community and/or hapū and iwi, and/or your business/organisation, and/or your region.*

The Kāpiti Coast is increasingly experiencing the impacts of climate change, particularly in terms of more frequent and severe storm events. Along the coast and across the district, these storm events can cause flooding, land slips, and erosion, thereby harming infrastructure, public and private properties, and the natural environment. The impact of climate change on already naturally high groundwater tables, through rising sea levels and increasing rainfall, adds to the challenges.

Kāpiti Coast District Council (Council) has long been aware that climate change is a growing concern for our communities. Council has repeatedly heard from a broad cross section of the district – including our iwi partners; young children, teenagers, and older residents; the local business community; and a range of interest groups, to name but a few – that our communities care deeply about our social, cultural, economic, and environmental wellbeing. With remarkable consistency across the district, our communities identify climate change as a key threat to our sustainability and resilience.

Our Council is well-known for its long history of climate change action. While the Kāpiti Coast District made national and international headlines in 2012 for our efforts to establish District Plan rules in line with the New Zealand Coastal Policy Statement, Council has actually been working with the community to develop evidence-based coastal adaptation plans since the 1970s.

Most recently, Council declared a climate change emergency on 23 May 2019. While this declaration was, in large part, due to local community advocates who organised through the 2019 School Strike 4 Climate campaign, it also served as a message to central and regional government that local councils need more support.

2. *The national adaptation plan focuses on three key areas. Please indicate which area is most important for you (tick box).*

- focus area one: reform institutions to be fit for a changing climate. This means updating the legislative settings so that those who are responsible for preparing for and reducing exposure to changing climate risk will be better equipped.*
- focus area two: provide data, information and guidance to enable everyone to assess and reduce their own climate risks. This means that all New Zealanders will have access to information about the climate risks that are relevant to them*
- focus area three: embed climate resilience across government strategies and policies. This means that Government agencies will be considering climate risks in their strategies and proposals.*
- other? Please explain.*

Council contends that focus area one is the most important for local government because it will have the widest impact across local government. Local councils are on the front line when it comes to local communities and climate change adaptation. Without legislative reform to ensure that councils have the right tools and supports available, it will remain incredibly difficult to take the type of bold action required to help our communities adapt to our changing climate. Legislative reform will also enable more consistent approaches nationwide, giving confidence to our communities that we are acting within appropriately defined parameters.

As long-term climate change adaptation will, in many instances, require difficult decisions, it is imperative that our legislative settings are reformed so that local government is properly equipped – along with the many others who share the responsibility for preparing for, and reducing exposure to, changing climate risks. In our local experience, multiple conversations with our community over decades about land-use, defences, and funding have usually resulted in short-term defensive solutions that seek to protect existing development rather than long-term plans designed to adapt our communities to our changing environment. These short-term responses have often been preferred because it is difficult to reach agreement across the various stakeholders on long-term solutions, and it is politically very difficult to make decisions that could significantly impact on the property rights (and property values) of our ratepayers. In short, this becomes a political football.

Council would also like to acknowledge the benefits to local government of focus area two (i.e. more data, information and guidance), although this focus area is considered less important than focus area one because the benefits realised will not be consistent across all councils. Some councils – particularly those that have been directly experiencing climate change impacts for some time – have already invested heavily in data and expert guidance. Similarly, while focus area three is important to ensure that climate change is well embedded across central government agencies, these benefits will not be consistent across all councils either because many central government agencies have limited involvement with local government.

3. *We all have a role to play in building resilience to climate change, but some New Zealanders may be more affected and less able to respond. There is a risk that climate change could exacerbate existing inequities for different groups in society. Appendix 3 sets out the full list of actions in this national adaptation plan.*

a. *What are the key actions that are essential to help you adapt? Please list them.*

For **land use planning and/or the management of public infrastructure**, the actions from the draft NAP that are essential for local government are:

- Reform the resource management system*
- Pass legislation to support managed retreat**
- Set national direction on natural hazard risk management and climate adaptation through the National Planning Framework
- Regularly update adaptation guidance for local government (as a considerable amount of good quality guidance already exists)
- Regularly update the guide to local climate change risk assessments
- Produce guidance and tools for monitoring and evaluating the impact of adaptation initiatives, ideally including a glossary of terms and explanations for national consistency and as a means to address the triggers of language (e.g., managed retreat).

* Note: resource management reform is needed for a range of reasons, but one aspect of reform that is particularly important at the local level is in relation to District Plan changes. While it is important that changing land-use rules are well considered and consulted, the current process of notifications, submissions, hearings and appeals can be slow, cumbersome and expensive. In some instances, this process is too slow for responding to quickly escalating risks brought on by climate change. Another aspect of this reform that is important is in relation to local government's abilities to truly give effect to our tāngata whenua partnerships and Treaty House models, particularly as we are carrying out the design and implementation of adaptive planning pathways.

** It is imperative that any legislation or guidance developed for managed retreat consider risks of litigation. Currently, councils have very little risk appetite and existing guidance does little to enable risk-based decision making. Any new guidance developed must support councils to carry out evidence-based risk and impact assessments and then zone land according to risk (i.e. red, yellow, or green). Decisions made through such a process should then be supported by legislation to minimise risk from legal challenges.

For most local authorities, the costs associated with adaptation exceed their abilities to pay. While the consultation document repeatedly signals that central government cannot carry this burden alone, the reality is that local governments, residents, and businesses have limited resources to fund adaptation initiatives. As a result, adaptation will not ever happen at the speed required under the current funding settings. This means that all of the proposed **funding actions** from the draft NAP are essential. This includes, but is not limited to, actions like:

- Complete a case study to explore co-investment for flood protection
- Explore additional interventions to mobilise investment

- Public investment in climate change initiatives

It is important to add that financially incentivising change has two benefits: not only can it help develop funding solutions, but it also signals to communities that they are not alone in tackling these complex adaptation problems. Programmes like those developed in relation to the Earthquake Commission and/or the EQC levies should be considered.

b. *Which actions do you consider to be most urgent? Please list them.*

The actions that are most urgent for **local government** are:

- Reform the resource management system
- Pass legislation to support managed retreat (which should incorporate risk-based land use planning)
- Set national direction on natural hazard risk management and climate adaptation through the National Planning Framework
- Improve natural hazard information on LIMs
- Explore a variety of funding mechanisms, as discussed in 3a above.

c. *Are there any actions that would help ensure that existing inequities are not exacerbated? Please list them.*

Rising house prices and rents across the district have left some within our district under acute housing stress. Climate change is likely to exacerbate these stresses, through the cascading effects that have been well documented by Dr Judy Lawrence and her colleagues. Some residents will have more ability than others to improve and adapt their homes in response to the changing climate and/or relocate to other locations. Those that cannot adapt, will be at greater risk from natural hazards (e.g. flooding) or health risks (due to damp and cold homes, for example). Unaffordable insurance costs (or uninsurable homes) may also mean low-income households are increasingly exposed to the full economic risk of climate-related natural hazard events, which could have devastating effects on their household. In addition, these inequities are exacerbated by lack of legislative and policy direction as those more affluent residents can take legal action which those with other interests or drivers cannot take due to their social economic situations. As such, the actions that fall under housing are important. This includes, but is not limited to:

- Building property resilience
- Establishing initiatives for resilient public housing
- Embedding adaptation in funding models for housing and urban development, and Māori housing
- Support kaitiaki communities to adapt and conserve taonga / cultural assets
- Ensure minimum regulatory requirements for buildings take into account climate data.

Council is also hopeful that through the RMA reforms, local governments will be able to take a more risk-based approach as regulators, thereby minimising dwellings or requiring certain adaptation initiatives in at risk areas.

Another group that must be considered are those that are physically or sensory impaired. According to Council's Disability Advisory Group, physically and sensory impaired people need more time to escape natural disasters; are more likely to experience housing vulnerability; and may also be at greater risk of viruses, diseases, and other health impacts brought about by changing temperatures and weather patterns, changing ecosystems, and changing living patterns due to compromised immune systems.

Guidance is required on the development of emergency evacuation plans that include (i) how to carry out evacuations for physically or sensory impaired people and (ii) how to ensure that evacuation centres are accessible. Over time, additional healthcare and social support may be required due to the impacts of climate change. It is very important that disability advisory groups and disabled peoples' organisations be involved in this adaptation planning. While the draft NAP includes several actions related to health and disability services and community resilience, it is not explicit that disabled peoples will be included in these actions, but it is important that they are.

