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**Attention: Parliamentary Select Committee, Parliament, Wellington**

Submission on Komiti Whiriwhiri Take Taiao Parliamentary Environment Committee  
Inquiry into Climate Adaptation considering options for community-led retreat and  
adaptation funding

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## INTRODUCTION

Tēnā koutou

This submission is written on behalf of the Hutt City. The Parliamentary Environment Commission recently launched an inquiry into community-led retreat and climate change adaptation funding. Recommendations from the inquiry aim to support the development of the proposed Climate Change Adaptation Bill next year. Submissions on the inquiry are due to the Select Committee on 1 November.

This piece of work falls under the Ministry for the Environment's (MfE) Action 5.1 in the National Adaptation Plan (NAP) *Pass legislation to support managed retreat*. MfE has released an issues and options paper addressing key adaptation challenges including barriers to Māori participation in adaptation; variable quality of risk assessments and local adaptation planning; no enduring and comprehensive system for retreat; and gaps in our funding approach.

The [Community-led retreat Issues and options](#) seeks feedback on a range of issues to inform the inquiry including:

- The concept of 'community-led retreat'
- How to better support Māori in adaptation and retreat.

- Quality and consistency of risk assessments and local adaptation planning.
- Who should be involved in decisions about adaptation pathways.
- The most important outcomes and principles for retreat and for funding adaptation.
- Issues limiting our ability to retreat before a disaster.
- Powers needed to ensure land is no longer used after a decision to retreat.
- How the costs of adaptation should be borne.
- How people or businesses needing to retreat should be financially supported.
- Whether retreat and adaptation funding should be the same before and after a disaster.

The issues and options paper draws on the report from the [Expert Working Group on Managed Retreat](#): A Proposed System for Te Hekenga Rauora Planned Relocation which has made a range of recommendations regarding approaches to adaptation planning and managed retreat. Hutt City Council endorses the government's policy direction and looks forward to the final Climate Adaptation Bill next year as this is a significant step towards building resilience across Aotearoa New Zealand to address the impacts of climate change and protect our communities.

Local government urgently needs guidance as [recent data](#) shows that climate change impacts are foreseen to be placing our communities, infrastructures, and businesses at risk sooner than previous predictions and modelling have shown in the past. Te Awa Kairangi Ki Tai Lower Hutt is particularly vulnerable to sea-level rise, storm surge and flooding. In the future, we can expect more intense storms and heavy rainfall, with an increased risk of flooding, and more frequent dry periods, which could result in drought. Sea level rise in low-lying coastal areas poses an increased risk of flooding to properties, affecting groundwater and drainage, as well as a heightened risk of storms surging inland, damaging infrastructure and properties, and impacting people's lives.

Petone and Seaview are our city's most at risk to forecast climate change impacts. They both have a significant area that would potentially be severely affected by sea-level rise, and both have a large population, with infrastructure, housing, and businesses at risk. Sites of cultural significance are also at risk, including marae and historic sites which are built near the coast or river. We are guaranteed at least half a meter of sea-level rise this century, and storm surge inundation will occur more often and be more severe due to sea-level rise. The sea level is currently rising about 3mm per year in the Wellington region (even without considering land subsidence), and small increases in the sea level will have a disproportionate impact.<sup>1</sup>

Hutt City Council is currently working on better understanding the risks of sea-level rise and flooding. Our understanding of risks needs to inform our city's planning for the future. We need to ensure that climate change features in all long-term development planning and that we plan well in advance to avoid unnecessary risks. Our adaptation-related workstreams include:

- A Climate Change Regional Impact Assessment in collaboration with Greater

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<sup>1</sup> <https://www.huttcity.govt.nz/environment-and-sustainability/climate-change/climate-change-maps>

Wellington Regional Council and the seven other local and district councils in the Wellington Region.

- Latest information about risks is being considered as part of Hutt City Council's District Plan Review, which will identify areas at risk of natural hazards, including sea-level rise and extreme weather events, and may restrict use and activities in these areas.
- Flood protection work is also a key part of the *RiverLink* project. This flood protection work is expected to safeguard Lower Hutt residents from large flood events that could affect up to 3,000 homes, 5 schools and 600 businesses, potentially causing an estimated \$1.1B in damage.
- [Tupua Horo Nuku](#) project involves the construction of a 4.4-kilometre walking and cycling path along Marine Drive between Ngāu Matau (Point Howard) and Eastbourne. A new seawall is also being built along the corridor which will be the platform for the path and improve the resilience of Marine Drive by providing protection against storms and waves, along with coastal erosion.
- [Te Ara Tupua](#) is the project where Waka Kotahi is partnering with iwi mana whenua (Taranaki Whānui and Ngāti Toa) and local Councils (Wellington City, Greater Wellington and Hutt City Council) to provide a new walking and cycling route between Wellington and Lower Hutt. Te Ara Tupua will also connect with other walking and cycling facilities such as the Petone Esplanade and the Hutt River Trail.
- Hutt City Council has secured \$8.36M from the Government's Better off Fund. This is the first tranche of a \$33.4M allocation available to Hutt City Council and will be mostly used to undertake works to improve the [resilience of Eastern Hutt Road](#) in Stokes Valley following the slips in 2022.
- Over the next few years, our city may look to develop Adaptation plans for the City through "Dynamic Adaptive Policy Pathways" (DAPP), to identify adaptation pathways for the future. This would consider potential measures over time, such as limits on development, elevating buildings and retreating from flood-prone areas.

Setting clear priorities backed by measurable targets and appropriate resourcing within the future Climate Adaptation Bill will be vital in achieving those climate adaptation goals as part of the implementation of our city's [Climate Action Pathway](#)<sup>iii</sup> which was launched in March 2022. This document was developed by the Lower Hutt community (including Hutt City Council, Mana Whenua, and a range of stakeholders), through a co-design process led by a group of community representatives. It sets out the pathway for our city to achieve our zero emissions target and prepare for the impacts of a changing climate.

Stronger partnerships between central and local government are needed in the spirit of collaboration and success will depend heavily on clear government leadership and commitment to collective action. Central government leadership is particularly critical to provide clear and consistent funding pathways to support coastal communities at risk in Te Awa Kairangi Lower Hutt including businesses, residences, buildings, childcares, schools, aged-care, religious facilities and Marae. Hutt City Council, Mana Whenua, business and community groups are working together to determine how Te Awa Kairangi ki Tai Lower Hutt should tackle the climate crisis as a community and we agree that strong, joint signals are required from local government, hapū/iwi/Māori, central government, community groups, non-government organisations and individuals. Hutt City Council is also working in

partnership with other councils particularly Wellington City Council as we are sharing Te Whanganui-a-Tara Wellington harbour and common coastal challenges around sea level rise and coastal erosion for our communities.

Our approach at Te Awa Kairangi Ki Tai Lower Hutt City Council is guided by Te Āo Māori principles of wairuatanga, kotahitanga, manaakitanga, that we consider as central values to achieve our climate goals. We support a community retreat proposal that would support the principle of kaitiakitanga (guardianship and protection), embrace the value of mātauranga Māori and the role it can play in protecting and managing our environment.

## KEY RECOMMENDATIONS

Hutt City Council supports the work the Ministry for the Environment (MfE) has already undertaken in pulling together the National Adaptation Plan and for providing a document that summarises all proposed and current actions around climate adaptation. Thank you for the opportunity to submit more specifically on the inquiry into community-led retreat and climate change adaptation funding. Hutt City Council supports the need for this inquiry and acknowledges the adaptation challenges highlighted in the MfE issues and options paper. In particular, Hutt City Council strongly supports the need for central government direction on funding to support Local Government address climate adaptation key challenges include Māori participation in adaptation, variable quality of risk assessments and local adaptation planning. We particularly welcome the proposed new legislation on managed retreat, as part of the reform of the RMA, setting the national direction via the National Planning Framework, establishing a data sharing portal, supporting mana whenua in their adaptation, and strengthening the emergency management system. Hutt City Council acknowledges that these documents are key in supporting a consistent local government approach, no enduring and comprehensive system for retreat, and gaps in our funding approach.

Outlined below are key areas of priority to Hutt City Council, arranged under the sections in MfE's issues and options paper:

## Te Tiriti-based Adaptation (Chapter 3): Promoting Mana Whenua Partnership and Cohesive Governance

1. As Te Tiriti o Waitangi partners, Hutt City Council's mandate is to meaningfully embrace and incorporate Te Ao Māori in our policies and practices, be aware and responsive to Māori needs and aspirations, and fulfil our obligations under the principles of Te Tiriti o Waitangi. Council recognises the critical value that a strong partnership with Mana Whenua can bring into adaptation planning and community retreat for the city.
2. Iwi, hapū and Māori organisations need appropriate funding to ensure they are able to meaningfully participate in adaptation planning and decision-making. Funding would also be important to realistically enable their participation in decision-making and implement adaptation strategies within their own iwi/hapū. This is critical as Council aims to ensure we have the right relationships and processes in place to enable partnership with Mana Whenua, effective participation, and a shared decision-making focus. This includes meaningful, timely and inclusive engagement at all levels that requires teams to think about the role of Mana Whenua in the planning and delivery of our work programmes and the equitable resourcing for this in line with Council obligations to Mana Whenua. We acknowledge that mana whenua capacity and resource constraints may limit participation. The process of governance needs to be designed in a way that is fair and equitable for mana whenua participation. This includes:
  - Resourcing for mana whenua representatives to participate in adaptation planning processes and for Iwi communities to be informed on agreed processes (including community meetings or wānanga to inform Iwi/Māori communities).
  - A balance of Council, mana whenua, and other party(-ies) representation on governing authorities, so as to not outnumber Māori representation.
  - Work to agreed timelines, acknowledging that mana whenua are often asked to input in several kaupapa at the same time.
  - Work with other interested groups who may be exploring similar kaupapa, so as to limit the burden on mana whenua to engage with multiple groups.
  - We acknowledge that Iwi boundaries and interests will overlap with other Councils and suggest Councils should be encouraged to work proactively with other Councils regionally to ensure mana whenua interests.
3. Funding mechanisms need to recognise the key role played by marae in supporting communities before, during and after disasters. Council has developed Tākai Here (memoranda of partnership) with the five iwi organisations and two marae representing Mana Whenua and iwi Māori in Te Awa Kairangi ki Tai Lower Hutt. These take a covenant approach, reflect iwi plans and align with Council and iwi aspirations.
4. It is essential that Mana whenua co-lead the NAP process in order to achieve adaptation priorities that aligns with hapu/iwi aspirations. Legislation should enable Māori to use and access their land within their iwi/hapū boundaries in a context of changing climate. Managed retreat should be inclusive of Māori traditional knowledge and values. We acknowledge that the MfE's issues and options paper considers the Rauora Framework<sup>2</sup> and Treasury's He Ara Waiora Framework<sup>3</sup> to support consideration of intergenerational and other outcomes. However, there is no clarity on how these frameworks would be practically incorporated into adaptation planning and there is no clear mention of how intergenerational approach to land would be considered at the very preliminary stages of the managed retreat process.

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<sup>2</sup> Ihirangi, National Iwi Chairs Forum. 2021. [Insight to the Rauora Indigenous Worldview Framework for the National Climate Change Adaptation Plan](#). Retrieved 25 July 2023.

<sup>3</sup> Te Tai Ōhanga|The Treasury 2021. [He Ara Waiora](#). Retrieved 25 July 2023.

5. It is critical that future planning on community retreat includes Indigenous knowledge's relevant frameworks, scopes, methodologies, and narratives which would particularly be useful to provide a solid basis to a Māori perspective particularly on managed retreat allowing a thorough consideration of issues such as inter-generational land transfer, etc. As it stands, there is no mechanism in place to incorporate Indigenous knowledge into data gathered to plan for community retreat.
6. Hutt City Council acknowledges the critical need to include indigenous approaches to future adaptation planning from conception to implementation and monitoring in the spirit of partnership and collaboration. We encourage MfE to reflect further the view that form a Māori and Pasifika perspective, attachment to place and space is an essential part of the being and loss of land would also mean loss of history and belonging.
7. Aotearoa New Zealand can highly benefit from reinforcing its engagement with Mātauranga Māori to address climate adaptation goals. The IPCC Fifth Assessment Report (AR5) promotes engagement with indigenous knowledge and principles around interconnectedness with nature that are powerful tools that can be used by the government to fulfil its international climate agreements. Research shows that indigenous knowledge is a key tool to maintain, and build, the momentum gained in the run from COP21 to COP28 coming up next month. AR5 identifies indigenous knowledge as a powerful tool to developing culturally relevant and appropriate policies on climate change adaptation. The inclusion of more robust and nuanced evidence, framing and narratives emerging from indigenous knowledge would highly benefit the community retreat planning from Government. Aotearoa New Zealand has the unique opportunity to engage with the traditional principles of adaptation to extreme environmental events embedded in the country's indigenous knowledge for centuries. Mātauranga Māori represents a deep understanding and respectful coexistence and balance with Te Taiao that is particularly relevant to address issues tailored at the local level.
8. We also suggest including indigenous knowledge through an interdisciplinary Māori-Pasifika approach based on the shared value of Moana-nui-a-Kiwa. We support a future community retreat planning informed by both Pasifika and tikanga Māori values. For this purpose, we encourage MfE to address Māori and Pasifika belonging to the process of adaptation in Aotearoa New Zealand, beyond the scope of participation by incorporating the principles of partnership and reciprocity through the Ruatonga framework and the shared value of Moana-nui-a-kiwa. This would support Māori and Pasifika communities to shape the future adaptive strategies of Aotearoa New Zealand in the spirit of cooperation and collaboration.