- d. *Are there any actions not included in this draft National Adaptation Plan that would enable you to assess your risk and help you adapt?*

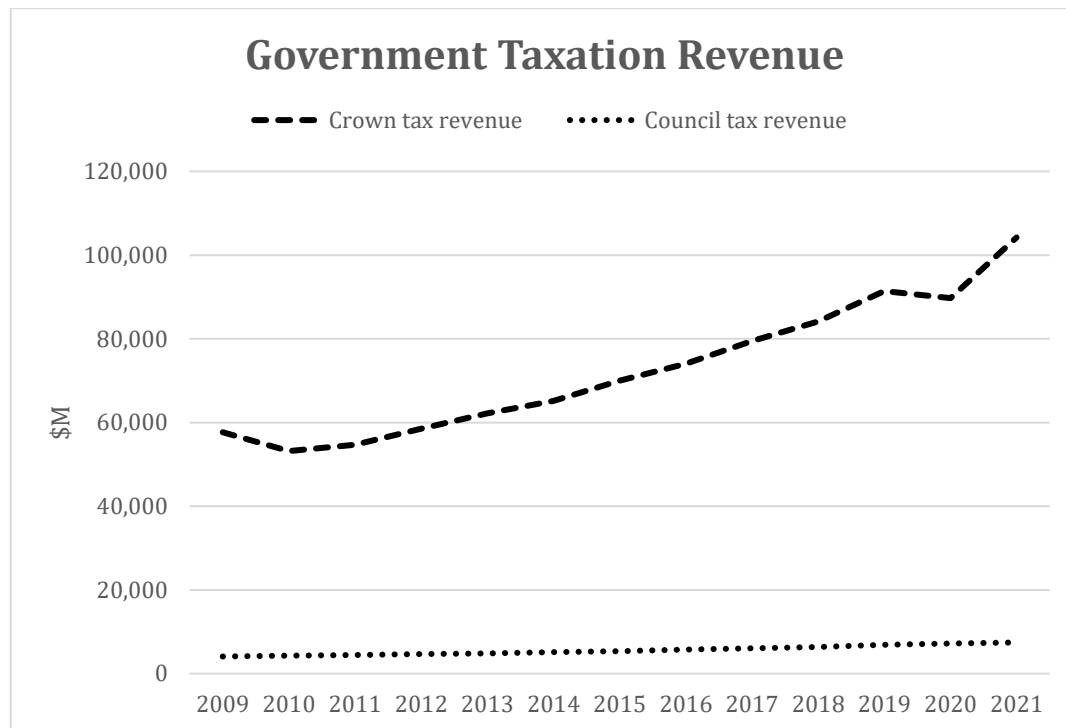
The list of actions identified in Appendix 3 is very thorough. Without knowing the specific projects plans for each action, Council cannot identify any other actions at this time. It must be noted, however, that Council is concerned about the timeframes proposed for many of the actions. Many local governments are already undertaking work without waiting for updated or additional MfE guidance because, in many instances, local councils and their communities cannot afford to wait. As an example, the councils of the Wellington Region are now collaborating on delivering a Wellington Region Climate Change Impact Assessment that already expands on MfE's *Guide to local climate change risk assessments* (without waiting for updated guidance from MfE).

4. *Central government cannot bear all the risks and costs of adaptation. What role do you think asset owners, banks and insurers, the private sector, local government and central government should play in:*
 - a. *improving resilience to the future impacts of climate change?*
 - b. *sharing the costs of adaptation?*

To improve resilience to the future impacts of climate change, Council agrees that the risks and costs of adaptation must be shared across affected actors and sectors. When risks and costs are transparent and each actor understands his or her obligations, then they will be more likely to participate in the development and implementation of adaptation plans to reduce risks. On the other hand, however, Council is concerned that the draft NAP overestimates the ability (and potential willingness) of some stakeholders to take on their share of the risks (and costs) associated with climate change.

First, it must be acknowledged that the financial reality of local government is worlds apart from that of central government. Central government revenue is an order of magnitude greater than local government revenue, as shown in the figure below.

For the 2021 fiscal year, for example, central government total operating income was \$118 billion, while local government total operating income was \$13.5 billion. During that same year, central government total taxation revenue increased by \$14.5 billion (from \$89.7 billion to \$104.2 billion) while the total taxation revenue for all local government was only \$7.4 billion, with over 90% of this being from rates.¹ The increase in government tax revenue in 2021 was nearly two times local government’s entire tax revenue for that same year. As the graph below demonstrates, central government taxation revenue has been increasing steadily for some time, while local government taxation revenue has remained relatively constant.



Councils must be very careful in determining how rates are used to fund council services and activities because (i) they must consider the financial wellbeing of ratepayers in any proposals to increase rates and (ii) they can be criticised for misuse of rate payer money. Rates are set in relation to property values, which have no direct relationship to personal income and therefore ability to pay. For many ratepayers – particularly older ratepayers who are on fixed incomes but have built up significant values in their properties – rate increases translate to a direct reduction in disposable incomes and financial wellbeing. This is a very different scenario to government’s tax revenues, which are largely income-based, and therefore have a direct relationship to one’s ability to pay.

The challenge of keeping rates affordable for our communities has a significant impact on local government’s ability to take on significant costs related to climate adaptation. Even if local governments and communities agree that they should share the costs, they will find it difficult to do so. Decision making on climate change may, as a result, often be dictated by affordability rather than by the risks and impacts of the changing climate.

¹ Statistics NZ. 7 December 2021. *Government finance statistics (general government): Year ended June 2021*.

Because local governments and their communities do not have sufficient funds to cover their costs, adaptation measures are often deferred. As an example, in May 2015 the Kāpiti Coast District experienced over 143mm of rain in 24 hours. This event, which impacted over 800 locations in the district, was followed by similar events in November 2016 and February 2018.

Because of the low-lying nature of the Kāpiti Coast District, it is estimated that over a quarter of properties in the urban areas of the district are designated as being flood-prone (for a 1 in 50-year and 1 in 100-year flooding event). To improve our community's safety and resilience to flooding hazards, these rainfall events prompted a review of Council's stormwater programme. Investigations identified a number of issues contributing to flooding across the district, including infrastructure issues, waterways maintenance, individual property drainage issues, private stormwater scheme deficiencies, and planning issues. Approximately 240 new capital works projects were identified, along with a reordering of existing projects based on the severity and significance of flooding. Highest priority was given to areas where homes are at risk of flooding above the floor level. The next priority was commercial buildings, followed by garages and sleepouts and finally flood-prone sections. The total cost of the works is estimated to be approximately \$463 million. Council concluded that the only way to deliver such a programme would be to spread it out over a minimum of 37 years. Council and the community are now diligently working to deliver these adaptation measures, although the delivery will take some time and more of these flooding events have occurred since and will again before this work programme is completed.

Without alternative funding options, such adaptation measures will simply not be completed in time and central government may instead incur substantial emergency-related costs in the event of a significant crisis. This money would be much better spent on up-front adaptation for our communities.

It is important that this example is not quickly dismissed with the assumption that the 3 waters reform will resolve this problem. While 3 waters reform might transfer ownership of infrastructure and local communities can be hopeful that it might unlock additional funding to progress adaptation initiatives more quickly, it is not clear that the reform will be able to do this which means that local communities will continue to be at risk.

The bottom line is that central government must be realistic about the limitations of local communities to fund their own adaptation measures. The national adaptation plan must prioritise a range of actions related to alternative funding options. It is important that:

- central government spending is directed to where it is most needed and can be most effective – please see, for example, our response to the questions in the infrastructure section about utilising the wide range of knowledge that already exists in local governments and professional bodies. This is preferable to investing in new research initiatives to develop guidance when quite a bit of both already exists
- central government progresses proposals to develop economic and financial requirements for private entities (including banks, insurance providers, developers, and others) to share some of the adaptation costs (as discussed further in question 5 below).

5. *The National Climate Change Risk Assessment recognised that there may be economic opportunities in adapting to a changing climate.*
- a. *What opportunities do you think could exist for your community or sector?*
 - b. *What role could central government play in harnessing those opportunities?*

Council agrees that there may be some economic opportunities to be found in climate change adaptation. Many businesses in our district are keen to transition to lower carbon operating models and/or develop services that will be more resilient in the face of climate change – as an example, the Kāpiti Coast is currently experiencing a rise in sustainable food production and sustainable tourism. Council notes that some of the national programmes supporting businesses on this journey (e.g. the Sustainable Business Network) are too expensive for small to medium sized businesses. This is discussed further in our response to question 42.

Council agrees that banks, insurers, and the private sector should share in the costs and might actually find benefit in doing so, but it is not clear how definite or widespread those benefits might be. As the draft NAP states:

By investing in resilience measures or supporting customers to do the same, banks and insurers can reduce their exposure. They also have the potential to support others to fund adaptation actions, through loans or 'build back better' post-event payments (p17).

Council is concerned that this assertion in the draft NAP might be woefully underdeveloped and only partially true. Without any special requirements or mandates, it is easy to assume that these actors will only do these things if there is an opportunity for profit. As sea level rise is entirely certain (even with protection measures in place), many in the insurance industry have already signalled that retreat is the preferred option because insurance is not designed for events that are certain.

In response to question 5b about what central government could do to help harness these opportunities, more research could be undertaken in relation to the roles of banks, insurers, and the private sector (including developers) to identify specific instances or schemes where opportunities could arise. It is important to note, however, that while Council contends that some further research is warranted, this should only be to a certain extent.

Some actors might not ever realise any opportunities from investing in resilience measures or sharing the costs. In these instances, it is more important that central government develop economic and financial requirements for private entities (including banks, insurance providers, developers, and others) to share some of the adaptation costs. Requiring these actors to share the burden of costs is important, not because they could potentially realise opportunities through adaptation investments, but because such costs could provide much-needed disincentives for developments in high-risk areas.

System-wide actions questions

6. *Do you agree with the objectives in this chapter?*

Yes

No

Partially

Please explain your answer.

Council notes the system-wide actions chapter of the draft NAP is driven by the first two risks in the governance domain of the National Climate Change Risk Assessment (NCCRA). Council supports the actions aimed at risk G2 in particular, as this is the risk that climate change impacts across all domains will be exacerbated because current institutional arrangements are not fit for climate change adaptation. The actions to reform the resource management system and develop legislation to support managed retreat should help to address this.

Council is concerned, however, that the first national adaptation plan overlooks other risks in the NCCRA that are of great importance to local government. These are:

- G3 – Risks to governments and business from climate change related litigation, due to inadequate or mistimed climate change adaptation.
- G5 – Risks of delayed adaptation and maladaptation due to knowledge gaps resulting from underinvestment in climate adaptation research and capacity building.