## Risk Assessment (Chapter 4): A standardised approach to risk assessment to bring consistency and equity to adaptation planning

1. A **standardised approach** to risk assessment will help to bring **consistency and equity** to adaptation planning. Local government around Aotearoa New Zealand is currently undertaking risk assessments and adaptation planning with communities in different ways, risking adaptation decisions based on those assessments being open to legal challenge.
  - Local government is using consultants to undertake much of the work required to do risk assessment and adaptation planning. Hutt City Council sees an opportunity for this work to be done in a collaborative way across Wellington region to reduce costs, improve efficiencies and bring a consistent approach to risk assessment and adaptation.

2. Hutt City Council supports the '**community centred and nationally enabled**' approach to risk assessment and adaptation planning proposed by the [Expert Working Group on Managed Retreat](#). This approach would promote a balance between top-down and bottom-up approaches where local decision-makers are able to decide on adaptation and relocation options by applying nationally set processes and methodologies:
  - Most Councils are dependent on contracting consultants to run and manage climate risk assessments because of the complex nature of these assessments. **Central government support** to Councils to access data and undertake climate risk assessments is essential to **ensure consistency in methodology, alignment, and cost effectiveness**. This should be coupled with the provision of toolkits and digital platforms to standardise both methodology and data governance.
  - Undertaking climate change risk and vulnerability studies can be costly and time-consuming, so we welcome greater national direction on IPCC-aligned and science-based requirements in **how to use multiple climate change scenarios** throughout the adaptation planning process. It will be crucial to use scenarios as one tool among many and complement them with other approaches, such as vulnerability assessments and local knowledge, particularly indigenous knowledge.
  - Hutt City Council sees a **role for communities, iwi and hapū** to contribute to risk assessments, rather than being undertaken by technical experts only. Communities, iwi and hapū know their areas and are able to meaningfully contribute to a deeper understanding of local risk.
3. Hutt City Council considers the **three-stage risk assessment** process from MfE's guidance on local climate change risk assessments is **appropriate**. Risk assessment reviews should be tied to long term planning cycles so that responses to changing risks can be factored into resourcing decisions.
  - This should be developed while ensuring **funding mechanisms** are in place for supporting operational capacity around regular, replicable and robust climate impact assessments that would inform community retreat at local level is crucial. Adaptation should be driven by the best possible scientific evidence. Planning for relocation as a process should be based on regularly updated scientific evidence on coastal erosion to enable a dynamic, flexible, and adaptable process to take place. Climate impact assessment should be based on a methodology addressing relocation through a community lens and not driven exclusively by individual land ownership requirements, this includes a co-designed approach to climate impact assessment methodology including indigenous approaches.
4. Hutt City Council recommends expanding the support needed for adaptation planning, with a specific focus on **clearly defining the differences in expectations of accountability between adaptation and mitigation**. For this purpose, Hutt City Council encourages MfE to support options for developing **quantifiable adaptation metrics** and **clear measures of success**. We highlight the need for supporting the Research and Innovation sector in exploring and developing quantifiable adaptation metrics models and clear measures of success based on quantitative and qualitative studies that would include indigenous approaches and methodologies to ensure that these are consistent with whānau, hapū, iwi and Pasifika approach and worldviews.
  - Climate Change risk assessment should include the latest robust climate data but also filling the gaps in terms of data related to **human impacts** of

climate change that is critical for our communities. There is no mechanisms supporting councils for a coordinated response across the region to capture and monitor these type of data. This is especially critical for local governments to support community-based adaptative options. Identification of climate hot spots, risk mapping and vulnerability assessments through interdisciplinary research can combine existing methods and tools from both physical and social sciences. For example, mapping can be used to identify physically exposed regions. This data can be combined with socio-economic data to ascertain the combination of exposure and vulnerability and therefore map populations at risk of displacement. In some cases, these data might already exist at council level but is not used for the purpose of adaptation planning.

5. Hutt City Council has included flooding and coastal hazard information into proposed [District Plan Change 56](#). Council is also currently doing a top-to-bottom [review of the District Plan](#) for Lower Hutt. This includes considering a number of natural hazards associated with climate change, including sea level rise, storm surge, flooding and land instability, and involves mapping the hazards and developing controls for land use and subdivision. Without **national adoption of minimum standards of natural hazard protection** and **clear allocation of responsibilities** it will be very difficult to make informed decisions on how to **equitably** respond to the coming changes to both climate hazards and insurance retreat. A focus on allocating responsibilities and minimum standards of hazard protection will help reduce the unintentional transfer of risk and create a more equal delivery of protection.

- We acknowledge that the MfE's issues and options paper on community retreat mentions the need for a dedicated approach to deciding between retreat and other adaptation pathways. Indeed, there is a major gap in understanding **climate immobility** as part of current climate assessments that are not looking at the full mobility spectrum, and therefore, not providing data on "immobility" as a possible adaptation pathway. The latest empirical qualitative data in climate mobility studies highlights the need to consider "trapped" populations unable to move after being affected by climate change impacts and "voluntary immobility" We highlight the need to include in future community retreat plans more options to support the most vulnerable groups that are often unable to move when affected by the impacts of climate change and environmental disruptions. Climate assessment needs to capture data pay not just related to those who move through retreat, but also to those unable to do so and how they can be supported to move when that is their desire.
- Finally, there is a need to better understand what data and knowledge is most relevant in the context of **Loss and Damage** including **Non-Economic Loss and Damage** (NELD); notably on issues such as how mobility can represent a risk management and/or risk prevention strategy and what are the linkages to issues related to insurance.

## Local Adaptation Planning (Chapter 5): Promoting consistency for local adaptation planning enabled by funding based on type and level of risk for communities.

1. Hutt City Council welcomes **central government direction** to guide local government's adaptation planning. We support the areas of direction proposed in the issues and options paper, including **consistency** in:
  - Developing local adaptation planning outcomes and objectives.
  - Risk assessment, including prioritisation.



- Adaptation actions that must be considered for a given type and level of risk.
  - Estimating benefits and costs of different adaptation pathways.
  - Consideration of frameworks to support intergenerational and other outcomes.
  - What to do when adaptation roles and responsibilities overlap between councils or iwi.
  - Whether local adaptation planning should be captured in a dedicated local adaptation plan or included in existing plans.
2. Central government clarity and direction will ensure that adaptation planning is undertaken in a consistent and **equitable** way across the country, with decisions made at the level closest to the community. Rather than a one size fits all, top-down approach, we need an all of Government response that brings **alignment** between regional councils, territorial authorities, central government and iwi partners to ensure the best outcomes for the community.
- Alignment is needed across the **multiple pieces of legislation** related to adaptation planning to reduce confusion and increase consistency. Currently, the New Zealand Coastal Policy Statement requires planning out to 100 years, the Local Government Act requires long term plans to think ten years ahead and infrastructure strategies 30 years, and the Building Act requires 50-year future thinking. This would reduce confusion, improve consistency and avoid further exposing communities to climate hazards.
  - Central government needs to ensure that all its parts are pulling in the same direction to achieve positive adaptation outcomes and align with adaptation and retreat principles. For example, Hutt City Council is concerned at the resources invested by some central government agencies in submitting against **district planning** processes with a potential outcome of **increasing the exposure** of our communities to climate related hazards.
  - Impacted **communities should be at the center of the process** through the support of local governance mechanisms that enable community-led relocation processes. As it stands, the MfE issues and options paper doesn't provide sufficient incentives to ensure that affected communities have input in choosing which adaptive response is most appropriate. Managed retreat should be planned in the spirit of cooperation and partnership through a co-designed approach with communities, businesses, and mana whenua to ensure all parties are included in the relocation process from very preliminary stages to implementation and monitoring.
  - We also recommend the following opportunities for inclusive approaches to community engagement in adaptation planning: Integration of **accessibility needs, health and disability consideration** for diverse communities from the start of the planning process – this includes guidance on scoping up the areas for adaptation planning in larger urban contexts which have diverse populations.
  - In terms of Health impacts, there is a need for more information, support and guidance to help people cope with both physical but also **psychosocial challenges** that adaptation planning will bring. People's sense of attachment to place and community will make many of the conversations needed as part of adaptation planning complex and potentially confronting. Any framework or approach to local adaptation planning will need to keep the impact on people front and centre. Place of attachment and belonging to space and place is particularly important for Māori and Pacific communities that have been ancestrally tied to a relationship with their land that is also part of their being and identity.