7. *What else should guide the whole-of-government approach to help New Zealand adapt and build resilience to a changing climate?*

Council would like to see action on G3 and G5 within this first national adaptation plan.

Litigation is expensive, time consuming, and detracts from the delivery of local government core services – of this, Kāpiti Coast District Council is painfully aware. Fear of litigation is one of the main reasons why many councils are reluctant to carry out adaptation discussions with their communities, and why they may be reluctant to share natural hazard information with the community (e.g., on LIMs). Ideally, the reform of the resource management system and the development of legislation to support managed retreat will help address this risk, but it must be identified as an outcome for those specific projects. Additional guidance on LIMs that is clear, consistent, and non-ambiguous coupled with supporting legislative change will also be helpful in this regard. Councils and communities need a clear framework that will allow for most adaptation plans to be developed, agreed, and implemented and for fit-for-purpose hazard information to be shared.

8. *Do you agree that the new tools, guidance and methodologies set out in this chapter will be useful for you, your community and/or iwi and hapū, business or organisation to assess climate risks and plan for adaptation?*

Yes

No

Partially

Please explain your answer.

The critical actions identified in this section will benefit some councils more than others. National consistency for climate projections data and other adaptation information is important because (i) there is absolutely no reason for every local authority in the country to separately procure data, (ii) this will help in districts where the local government and community have been slow to act because they lack sufficient data, and (iii) nationally agreed standards for data and modelling will remove the risk of litigation for individual councils on the basis of disagreement about appropriate methodologies.

In terms of how the proposed tools and guidance might be useful to our Council and community specifically, we have been operating in this space for such a long time that we have already developed a great base of climate change data but we remain concerned about litigation risks over data – this applies to how data is made publicly available and how it is used in planning processes.

Our Council is currently facilitating a coastal adaptation planning process (Takutai Kāpiti) based on MfE’s *Coastal Hazards and Climate Change: Guidance for Local Government*. We anticipate that the most likely challenges we will face as we carry out this process will be reaching agreement on preferred long-term adaptation plans, land use rules, and who pays. We discuss this further in question 9c below.

9. *Are there other actions central government should consider to:*

- a. *enable you to access and understand the information you need to adapt to climate change?*



Yes



No



Unsure

Please explain your answer.

It is important to communicate the limitations of any data that is made available, particularly in instances when national data might be insufficient for local decision making - e.g. can the data be used to justify decisions at the property level, or can it only be used at the SA1, SA2, district, or regional level? For instances when more detailed, site-specific research is required, guidance on how to procure such data might be useful for some councils.

- b. *provide further tools, guidance and methodologies to assist you to adapt to climate change?*



Yes



No



Unsure

Please explain your answer.

Targeted guidance is important and useful, but the guidance for local government must be practical and usable at the local government level. For example, while the current *Coastal Hazards and Climate Change: Guidance for Local Government* guidance is well researched and offers some very good advice, it stops short of providing guidance on how to address common implementation challenges.

Many councils are reluctant to carry out the types of engagement processes recommended in the guidance – similar to the process used in the development of the *Clifton to Tangoio Coastal*

Hazards Strategy 2120, for example – because it is a very expensive and time consuming way to develop a strategy that is difficult to implement because (i) funding is not available, (ii) agreements cannot be reached on who should pay, and/or (iii) considerations of important long-term adaptation options (e.g. managed retreat in some instances) are often avoided.

These challenges are so common that the guide would benefit from more specific advice on how to address them. The draft NAP seems to allude to these issues in the text box on p38 where it states, “Further work is needed to answer fundamental questions about how to share costs ... and where to allocate the roles and responsibilities for implementation”. It is not clear, however, how (or if) this work will occur.

Council argues that local government involvement is required and essential for the development of this advice, because the practitioners who have been at the coal face of these discussions might offer the best insights. Guidance for local government cannot be developed by a team that does not fully understand the local government experience. In addition, even the best guidance will never fully suffice as the guidance needs to have legal status and/or be accompanied by legislative change if it is to be effective.

c. *remove barriers to greater investment in climate resilience?*



Yes



No



Unsure

Please explain your answer.

Council is pleased to see the recognition that “central government has an important role in encouraging other actors to manage their risks, and ensuring the right incentives are in place” (p31). But, as stated in response to question 5, Council is concerned that the draft NAP’s assertion that banks, insurers, and the private sector could realise benefits by supporting, or even funding, resilience measures might be woefully underdeveloped and only partially true because in many instances the benefits might not ever exceed the costs. In those cases, it will be more important to ensure that they are required to share the burden of costs as this could provide a much-needed disincentive for developing in high-risk areas. This is discussed further in the section on the Economy and the Financial System.

d. *support local planning and risk reduction measures while the resource management and emergency management system reforms progress?*



Yes



No



Unsure

Please explain your answer.

As discussed in question 6, there are two risks that are particularly important to local government:

- G3 – Risks to governments and business from climate change related litigation, due to inadequate or mistimed climate change adaptation.
- G5 – Risks of delayed adaptation and maladaptation due to knowledge gaps resulting from underinvestment in climate adaptation research and capacity building.

Fear of litigation is one of the main reasons why many councils are reluctant to carry out adaptation discussions with their communities. Ideally, the reform of the resource management system, the development of legislation to support managed retreat, and the action related to natural hazards information on LIMs will help address this risk, but it is understood that these actions will take some time.

Risks of delayed adaptation and maladaptation are a significant issue; however, in our experience, delayed adaptation and maladaptation are not due to underinvestment in climate adaptation research and capacity building. Instances of delayed adaptation and maladaptation are primarily due to difficulties in reaching agreement across disparate community stakeholders about preferred long-term adaptation plans, land use rules, and who pays. The proposed actions related to system-wide reforms, economic and other financial incentives, and possible funding programmes should assist with these issues.

10. *What actions do you think will have the most widespread and long-term benefit for New Zealand?*

When it comes to climate change adaptation, New Zealand has two significant challenges. The first is addressing development that has already occurred in at-risk areas (how and when to defend, protect, or retreat), while the second is preventing future development in at-risk areas.

As there are higher rates of uncertainty in the long-term climate change projections, it can be difficult to determine how much risk is acceptable, and Council acknowledges that this is where community conversations are required. However, even in instances where we have tried to have these conversations, it has been difficult to reach agreement, particularly in relation to private property. Without updated rules, it is then difficult when we see development occurring in at-risk areas that we cannot prevent because our land use rules are outdated or the evidence base for qualifying matters is insufficient. This is why the resource management reforms and the proposed managed retreat legislation are so important, but also why councils would benefit from earlier actions to address risks G3 and G5 from the NCCRA. Councils need to be able to make land-use rules based on risk and impact assessments.

11. *Are there additional actions that would strengthen climate resilience?*

Yes

No

Unsure

Please explain your answer.

Strategic land purchasing could be an action the Crown might take (along with councils) to ensure future urban growth can be in areas that are not at risk (e.g. flood prone). This is becoming a growing concern in our District.

12. *There are several Government reform programmes underway that can address some barriers to adaptation, including the Resource Management (RM) reform. Are there any additional actions that we could include in the national adaptation plan that would help to address barriers in the short-term before we transition to a new resource management system?*

Again, councils would benefit from earlier actions to address risks G3 and G5 from the NCCRA. Clearer national direction could help in the interim, while the reform programmes are underway.

It is also important to ensure that the interests of future property owners and prospective buyers are looked after as much as those of existing owners and sellers. If an area is at risk, the buyer must have access to that information. It is inherently unfair if sellers can suppress this information. This is why the proposed actions related to LIMs are urgent. Any additional guidance on LIMs must be clear, consistent, non-ambiguous, and coupled with supporting legislative change.

13. In addition to clarifying roles and providing data, information, tools and guidance, how can central government unlock greater investment in resilience?

Many councils already have sufficient data, information, and guidance. Risks are generally well known and understood. Councils and communities have been slow to act because it is difficult to reach agreement on preferred responses and ultimately who should pay. When agreements cannot be reached, a short-term option is selected. Usually, this option is to protect the status quo for approximately 25 years. These responses are common, and just pass on the problem to future generations.

While this is a broad generalisation, often we find that:

- owners of the properties that are most at risk generally vote for protective measures and vote against anything that might reduce levels of service, restrict land-use/property rights, or are perceived to have a negative impact on property values
- for renewals of existing protective measures (e.g. seawalls), ratepayers from across the district vote for like-for-like replacements because they are reluctant to have general rates funding more intensive protections for the benefit of a small number of property owners.

A case in point for our District is the replacement of the 900m long timber seawall in Paekākāriki. As the design life of the existing seawall is long past due and the seawall protects a public road, Council has been working on a replacement project for nearly 10 years. Council's original proposal was for a basic replacement wall, but a group of Paekākāriki residents worked with Council's specialist contractors to design something new that provided for a longer-life wall as well as enhanced public spaces and amenity. Due to rising construction costs, the design continued to change. In our most recent LTP, the district was asked to vote on the design of the wall and who would pay. The district agreed that the construction could be funded through general rates, but only a like-for-like replacement rather than the more detailed design from the residents group. It is now anticipated that construction of the replacement wall – which is closer to the original design that was a simple replacement – will start during this next financial year.

A range of responses is required to unlock this intransigence that is experienced at the coal face. Greater investment incentives would help in the example of the Paekākāriki Seawall because, ultimately, a significant reason for the ongoing debate in this instance has been the costs. The proposed actions related to incentives, requirements, and new funding options will help; but during the time that it takes to carry out these actions, we will continue to see instances of delayed adaptation or maladaptation.