3. Hutt City Council sees an opportunity for central government to play a key role in **educating the broader community** about the need to undertake adaptation planning. Based on feedback from our own communities, there is **a lack of understanding of what adaptation is, and how it is different from disaster response**. There is currently a common expectation from community that adaptation is governments' responsibility. Communities need to see that the responsibility for preparing for climate change is based on **shared responsibility** and that all parts of the system need to work together including all levels of government, iwi and hapū, the private sector, the research and scientific community and communities.
4. Hutt City Council supports the Managed Retreat Expert Working Group's proposed approach to adaptation planning, where **region-wide risk assessments** are undertaken through regional planning committees and areas for adaptation are identified through regional spatial strategies. Local adaptation planning would then be overseen by a local entity and recorded in local adaptation plans. Hutt City Council agrees that this needs to be **mandated through the new legislation** to support a consistent and equitable approach to adaptation planning. Decisions about the adaptation pathway chosen should be made through collaboration and consultation at the local level, with support from the regional level.
5. **Legal liability dilemma** concerns are hindering adaptation for many councils. The legal liability of councils and the processes required to manage that liability should be clarified. Furthermore, understanding which factors shape decision-making for interventions like managed retreat can be critical where context, risk drivers and timing can mean the difference between success or failure. Greater clarity is needed on which stakeholders are involved in decision-making and how to define the degree of involvement of affected communities in decisions and planning which is an important factor for success. HCC agrees that decision makers should be protected from liability where they act in good faith. Fear of litigation is currently preventing some local authorities from undertaking adaptation planning, leaving communities continuing to be exposed to climate related hazards.
6. The ongoing lack of clarity regarding **Affordable Water reform** and the incoming new Government makes it difficult for local government to effectively consider water in adaptation planning. There is a risk that adaptation planning will be undertaken in a **siloed** way, rather than collectively considering climate impacts on all assets servicing communities. As part of Affordable Waters reform, there is a need for clarity on the allocation of responsibilities, setting of standards and levels of service and identification of sources of funding for addressing flooding hazards either through infrastructure, operational response or retreat. It is currently very difficult for local governments to withdraw services to a community such as three waters and roading, even when those assets are located in high hazard areas. There may be situations where the costs of continuing to maintain services after flooding or coastal erosion outweigh the costs of removing or relocating services. HCC sees a need for the new legislation to drive adaptation thinking into asset management decisions and make it easier for local governments to work with communities to withdraw services at risk.

## Community-led retreat (Chapter 6)

1. Hutt City Council **supports guiding principles** and desired outcomes as we believe the gravity of the matter in terms of possible loss and damage as well as conflict due to the diversity of vested interests demands rules of engagement to ensure fairness, transparency and consensus in all decisions made.
2. Hutt City Council supports the **alternative framing** of retreat proposed by the Managed Retreat Expert Working Group '**planned relocation**', or 'Te Hekenga Rauora' (if there is wide iwi support for this). 'Community-led retreat' is likely to set an expectation that communities will always be the decision-makers regarding retreat and will lead the process. While community participation in decision-making is essential to successful adaptation, there will be situations where communities will need to be directed to move

away from a hazard to reduce risk to life. They may not be prepared to pay for the costs of their decision. This is tied into the funding and financing section below.

- We recommend that MfE clarify terminology around using the term “managed retreat” or “community-retreat” vs. “planned relocation. At present, there is wide recognition that human mobility occurs across a spectrum from voluntary to forced movements. There is still a lack of consensus about how these movements are then characterized and the definitional/terminological distinctions are made, from predominantly voluntary “migration” to predominantly forced “displacement.” There is also confusion about whether “displacement” refers to a temporary and/or permanent process and definitions of “migration” still vary from country to country and even within the same countries. A similar environmental change can induce a wide array of mobility outcomes, depending on the characteristics of the affected people. It is essential to have clearly defined narratives to address adaptation and managed retreat in Aotearoa New Zealand as the issue is already very complex and our communities would benefit from some clarity on terminology used that would also keep them engaged.
3. In relation to the options for a retreat system presented in the issues and options paper, HCC prefers **Option 2, a mix of voluntary and mandatory**. It helps build flexibility in the relocation process, on a case-by-case basis as relocation is likely to be locally specific and vary based on circumstances and context. While we acknowledge the mention of the use of an equity lens in this process; There is no mention of how compensation or assistance is going to be provided between opulent communities that have a safety net i.e., savings, insurance, alternate homes and/or poor communities that can barely afford to start afresh. Despite narratives around equity in the document, there is a need to provide practical legislative options to plan relocation through the scope of equity to ensure that the most vulnerable are not left behind in the process. Furthermore, regulations should be included under the adaptation Act to protect the rights of communities, during involuntary relocations, to ensure that authorities do not overstep their mandates or omit important obligations.
  4. The powers introduced as part of the **Climate Adaptation Bill** will need to address the current difficulties associated with **extinguishing existing land use rights**. It will be particularly important to ensure that this happens in partnership with iwi Māori as mana whenua, and that Māori land remains in Māori hands after a decision to retreat.
    - HCC agrees that affected land should **no longer be used at the end of a retreat process** (with limited exceptions for ceremonial events, recreation, some agriculture/ horticulture use, mahinga kai gathering as proposed in the issues and options paper). This will ensure that future development on hazard prone land is avoided and will minimise the risk to life and property.
    - As it stands, the managed retreat proposal doesn't provide a clear understanding of managed retreat as a process with key stages and some of the critical cross-cutting elements relevant to **land use planning that needs to be considered at each stage**. This needs to be addressed and, at the least, provide for flexible planning regimes and the power to modify existing land uses and permits. in the context of local government, it is essential that MfE address barriers to adaptation measures that involve interference with existing or permitted land uses and provide tools for flexible planning regimes and the power to modify existing land uses and permits.
    - We encourage MfE to tailor managed retreat plans to the needs of the communities. A decision to move is taken individually but also as part of a community that will be affected as a whole. There is no consideration of