- a. *Would a taxonomy of 'green activities' for New Zealand help to unlock investment for climate resilience?*

Yes

No

Unsure

Please explain your answer.

Natural environment questions

14. *Do you agree with the actions set out in this chapter?*

Yes

No

Unsure

Please explain your answer.

Yes, but Council would also like to see actions to support local behaviour change.

Behaviour change is critical to building our natural environment's resilience to climate change and it does not appear to be considered in any of the currently proposed actions. While the currently proposed actions are important, it is not clear how they would deliver any better than many of the currently existing national frameworks without addressing local behaviours at the same time or even beforehand. For more information, see our response to question 16 below.

15. *What else should guide central government's actions to address risks to the natural environment from a changing climate?*

It is important to consider how land use planning, private property rights, and housing requirements (i.e. accommodating for growth, providing for affordable housing, and managing development) can be at odds with Te Mana o te Wai and Te Mana o te Taiao. Even with the directives of the existing NPSs, councils need more support to integrate environmental protection with land use planning and land use rules.

It is also important to include local government in the project teams for many of these proposed actions. As an example, the proposed reform of the Environmental Reporting and Monitoring System (under the supporting actions on page 48 of the consultation document) is a huge piece of work. As local governments already spend an incredible amount of time and resource gathering and reporting environmental quality information as required, we hope that local government practitioners would be directly involved in a project such as this.

16. Are there other actions central government should consider to:

- a. *support you, your community, iwi and hapū, business and/or organisation to build the natural environment's climate resilience?*



Yes



No



Unsure

Please explain your answer.

There are already some good frameworks in place for addressing risks to the natural environment from climate change, and our Council welcomes more guidance and national direction in this regard; however - even in instances where existing requirements have trickled down from national directives, into regional requirements, and into local plans, policies and bylaws – it can be difficult to realise actual behaviour change, as noted in our response to question 14 above.

Local practices that harm the natural environment can easily persist, regardless of the national directives in place. Therefore, just improving the national directives will not be sufficient. At the local level, behaviour change is driven through community education and, at times, enforcement of local plans, policies and bylaws. This work must be resourced and supported.

In our submission to the Waste Levy increases proposal in January 2020, for example, Council also stressed that more resources and funding are needed for enforcement of illegally dumped waste that pollutes our local environment. Increases in illegal dumping are a direct result of central government driven waste disposal increases. While Council agrees with and supports the central government directives, it now must manage the negative local results through its small enforcement capacity.

- b. *strengthen biosecurity in the face of climate change?*



Yes



No



Unsure

Please explain your answer.

Council welcomes the upcoming release of the NPS on Indigenous Biodiversity. Clear national directives will be welcome, but once again local resourcing and support is required because national directives must be given effect through regional and local campaigns. These local campaigns are often promoted and encouraged through local governments, not-for-profits, volunteer groups, and local iwi/hapū initiatives, often without any further funding and support from central government.

- c. *identify and support New Zealand's most vulnerable ecosystems and species in a changing climate?*



Yes



No



Unsure

17. *What do you identify as the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hāpu and/or other Māori groupings such as: business, forestry, fisheries, tourism, urban Māori, the private sector) to build the natural environment's resilience to the impacts of climate change?*

The depth of knowledge that mana whenua hold about climate change and the value of māramatanga (lessons learned through centuries of kaitiakitanga, manaakitanga, and whanaungatanga) is invaluable. Integrating this knowledge into environmental protection and restoration is critical, but mana whenua must be included from the start and properly resourced to participate.

It is also important to be sensitive to other demands on mana whenua time and develop flexible project plans that can accommodate mana whenua availability. As an example, at any one point in time, our Council can be carrying out many large projects with significant impacts on the natural environment (e.g. stream and river management to reduce flooding, wastewater disposals to land, or solid waste to landfills outside our district). The many requests for input into all of these projects that are occurring at the same time can challenge the capacity of our local iwi partners.

18. *Are there additional actions that would advance the role of Māori as kaitiaki in a changing climate?*



Yes



No



Unsure

Please explain your answer.

First, while the RMA encourages co-governance with our mana whenua partners, it can be very difficult to give effect to mana whenua recommendations aimed at protecting the natural environment, particularly when those recommendations might pose (or appear to pose) a challenge to individual property rights.

As kaitiaki, mana whenua recommendations about environmental protection and restoration should be given a high priority, but the existing legislative frameworks generally prioritise private property rights more unless there are already associated land use rules in our District Plan that can provide paths to implementing mana whenua recommendations (as in with Significant Natural Areas, for example).

As we stated in our response to question 3, new guidance and legislative reform must support councils to carry out evidence-based risk and impact assessments and then zone land according to risk (i.e. red, yellow, or green). Decisions made through such a process should then be supported by legislation to minimise risk from legal challenges. Here, we would like to take this one step further to argue that guidance and support should be put into place to ensure that mana whenua risk and impact assessments carry equal weight.

Secondly, on page 50, the second item under future work programme proposals relates to the development of mātauranga Māori indicators. We have worked extensively with our local iwi on environmental monitoring, particularly in relation to water quality monitoring. We would hope that any new national requirements can be integrated with what we have already agreed locally.

Homes, buildings and places questions

19. Do you agree with the outcome and objectives in this chapter?

Yes

No

Partially

Please explain your answer.

As noted in the draft NAP, resilient buildings (in particular, housing) are critical to people's wellbeing so any work that helps improve the resilience to climate change risks is seen as a positive step.

20. What else should guide central government's actions to increase the resilience of our homes, buildings and places?

Government needs to factor in the age and limitations of the existing housing stock when considering how it will respond to climate change risks.

21. Do you agree with the actions set out in this chapter?

Yes

No

Partially

Please explain your answer.

Council considers the proposed actions to be broad enough (at this stage) to provide direction on how to improve the resilience of "buildings" to the impacts of climate change.

Council would also recommend that included in these actions is a programme of work that determines how the construction sector, including the regulatory arm of local government, will need to be supported in order to ensure there is a skilled workforce available to undertake the work necessary to ensure our new and existing building stock is brought up to a standard that will be able to withstand the anticipated impacts of climate change. This should include a review of technical training and improved guidance on construction practices, as well as assessing how existing legislation and regulations need to be "updated" to ensure they reflect the expectations of the community on ensuring buildings (new and existing) are resilient to climate change.

22. Are there other actions central government should consider to:

- a. better promote the use of mātauranga Māori and Māori urban design principles to support adaptation of homes, buildings and places?

- Yes
 No
 Unsure

Please explain your answer.

We welcome the use of mātauranga Māori and Māori urban design principles to support adaptation, however, further information is needed before we can consider how it could apply to our district and the wider community.

- b. ensure these actions support adaptation measures targeted to different places and respond to local social, cultural, economic and environmental characteristics?

- Yes
 No
 Unsure

Please explain your answer.

National guidance will ensure consistency on what needs to be considered at a strategic level on adaption measures; however, there needs to be flexibility in how these actions can be achieved in order to account for local community needs and expectations.

- c. understand and minimise the impacts to cultural heritage arising from climate change?

- Yes
 No
 Unsure

Please explain your answer.

Consideration must be given to how minimising impacts of climate change on heritage buildings may be constrained by the desire to maintain heritage characteristics as well as existing requirements within the Building Act and supporting regulations on upgrading buildings, including providing access and facilities for people with disabilities.

The following questions are about existing buildings. These can include housing, communal residential (hotels, retirement village), communal non-residential (church, public swimming pools), commercial (library, offices, restaurant), industrial (factory, warehouse).

23. *Do you think that there is a role for government in supporting actions to make existing homes and/or buildings more resilient to future climate hazards?*

Yes

No

Unsure

If yes, what type of support would be effective?

There are a range of community facilities that provide a significant public good that will be at particular risk from climate change (e.g., surf lifesaving clubs). The asset owners are unlikely to be able to fund substantial mitigation and/or adaptation measures themselves, which could result in the loss of built assets that provide important services for our communities. Consideration should be given to providing funding for community groups to allow them to upgrade these assets to make them more resilient to climate change.

In addition, improved training and national guidance for the construction sector on making buildings more resilient to climate change will greatly improve the likelihood of seeing enduring improvements in the adaption of existing buildings to climate change risks and impacts.

24. *From the proposed actions for buildings, what groups are likely to be most impacted and what actions or policies could help reduce these impacts?*

As noted in question 3c, those who are under existing housing stress are likely to be disproportionately affected by these actions. Housing is increasingly unaffordable for many in our community. Additional requirements to ensure new builds are climate resilient, low emission, and built with future-proofed designs will add to the cost of building and decrease affordability even further. Requirements for existing rental properties to be upgraded will likewise have a negative impact on rents. These concerns need to be balanced against the need to adapt to our changing climate. Considerations are required for ways of incentivising resilient design without negatively impacting on affordability.

Similarly, owner-occupiers who have limited access to finance, possibly due to work status (e.g. retirees), existing debt levels and/or property ownership models that make accessing lending more difficult (e.g., collective ownership), may experience difficulty in accessing funding for the necessary adaptations required to make their property resilient to climate change. This will further exacerbate economic inequalities in our communities.

25. *What are some of the current barriers you have observed or experienced to increasing buildings' resilience to climate change impacts?*

One of the biggest challenges sits with bringing existing building stock up to a more resilient standard. Unfortunately, because a large percentage of New Zealand's homes were built more than 30 years ago, poor building design, the use of materials that are unlikely to be durable in a hotter or wetter climate, and historical construction practices combine to make it difficult to retrofit these buildings. In addition, at times, there appears to be a lack of understanding in the construction sector on the options available to address these issues.

For [new buildings](#) on the other hand, cost is generally the biggest barrier to increasing a building's resilience. It would seem that the Building Act could be a tool to overcome such barriers, and Council would be keen to see this considered in future legislative reviews.

Infrastructure questions

26. *Do you agree with the outcome and objectives in this chapter?*



Yes



No



Partially

Please explain your answer.

This section summarises the top priorities for infrastructure:

- Reduce vulnerability of exposed assets,
- Ensure all new infrastructure is fit for a changing climate, and
- Use renewal programmes to improve adaptive capacity.

This is exactly what local governments and industry experts are already doing.

27. *What else should guide central government's actions to prepare infrastructure for a changing climate?*

There is already a considerable amount of information available on this. Most local governments (who are some of our largest asset holders) already know what needs to happen, how it should happen and when it should happen. What is needed from central government is funding options so that this can happen more quickly. Due to resource constraints, the risks are that (i) the changes will not be made quickly enough or (ii) inadequate renewals and builds will occur because asset owners are looking for the cheapest options.

28. *Do you agree with the actions set out in this chapter?*



Yes



No



Partially

Please explain your answer.

Specialist experts and professional societies (e.g. IPWEA Aotearoa New Zealand, Water New Zealand and the Road Efficiency Group (Waka Kotahi, LGNZ and RCAs)) already have methodologies and resilience standards, and local councils are members of these groups and helping to develop and use the expertise provided. The draft NAP reads as if central government is not fully aware of how infrastructure services are delivered by local government in collaboration with many expert partners, nor is central government aware that expert guidelines and standards are already available and used.

In addition, Waka Kotahi and KiwiRail are particularly important actors to ensure that our national transport network is prepared for the changing climate, particularly as many assets will require protection because they are along the coast, in flood zones, or at risk from landslips falling onto the road or tracks. Considerable work has been undertaken in the Wellington Region to build resilience in the road network and the draft NAP includes an action about the

Waka Kotahi Climate Change Adaptation Action Plan (p67), but the same is required for the rail network too.

29. *The national adaptation plan has identified several actions to support adaptation in all infrastructure types and all regions of Aotearoa.*

a. *Do you see potential for further aligning actions across local government, central government and private sector asset owners?*

Yes

No

Unsure

Please explain your answer.

Many local councils and private asset owners are already developing and implementing adaptation plans. While it is important to have assurance that all adaptation efforts nationwide are well designed and implemented, central government standards and codes will not be helpful if they take several years to develop as many changes will have already occurred. Once again, central government should draw on existing expertise to deliver any guidelines or standards as quickly as possible.

In addition, while it is necessary to integrate adaptation into Treasury decisions on infrastructure investment, the timeframe of 2022-2027 (as proposed in the draft NAP on p66) is too late.

b. *Do you see any further opportunities to include local mana whenua perspectives and mātauranga Māori in infrastructure adaptation decision-making?*

Yes

No

Unsure

Please explain your answer.

Mana whenua perspectives and mātauranga Māori must be included in infrastructure adaptation decision-making. For mana whenua to have effective input, they must be included from the start, properly resourced to participate, and empowered through opportunities for discussion and decision making.

On the Kāpiti Coast, Council works directly with mana whenua for all infrastructure design and delivery. Local mana whenua are particularly concerned about the impacts of infrastructure on Te Mana o te Wai and Te Mana o te Taiao.

- c. *Do you see any further opportunities to include local community perspectives in infrastructure adaptation decision-making?*



Yes



No



Unsure

Please explain your answer.

Local government also incorporates local community perspectives into infrastructure design and delivery, but the level of involvement will vary depending on the nature of the project. While mana whenua will provide advice at the project level, local community perspectives are generally heard at the early stages of the process (often via the long-term plan) when Council is determining whether to proceed with a project at all. The only time that local community perspectives might be incorporated at the project design and implementation stage is when the project might have an impact on levels of service or private properties. In those instances, Council might consult with a small group of impacted residents, although this can vary depending on the scale of the project and whether it is funded through targeted or general rates.

- d. *Do you see any further opportunities to ensure that groups who may be disproportionately impacted by climate change, or who are less able to adapt (such as those on low incomes, beneficiaries, disabled people, women, older people, youth, migrant communities) have continued and improved access to infrastructure services as we adapt?*



Yes



No



Unsure

Please explain your answer.

This is critically important, but the question is broad. It is important that service levels are not disrupted to such an extent that no services are available to those that are less able to adapt. This might mean that interim services will need to be offered to ensure that 'bridges' are provided as infrastructure is undergoing adaptation.

As an example, landslips on the Ōtaki Gorge Road following significant storm events have become a frequent occurrence in our district in the past 5+ years. These slips occur towards the end of the road, preventing access to a DOC site and one residential property. The first time the road slip occurred, Council worked with the residents and WREMO to develop an interim solution so the residents could safely traverse the slip in and out of their home. At the same time, Council worked with DOC and NZTA to repair the road.

Last winter, the landslip occurred again, and the road has again been closed. Geo-technicians advise that the site will always be unstable. In the meantime, Council is still obligated to support these residents. In conjunction with WREMO, Council has once again worked with the residents to ensure they have a means to safely traverse the slip. What will happen in the long term, however, is still unclear. The residents do not want to relocate and have accepted that their access to quick and easy transport is seriously reduced as a result of

the slip. As the DOC site is a national taonga, Council hopes that a solution will be found eventually.

- e. *Do you think we have prioritized the right tools and guidance to help infrastructure asset owners understand and manage climate risk?*

- Yes
 No
 Unsure

Please explain your answer.

The actions in this section focus more on helping asset owners understand climate risks, rather than helping them to manage climate risks.

While Council acknowledges there will be inconsistencies across the country, Council still contends that most public asset owners already understand the risks of climate change as part of their BAU asset life cycle planning. The problem is less about understanding the risks, and more about having the tools to manage the risks, including cascading risks – more priority must be given to clarifying roles and responsibilities and developing incentives, requirements, and funding options, and a supportive legislative environment sooner rather than later.

30. *Are there additional infrastructure actions that would help to strengthen Māori climate resilience?*

- Yes
 No
 Unsure

Please explain your answer.

31. *Are there any other tools or data that would help infrastructure asset owners make better decisions?*

Not that we are aware of at this time.

Communities questions

32. *Do you agree with the outcome and objectives in this chapter?*

- Yes
 No
 Partially

Please explain your answer.

The broad outcome and objectives expressed in this chapter reflect the aspirations of our community to be resilient to future challenges, including those posed by climate change.

33. *Do you agree with the actions set out in this chapter?*

Yes

No

Partially

Please explain your answer.

In the box on p76, as the agency closest to impacted communities, Councils are expected to “engage communities in reducing risk and adapting to a changing climate. They will need to lead the discussion about what actions are the best way of supporting the wellbeing of exposed communities.”

As noted in our response to question 9b above, councils are in need of specific, practical guidance on how to undertake these difficult community consultation processes, as they are costly and time consuming, and are not guaranteed to come up with optimal or implementable solutions. Community consultation is critically important, but it must be effective.

While the current *Coastal Hazards and Climate Change: Guidance for Local Government* guidance is well researched and offers some very good advice, it stops short of providing guidance on how to address common implementation challenges. Targeted guidance is important and useful, but the guidance for local government must be practical and usable at the local government level. This is why it is so important to involve local government experts in the development process.

Currently, there is an Aotearoa Climate Adaptation Network that has been established by local government professionals to support and advise each other on community-led coastal adaptation. The Aotearoa Climate Adaptation Network holds a wealth of knowledge and would be an excellent resource for central government, particularly as central government continues to develop further guidance through the NAP.

34. *What actions will provide the greatest opportunities for you and your community to build climate resilience?*

One of the most significant contributions that local government can make to community resilience will be in relation to land-use planning. On a practical level, the proposed action to improve the natural hazard information on LIMs would allow for greater information sharing between councils and prospective property owners, allowing greater consideration of risks in property purchase decisions while reducing litigation risks to councils; however, the timing of this proposed action (through to 2026) is far too long.

35. *Are there additional actions central government should consider to:*

a. *support your health and wellbeing in the face of climate change?*

Yes

No

Unsure

Please explain your answer.

Climate change is a growing public health emergency. The Kāpiti Coast District Youth Council identifies climate change as one of its priority focus areas. Due to fears about climate change contributing to rising rates of anxiety and depression in young people, the Youth Council recognises that positive climate change action can help young people feel more empowered. Programmes and resources to support local and regional initiatives to build community through climate change action would be welcomed.

b. *promote an inclusive response to climate change?*



Yes



No



Unsure

Please explain your answer.

The draft NAP proposals relating to clarifying roles and responsibilities, educating different sectors, and creating incentives to act will help local governments, communities and businesses make decisions for more effective, long-term adaptation measures.

As climate change is a national emergency, a nationwide public-health-type campaign could help incite adaptation and smooth our collective transition to a low carbon, climate resilient future.

c. *target support to the most vulnerable and those disproportionately impacted?*



Yes



No



Partially

Please explain your answer.

There are at least two population groups requiring special attention as they could be particularly vulnerable and/or disproportionately impacted.