managed retreat as a flexible dynamic process that could be either temporary, or permanent; that could include a whole community or part of it. The narratives and approach are driven by a conception of land that is based on individual ownership while communities are at the center of the relocation process as they are the first impacted and relocation is likely to concern a whole community rather than individual owners separately. The relocation process is not tackled through a **communal approach** but rather through a singled individual notion of land ownership. This approach will not be adaptable to the various nuances and scenarios for impacted communities.

- Again, promoting an indigenous **Māori and Pasifika approach** to managed retreat would allow an in-depth understanding of those communal dimensions and case studies in the Pacific region have a lot to teach us in terms of understanding planned relocation as a collective process based on a community-based approach that would be key to support local government in engaging and addressing managed retreat successfully.

5. It would be essential to provide a comprehensive interim principled guideline to support “managed retreat” for local government based on international best practice and tools such as the [Planned relocation toolbox](#) that provides useful guidance on “**origin and destination sites**”, compensation mechanisms and timeline. This could also be based on lessons deriving from experience from regions such as the Pacific that is ahead of us in facing the impacts of climate change and developing adaptation strategies embedded in climate policy. The “Fiji planned relocation guidelines” for example, could be a useful tool to understand challenges associated with **Non-Economic Loss and Damages** (NELD) referring to the loss of values that are not commonly traded in markets. Examples include loss of, and damage to, mental health, culture, way of life, biodiversity, or social cohesion.<sup>vi</sup> The NELD and intangible value loss such as belonging and attachment to indigenous land would be a dramatic loss to both Māori and Pasifika communities of Aotearoa New Zealand.

- Hutt City Council would like to recommend MfE support realistic governance options for local government to effectively lead and support communities to choose the best relocation option for themselves based on the **principle of “last resort”** and deal with the issue of **loss of “place and space” that involves a series of NELD**. The current “managed retreat” framework lacks focus on the NELD that should be evaluated within each stage of the “managed retreat” process proposed by MfE. As it stands, the document doesn’t provide any tools to respond to climate impacts that can’t be quantified or measured. Loss of intangible value needs to be integrated as part of Loss and Damages within the “managed retreat” framework. This is particularly crucial as **intangible loss** (or NELD) constitutes an essential part of mana whenua and Pasifika communities’ climate impacts where complex and deeply entangled socio-ecological system in which identity, culture and way of life are embedded.

## Financing and Funding (Chapter 7); Promoting Cohesive, Coordinated and Timely funding

1. Funding for adaptation is one of the **key issues** preventing local government from taking action to adapt. **Cohesive, coordinated and** timely funding will ensure we can work with our communities over the longer term to prevent maladaptation or being locked into poor adaptation decisions.

- Hutt City Council would like to raise particular attention to the need to clarify the funding mechanisms that will enable local government to deliver **targeted adaptation actions** in future based on the best available data and scientific knowledge.
- There is some **uncertainty** around the specific roles of district councils and regional councils and how adaptation responses are funded. This uncertainty can affect councils' ability to make and implement decisions. As mentioned in the MfE issues and options paper, there will be a range of costs associated with managed retreat which different parties will face. It is acknowledged that it is important that a managed retreat system does not create financial or economic incentives that would stop individuals from taking action to reduce their risks. However, there is no clear information about how adaptation funding would address spatial and temporal inequalities, so we don't transfer the risks to the most vulnerable.
- There is also a strong need to expand the document with details on **compensation mechanisms**, what it would entail and within what structure. Unpacking the legal and financial options available to decision-makers equally provides important context to how these policies materialise.
- We note the lack of support (financial or scientific) towards innovative tools that could serve communities and local governments to address managed retreat (by phases). We would like to support the establishment of funding allocation that would include Innovation and Technology such as **digital mapping or community-owned Apps** to support adaptation.