As we state in our response to question 3c, housing is one area where some are likely to be more vulnerable and/or disproportionately impacted. As we wrote in our response to question 3c, some residents will have more ability than others to improve and adapt their homes in response to the changing climate and/or relocate to other locations. Those that cannot adapt, will be at greater risk from natural hazards (e.g. flooding) or health risks (due to damp and cold homes, for example). Unaffordable insurance costs (or uninsurable homes) may also mean low-income households are increasingly exposed to the full economic risk of climate-related natural hazard events, which could have devastating effects on their household. As such, the actions that fall under housing are important. This includes, but is not limited to:

- Building property resilience
- Establishing initiatives for resilient public housing
- Embedding adaptation in funding models for housing and urban development, and Māori housing
- Support kaitiaki communities to adapt and conserve taonga / cultural assets
- Ensure minimum regulatory requirements for buildings take into account climate data.

The other group is those that are physically or sensory impaired. According to Council's Disability Advisory Group, physically and sensory impaired people need more time to escape natural disasters. People with mental health impairments, such as dementia or Alzheimer's, face confusion and increased anxiety when their familiar environments change and may struggle to adapt either in the short or the long term. Guidance is required on the development of emergency evacuation plans that include (i) how to carry out evacuations for physically or sensory impaired people and (ii) how to ensure that evacuation centres are accessible. Ideally, evacuation centres will cater for those with sensory impairments (e.g., have a quiet place where lighting and noises can be reduced) and consider other needs of disabled peoples (such as charging for powered wheelchairs or other assistive technology).

Disabled people are more likely to experience housing vulnerability as well. Disabled peoples' homes may not be able to withstand some natural disasters such as flooding, erosion, and other effects due to climate change because they are less likely to afford home improvements or find new homes that are accessible. According to the Disability Rights Commissioner, there is currently a shortage of accessible housing for disabled people. This includes those who are looking to buy or rent, as well as those who are waiting for social housing. Disabled people must have shelter that is safe and accessible.

Due to compromised immune systems, some disabled people will also be at greater risk of viruses, diseases, and other health impacts brought about by changing temperatures and weather patterns, changing ecosystems, and changing living patterns. Contaminated drinking water, heat exhaustion and heat stroke, respiratory and heart conditions due to damp homes and poor air quality are of particular concern. While incidents are not yet common in New Zealand, they are becoming increasingly common in others part of the world.

Adaptation planning for these communities must start now. Disability advisory groups and disabled peoples' organisations must be involved in every stage of this planning.

36. What do you think are the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hāpu, non-government organisations, community groups) to strengthen community resilience in the face of climate change?

Māori service providers, local iwi and hapū groups, social service agencies, and other community groups all have an incredibly important role to play in supporting and enabling people to transition to a low-carbon, climate resilient future. As these organisations are at the front line, they are critical for providing education and tools.

To support our local iwi and other community groups, we offer a range of grants to promote and support iwi-led, community-led, and business-led initiatives. Central and regional government should be doing the same.

37. *Are there additional actions could be included in the national adaptation plan to help strengthen climate resilience for iwi, hāpu and whānau?*

Yes

No

Partially

Please explain your answer.

It is important that central government provide increased resourcing to enable mana whenua to co-govern and/or realise their own adaptation priorities. Many of the actions within the draft NAP are reliant on mana whenua involvement and/or partnership.

From direct experience, our Council notes that it is unrealistic to expect such intensive mana whenua involvement without additional support and resourcing for mana whenua to:

- Participate in decision-making processes, particularly in a way that ensures a mana enhancing partnership;
- Implement adaptation within their own communities; and
- Challenge legislation that results in poor outcomes for Māori, including their ability to use and access their land in a changing climate.

As stated previously, the depth of knowledge that mana whenua hold about climate change and the value of māramatanga (lessons learned through centuries of kaitiakitanga, manaakitanga, and whanaungatanga) is invaluable. Mana whenua are important actors, not only in how they will mobilise and educate within their iwi and hapū communities to promote climate change adaptation, but also in how they must co-govern with local councils to ensure that local decision making reduces climate change risk, protects the natural environment, and builds resilience. Mana whenua must be involved early on for any conversations, adequately resourced, and empowered through participation in discussion and decision making.

Economy and financial system questions

38. *Do you agree with the outcome and objectives in this chapter?*

Yes

No

Partially

Please explain your answer.

Yes, the outcome & objectives seem to cover the risks for the economy and financial system (together with the outcomes & objectives identified elsewhere in the draft NAP).

39. *What else should central government do to realise a productive, sustainable and inclusive economy that adapts and builds resilience to a changing climate?*

Please see our response to question 40 below about the actions set out in this chapter.

Council would also like to emphasise that communication and education – both to the industry sectors and the general public – are essential to realise a productive, sustainable, and inclusive economy.

In addition, current efforts to support innovation are excellent, such as the Climate Response Accelerator programme. New Zealanders are innovative and creative so these Government programmes to support and generate new ideas are great. Council hopes that such initiatives will continue under the first NAP.

40. *Do you agree with the actions set out in this chapter?*

Yes

No

Partially

Please explain your answer.

It is not up to government alone to solve the challenges businesses face due to climate change. By educating the various sectors (and communities) about the proposed impacts of climate change and how we can respond, individuals and sectors will be better informed and have the tools to make their own decisions on how to deal with these challenges.

Of the proposed actions, Council is particularly supportive of those that could result in transformational change, creating new ways of operating as we transition our economic and financial systems to new ways of working. Here, for example, we are referring to the national Freight and Supply Chain Strategy*, the implementation and potential expansion of climate-related disclosures, developing options for home (flood) insurance issues, and monitoring residential insurance premiums.

* For local government, supply chains are crucially important for delivery of critical assets – whether it be our networks for water supply, wastewater, stormwater, local transport, or other. The cost and availability of supplies impacts our ability to deliver projects as they have been agreed with our communities through our long-term planning processes. Steep increases in costs or delays in the supply chain can mean that we might need to go back to our communities to reconsider decisions that have already been made, which is a waste of time and resource for everyone involved.

Finally, we note that some of the proposed actions in this section will provide benefits to some regional and local economies more than others. Here we are referring to actions directed towards specific economies, e.g. fisheries system reform or the aquaculture strategy. We are pleased to see the proposed supporting actions related to the Tourism Industry Transformation Plan and a climate-resilient tourism sector. Sustainable tourism is a key aspiration of the Kāpiti Coast District Council Destination Management Plan.

41. Are there other actions central government should consider to:

- a. support sectors, businesses and regional economies to identify climate risks and adapt?



Yes



No



Unsure

Please explain your answer.

Time is of the essence. It is important to make tools and knowledge available sooner rather than later. This is especially true for small to medium businesses, who do not have much time and money to spend (especially after COVID) on improvements so are looking for 'quick and easy' fixes. By making tools readily available and affordable, it will be easier to gain their confidence that change is possible and does not necessarily need to be difficult, expensive, and time-consuming.

Additionally, supporting and encouraging sectors to work together towards a solution (in a particular area, town, or region) will strengthen businesses' confidence that they can face the various challenges and make improvements to their businesses to become more sustainable and resilient.

- b. promote a resilient financial system in the face of climate change?



Yes



No



Unsure

Please explain your answer.

Some argue that climate change is a failure of the current global economy. Profit motives lead to a short term, rather than long term focus, often resulting in negative externalities for the environment. In addition, much of our economy remains dependent on fossil fuels.

To reiterate, Council is particularly supportive of actions that could result in transformational change, creating new ways of operating as we transition our economic and financial systems to new ways of working. The financial system is critical in that it can create incentives for adaptation, and opportunities for new funding models.

While we acknowledge that increasing unfunded mandates for local government are problematic, excluding local government from the Financial Sector (Climate-related Disclosures and Other Matters) Amendment Act 2021 seemed short-sighted, particularly considering the extent of public infrastructure held by the local government sector. It is, however, heartening to see that banks and insurance providers are included (as discussed in question 44 below).

42. *What do you think are the most important actions that will come from outside of central government (eg, local government, the private sector or other asset owners, iwi, hāpu and/or other Māori groupings such as: business, forestry, fisheries, tourism, urban Māori, the private sector) to reduce the economic and financial risk they face from climate change?*

Government needs to capitalise on the many small and/or local actions that have the potential to grow. These should be piloted for a wider, national implementation. One example that comes to mind is Businesses for Climate Action at the top of the South Island. While the current Sustainable Business Network provides some wonderful programmes, the membership costs are too high for most small to medium businesses. In response to this gap, Businesses for Climate Action organised to support small to medium businesses in the Nelson-Tasman area. While supported by local councils, this initiative was generated by the business community. Kāpiti businesses are using this model to develop something similar in our district.

43. *Are there additional actions within the financial system that would help strengthen Māori climate resilience?*

Yes

No

Unsure

Please explain your answer.

This question can only be answered by Māori communities.

44. *In the context of other risk management options (eg, flood barriers, retreat from high risk areas), what role should insurance have as a response to flood risk?
Please explain your answer.*

The availability and cost of insurance is critically important to residents and businesses, and Council finds itself on the back foot when property owners or renters express their frustration to us that they cannot get affordable insurance - or, increasingly, any insurance at all.

A lack of affordable insurance is also likely to exacerbate inequalities, as those who cannot afford to adapt or relocate to avoid climate risks will have higher risk exposure while also being least able to afford the heightened insurance premiums (or have no insurance available at all). This causes the individual to bear the whole of the risk (something they can ill afford and that could have catastrophic consequences).

Council hears that there are some properties in our district that can no longer get insurance (properties in flood zones or coastal hazard zones), but our understanding is primarily based on anecdotal evidence. Due to commercial sensitivities, Council finds it difficult to build an evidence-based understanding of the situation.

This information is important for land use planning, as Council does not want to consent building in uninsurable areas. In addition, buyers and renters are blindsided when they have already built, bought, or rented* in an area and only find out that they are not insurable for some things as they are moving in or are surprised when they see insurance providers starting to retreat. Council finds that many simply assume that affordable insurance will be available to them and are not fully aware that insurance providers can retreat. (* Note: we appreciate that

this is less likely to occur through buying or building when banks will require insurance information prior to confirming any loans.)

While other sections in the draft NAP refer to insurers, banks and builders bearing some of the costs, it can be difficult to understand how that might work and/or how to create incentives for them to do so without understanding the current situation. Therefore, Council is pleased to see the proposed actions for the implementation and potential expansion of climate-related disclosures, developing options for home (flood) insurance issues, and monitoring residential insurance premiums.

45. *Should the Government have a role in supporting flood insurance as climate change risks cause private insurance retreat?*

Yes

No

Unsure

Please explain your answer.

For existing developments, yes, as it is hard to see how homeowners will resolve current situations related to private insurance retreat without central government involvement from the start.

For new developments, however, the answer is not as clear cut. If a new development's risk to flooding is high enough that a private insurer will not cover the development, then this is a clear signal that the development requires further consideration. It is important that central government insurance programmes do not mask this 'signal' to such an extent that the development continues without any incentive to carry out a proper climate change impact assessment and adaptation plan. To carry out our regulatory responsibilities in this area, Council is hopeful that the RMA reforms will provide councils with the ability to take a more risk based approach to land-use planning.

The draft NAP suggestions that banks and insurers should/could invest in resilience measures or support customers to do the same (p17). Efforts to bring developers, banks and insurance providers together early in the process could generate opportunities for them to undertake proper risk assessments and contribute to resilience measures, which might then reduce the need for central government insurance funding. Council has heard frustrations from local insurance providers that they are often not involved in the discussions (particularly for newer developments) until the developments have been built and sold. This suggests that some discussions about hazard risks and insurance availability need to be encouraged earlier in the process.

- a. *Does your answer to the above question depend on the circumstances? (For example, who the owner is (eg, low income), the nature and characteristics of the asset (eg, residential or commercial property, contents and vehicles), what other risk management options are available and their cost/benefit, and where the asset is located?) Please explain your answer.*

As noted in our response to the above question, the response might vary depending on the age of the development (i.e. new or existing). We would also argue that the socio-economic vulnerability of the residents must be taken into account. Low income residents are likely to experience the greatest burden. Residents with greater financial means and/or opportunities will relocate to a more secure location when the climate change risks get too high and/or the costs start to outweigh the benefits. Some residents will not have these options. We already

have instances in our district of renters living in sub-standard housing that is cold and damp due to ponding around their home.

Council also agrees that the nature or the characteristics of the asset might provide a useful way to prioritise where support must be provided. For example, our Council's 37-year stormwater upgrade programme prioritises by property type, as this allows Council to spread costs over time. Something similar could be considered for insurance provision. Our stormwater programme prioritises upgrades so that we first work towards preventing flooding in habitable floors, then commercial buildings, then garages and sleepouts, and so on.

46. If you think the Government should have a role in supporting flood insurance as climate change risks cause private insurance retreat, how do you envision the Government's role, and how is this best achieved (eg, direct support and/or indirect support such as reducing underlying flood risk)?

Insurance does not manage risk; it simply transfers the risk to another party. If the Crown is to enter the insurance market, it should not simply be to replace private insurers as that just transfers the risk from the private sector to the Crown.

Ideally, if the Crown is to offer an insurance programme, the Crown insurer would require flood risk to be mitigated through interventions such as elevated floor heights or constraints to development. If not, then the public is effectively paying for a known, private risk and this is not fair. The climate is changing, and our society needs to change too. Without change and mitigation requirements, the Crown entering further into the insurance market (over and above the EQC programme) could mask and perpetuate these risks, which would be an unintended negative consequence of the Crown's involvement.

As stated above, however, there are currently instances of disadvantaged homeowners or renters who cannot afford to pay higher insurance costs, relocate, or undertake mitigation initiatives. Such situations can arise for a variety of reasons, but in the Kāpiti Coast District in particular, there is now a growing number of low- or fixed-income homeowners who are now owners of high value houses due to the housing boom. This means that, while they own a house that has a high value, they may not be able to afford insurance premium increases that have been caused by increasing property values coupled with increasing natural hazards. For some of these individuals, a direct insurance programme might be required in the first instance. In other instances, central government should provide indirect support that creates incentives (particularly to developers, bankers, insurance providers, and homeowners) encouraging them to take direct action to reduce their own underlying flood risks.

47. If the Government were to directly support flood insurance:

- a. *what is the best way to provide this direct support?*
- b. *should the Government's focus be to support availability or affordability of insurance, or both?*
- c. *how should the costs of that support be funded, and by whom?*

Unfortunately, Council is not able to advise on the best way to fund and deliver flood insurance programmes. Council supports the proposed actions in the draft NAP for central government to explore insurance options (and funding programmes for adaptation initiatives) as this is essential, particularly for our homes that are most at risk from flooding and/or coastal hazards.

The Case study provided on Flood Re appears to be a good example of how support could be provided, at least through a short-term programme. It would also seem that another viable

option might be something similar to the EQC levies programme that was established by central government to insure against earthquake risk.

d. *what are the benefits and downsides of this approach?*

The downside of this approach is that any ongoing hidden costs and lack of incentives/mandates for adaptation can perpetuate inaction. The preferred system should involve direct communication with homeowners, developers, bankers, and insurance providers as these actors need to understand and share in the costs to some extent and be incentivised to undertake adaptation measures, even when central government is providing direct support. There will be instances where climate change adaptation costs will outweigh the benefits (for new and existing builds). Although these costs might be difficult to bear, this will ultimately lead to better decision making.

e. *should this support be temporary or permanent?*

f. *if temporary, what additional measures, if any, do you think would be needed to eventually withdraw this support (eg, undertaking wider flood protection work)?*

Ideally, we would like to argue that central government should not have to make sure insurance is available because homeowners should incorporate risks and costs into their own planning and bankers/insurers would be the ones to work with homeowners to develop insurance schemes, but it is not clear that this will happen without central government involvement.

Over time, as education and/or measures have been put in place so that the public is sufficiently informed – particularly when properties are sold – then central government’s role might diminish.

g. *what would the risks or benefits be of also including non-residential property, such as commercial property?*

Council is not sufficiently knowledgeable on this issue but notes that these concerns over insurance apply to non-residential properties too. As mentioned in our response to question 45a, Council’s stormwater upgrade programme includes adaptation measures for all types of properties but prioritises residential properties (specifically habitable floors) over commercial properties.

h. *what design features or complementary policies are needed so any flood insurance intervention retains incentives for sound flood-risk management (eg, discouraging development in high-risk locations)?*

Resource management reform and managed retreat legislation are crucial. While insurance programmes are critical (particularly as we resolve issues related to existing properties that are suddenly experiencing private insurance retreat), a system-wide response is required that promotes long-term adaptation. Council is currently working with the Insurance Council of New Zealand on the Takutai Kāpiti project to incorporate some insurance information, wherever possible, in our coastal adaptation plans.

In addition, it is important to note that councils have legal obligations under Civil Defence legislation to keep communities safe, which supports the need for a more risk-based approach to land-use planning. The councils of the Wellington Region are currently working together to develop a Wellington Region Climate Change Impact Assessment to understand the (cascading) impacts of a changing climate across the region. This assessment will feed into a Regional Adaptation Plan that will be developed as part of the Wellington Region Growth Framework programme.

48. How effective do you think the insurance “price signal” (eg, higher premiums or loss of insurance) is for providing incentives to reduce flood risk?

Insurance is a very effective price signal. As an example, in recent years Council has experienced increases in the cost of insurance for public assets in some areas, particularly along the coast. This information has served as a feedback loop, encouraging Council to consider how often assets are upgraded, whether more should be done to protect them, or whether it will soon be time to relocate them.

However, as noted above, some people are surprised when they find that their insurance premiums have become too high or, even worse, that insurance is no longer available. There may be little that an individual can actually do on their own to reduce the flood risk on their property – for example, there might be structural works required that are outside of their property / control or their financial means. In these circumstances, the risk signals have come too late. And, unfortunately, to make matters even worse, the lack of affordable insurance might decrease the ability of these owners to sell.

Assuming Council understands the nuances of the proposed Flood Re scheme, it seems that the scheme caps flood insurance premiums and cross-subsidises flood insurance between homeowners (so that owners can still sell, and buyers that are willing to take the risk can still buy and afford to insure). The potential downfall of such a scheme, however, is that it perpetuates the issue if owners are not mandated to take actions to lower risk.

49. In your view, should a scheme similar to Flood Re in New Zealand be used to address current and future access and affordability issues for flood insurance? Why or why not?

Yes, Council contends that a scheme like Flood Re should be developed for New Zealand, but only if it is also accompanied by adaptation initiatives so that the scheme would not be required in the long-term. One potential issue is that, because so many homes in New Zealand are in at-risk areas, the costs of such a scheme could exceed central government’s ability to offer the scheme.

50. How do you think a scheme similar to Flood Re in New Zealand could support or hinder climate change adaptation initiatives in New Zealand?

A scheme like Flood Re could accidentally hinder climate change adaptation if it were to hide the risks and costs (that would occur if no such scheme were available). Insurance schemes can easily be used to transfer risk from actor to another, thereby lowering incentives to reduce risks in the first instance. Ideally, such a scheme would be used to encourage discussions about the future and require adaptation so that the scheme can have an end date.

Closing general question

51. Do you have any other thoughts about the draft NAP that you would like to share?

In regard to the proposal to support further research and guidance development, Council would like to reiterate two points.

First, guidance for local government should not be developed by a team that does not fully understand the local government experience. One case in point is the current *Coastal Hazards and Climate Change: Guidance for Local Government* guidance. While it is well researched and

offers some very good advice, it stops short of providing guidance on how to address common implementation challenges. Local government involvement in the development of resources like this is critical because practitioners who have been at the coal face of local adaptation discussions are needed to develop practical guidance and advice.

Second, specialist experts and professional societies (e.g. IPWEA Aotearoa New Zealand, Water New Zealand and the Road Efficiency Group (Waka Kotahi, LGNZ and RCAs)) already have access to a wide range of current research, guidance for best practice construction, and resilience standards. The draft NAP reads as if central government is not fully aware of how infrastructure services are delivered by local government in collaboration with many expert partners, nor is central government aware that expert guidelines and standards are already available and used. It is important that the NAP draws on research that has already been undertaken.

MANAGED RETREAT

*52. Do you agree with the proposed principles and objectives for managed retreat?
Please explain why or why not.*

The Council is unable to answer many of these questions on managed retreat because of the timing of our own coastal adaptation process.

Council has spent several years co-designing a coastal adaptation process for our district with our community and tāngata whenua representatives. This project (Takutai Kāpiti) has established a Community Advisory Panel to explore a range of adaptation options incorporating local cultural, economic, ecological, and social values. The project is undertaking discussions to understand and reflect community and tāngata whenua voices.

While the proposed principles and objectives seem reasonable, Council has not discussed these ideas with our community. The Council wishes to give rightful respect to the Takutai Kāpiti process and the discussions and decisions yet to be made.

*53. Are there other principles and objectives you think would be useful? Please explain
Why?*

Not that we are aware of at this time.

*54. Do you agree with the process outlined and what would be required to make it
most effective?*

Council has not developed an opinion on what is required to make a managed retreat process most effective; however, Council is pleased to see the acknowledgement in the consultation document that any process must allow for some flexibility as it will not be identical for every retreat (p12).

*55. What do you think could trigger the process? What data and information would
be needed?*

As we have discussed in our submission to the draft NAP, there are many councils in the country that will benefit from additional data and information. Other councils, like ours, have already invested a considerable amount in collecting data and information for our local area.

What we have learnt from past experiences, is that any data that is used to trigger any adaptation initiative (managed retreat or other) must be based in the most up to date research practices and be accompanied by a monitoring system with adaptive triggers agreed through community discussions about impacts and risks.

While national guidelines are important to ensure best practice, national consistency, and minimise litigation risks, there must be opportunities for local communities to agree on how data and information is used. It is also important to note that nationally collected data does not always provide sufficient local level information. There will be times when more specific research is required, despite what has been developed at the national level.

56. *What other processes do you think might be needed, and in what circumstances?*

57. *What roles and responsibilities do you think central government, local government, iwi/Māori, affected communities, individuals, businesses, and the wider public should have in*

- a. *a managed retreat process?*
- b. *sharing the costs of managed retreat?*

With any managed retreat process, there can be a wide range of stakeholder groups with an interest. This includes local iwi, property owners, other community and business groups, technical experts, social service agencies, and government agencies as the most common stakeholders, but there could be others. As the complexities of each retreat process can be so different, the roles and responsibilities of the various parties might change but must be shared. The process will require some flexibility to incorporate local preferences, but also provide for tools to keep the process moving if the actors find that they have reached a gridlock.

In addition, as central government will know from the few instances of managed retreat that have occurred nationwide to date, these processes are expensive and highly emotive. There must be a process by which costs can be shared, and central government will need to play a role in this – both in terms of sharing costs and in helping to facilitate agreements about costs. Most property owners will presume that someone will compensate them for any losses, but will this be true in all instances?

As this is such an emotive subject for persons that may be affected, it makes it all the more pertinent for clear, non-ambiguous direction from central government to facilitate and support these discussions and funding, not only for the physical costs, but for costs to support wellbeing as well.

Although it is dependent on the size of the retreat, it must be understood that local governments cannot afford to purchase large numbers of properties at full market rates – particularly if local governments will also have to fund new infrastructure for any relocated townships and suffer their own financial losses for any infrastructure that has been abandoned.

58. *What support may be needed to help iwi/Māori, affected communities, individuals, businesses and the wider public participate in a managed retreat process?*

As tāngata whenua hold a special relationship with the land, managed retreat has the potential to affect Māori communities in a much deeper way as the impacts could cascade from a discussion about individual property rights and values to concerns about the well-beings

(cultural, social, economic, and environmental) of a wider group. As PhD student Akuhata Bailey-Winiata has written, “A marae is more than just a building, it is a connection to tipuna (ancestors), to the land and the surrounding environment.”²

Council defers to iwi in response to this question but contends that any managed retreat guidelines must include specific advice (and perhaps legislation) on supporting tāngata whenua. It is also important that any advice and legislation recognise that this process will be different for each local hapū and iwi.

59. *A typical managed retreat will have many costs, including those arising from preparation (including gathering data and information), the need to participate in the process, relocating costs and the costs of looking after the land post-retreat. In light of your feedback on roles and responsibilities (Q57), who do you think should be responsible for or contribute to these costs?*

Discussions about who shares in the costs of managed retreat are very similar to those about who shares in the costs of other climate change adaptation initiatives. Requirements to share costs create powerful incentives to lessen risk. We discuss this in more detail in our response to the draft NAP.

60. *What do you consider the key criteria for central government involvement in managed retreat? Scale? Process followed? Risk assessment and other options considered? Community/public assets affected?*

61. *There may be fewer options for homes and community buildings (eg, schools, churches, community halls) to move than businesses (eg, retail and office buildings, factories, utilities) for financial, social, emotional and cultural reasons. That may suggest a different process for retreat, and different roles and responsibilities for these actors. Should commercial properties/areas and residential properties/areas be treated differently in the managed retreat process? Please explain why.*

62. *Even in areas where communities are safe, local services and infrastructure, such as roads, power lines and pipes may become damaged more frequently and be more expensive to maintain because of erosion or increases in storms and rainfall, for example. Local councils may decide to stop maintaining these services. Are there circumstances in which people shouldn't be able to stay in an area after community services are withdrawn?*

63. *In what situations do you think it would be fair for you to be required to move from where you live?*

64. *Many residential communities are made up of a combination of renters, owner/occupiers and people who own a property and use it as a second/holiday house. Do you think there are reasons for these groups to have different levels of involvement in a managed retreat process?*

65. *It is not always obvious that an area is at high risk from natural hazards or the impacts of climate change. However, council risk assessments and increased data and information should make these risks clearer. Do you think different*

² Source: University of Waikato. 2021. [News and opinion: Sea level rise affecting coastal communities as climate change hits.](#)

approaches should be taken for those who purchased properties before a risk was identified (or the extent or severity of the risk was known) and those who bought after the risk became clear?

Council has not developed an opinion on whether different approaches are required depending on when a property was purchased; however, as Council advocated in our response to the draft NAP, it is important to ensure that the interests of future property owners and prospective buyers are looked after as much as those of existing owners and sellers. If an area is at risk, the buyer must have access to that information. It is inherently unfair if sellers can suppress this information. This is why the proposed actions related to LIMs in the draft NAP are urgent. Any additional guidance on LIMs must be clear, consistent, non-ambiguous, and coupled with supporting legislative change.

66. *Under what circumstances do you think it would be fair or necessary for government to take different approaches with a greater or lesser degree of intervention or support?*
67. *How do you think land with historical, cultural, social or religious significance (eg, cemeteries or churches) should be treated?*
68. *Some Māori communities, both inland and coastal, have needed to relocate as a result of events (including natural disasters) that have impacted their marae and wāhi tapu. These examples show that Māori communities are aware of the ways that climate change is affecting their marae, papa kāinga and wāhi tapu, and how relocation can be approached as a community, with engagement from iwi, hapū, and whānau. The examples also demonstrate that climate change is impacting coastal communities as well as inland communities located closer to rivers and lakes. How do you think managed retreat would affect Māori?*

This question must be directed to Māori communities. However, Council holds the stance that any adaptation – particularly when managed retreat is considered as an option – must be done in conjunction with relevant hapū and iwi.

69. *Managed retreat has rarely occurred in Aotearoa, especially within Māori communities. However, there are examples of Māori proactively working to protect their marae, papa kāinga and wāhi tapu by either relocating or protecting and developing their current sites. In these instances, the focus was on protecting and preserving their taonga for future generations. What do you see as being most important in developing a managed retreat system for iwi/hapū/Māori?*
70. *Māori land and Treaty settlement land have unique legislative arrangements. Restrictions and protections are placed on Māori land to meet a clear set of principles and objectives that recognise the cultural connection Māori have with the land and a specific focus on land retention and utilisation. Treaty settlement land that has been acquired through Treaty settlement processes is most likely to have cultural significance to a particular iwi or hapū and used to support the Aspirations of their people. How do you think Māori land (including Treaty settlement land) should be treated?*
71. *How do you think post event insurance payments could help support managed retreat?*

72. *Should insurability be a factor in considering whether the Government should initiate managed retreat from an area?*