2. Hutt City Council support the **Approach 3 "like-for-like" payment that** could provide a greater level of support to property and landowners to enable like-for-like (or near like-for-like) replacement costs (potentially up to a cap). For example, this could be based on market value, rebuild costs per square metre, rateable value or some other measure of value. Alternatively, it could be based on the level of insured value, including EQCover payments.<sup>[2]</sup> This could incentivise homeowners to take out full insurance on their properties. **'Like for like'** payment of replacement costs up to a cap based on insured value, with incentive for property owners to insure their properties. Experts are of the view that when the property was purchased should figure into the decision to provide funding to support retreat. **It is important that the system does not incentivise people to live in hazardous locations based on an expectation that central**

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<sup>[2]</sup> Toka Tū Ake EQC, the Earthquake Commission, provides natural disaster insurance to residential homes and land under a scheme called EQCover.

**government will pay them to move.** The impact on **incentives** is also important. For example, any financial assistance would ideally be set at a level that incentivises people to undertake proactive retreat (and not wait until after a disaster) where this provides the best long-term option. It should not, however, **incentivise people to retreat where protective options would manage risks and provide better value for money.**

3. HCC supports the option proposed by some experts part of EWGMR is to **provide seed funding to local governments** to enable them to initiate adaptation planning. Possible criteria could include a local government's risk profile and/ or funding required as a percentage over the council's GDP. Funding needs to recognise the different requirements of councils according to their exposure to climate hazards, the cost of adaptation, the size of the council and rates base.
4. A further way that central government could provide long-term certainty would be to establish an enduring fund for adaptation, as recommended by the independent Review into the Future for Local Government (Review into the Future for Local Government. 2023. [He piki tūranga, he piki kōtuku](#). Wellington: Review into the Future for Local Government).and the Productivity Commission (Productivity Commission. 2019. [Local government funding and financing](#). Wellington: Productivity Commission).
5. **Property insurance** needs to be **government-led** as it's a national issue potentially affecting homes and business owners in Aotearoa New Zealand. Property insurance will remain vital, but insurers will not cover many of the costs of managed retreat. As noted in MfE's community retreat issues and options paper, increasing insurance premiums and insurance retreat will have significant impacts on our communities [Insurance retreat](#) has started across the country so it is not a future issue anymore . These impacts will fall not only on private property owners but also on local government as they manage assets at risk that service communities. Hutt City Council sees an opportunity for these sectors to contribute to the cost of funding adaptation. One option is for these sectors to provide seed funding to bridge the gap when someone can't afford to move.
6. HCC considers that the most important outcomes and principles for funding adaptation are **equity**, supporting the most vulnerable and giving effect to te Tiriti. Some people will simply not be able to afford to move. Any funding system will need to take this into account and ensure that those with limited financial means are supported to relocate to less hazardous areas. Central government's funding priorities need to ensure that the most vulnerable are supported and that **equity** across communities and generations is at the forefront of funding decisions.
7. The best place for funding decisions to sit is with the **regional planning group**, if established as part of the Expert Working Group on Managed Retreat's recommendations. If central government creates the mechanism to access funding for retreat, local government could then pay for the adaptation planning process in order to access those funds. This approach needs to apply not only to whole communities needing to retreat, but also to individual property owners that may be in high flood risk areas such as overland flow paths.
8. Many Councils do not have the **capacity** to effectively plan for and implement adaptation responses. Councils also face financial constraints and shortages of professional and technical expertise. While coordination and collaboration among local governments is already happening to address some of the capacity constraints, central government needs to provide a more consistent approach to support local government address this challenge.
  - We strongly recommend MfE to address the **limited capacity of local-level** to implement action to address cross-cutting issues such as human mobility (especially planned relocation/managed retreat) in the context of loss and damage associated with the adverse effects of climate change. There is a

need to support institutional, technical, and operational capacity building at local level, including through exchange of knowledge, expertise, and good practices.

9. HCC considers that **no one entity should fund the cost of climate adaptation**. Rather, the costs should be borne by a mix of central and local government and the private sector. Clarity of the roles and responsibilities of each entity needs to be provided to communities to offer them some certainty of the support that will be available. HCC welcomes the fact that the funding and financing principles proposed in the issues and options paper apply not only to retreat but to the broader suite of possible adaptation options.
10. As noted in MfE's issues and options paper, increasing **insurance premiums and insurance retreat** will have significant impacts on our communities. Hutt City Council notes that these impacts will fall not only on private property owners but also on local government as they manage assets at risk that service communities.
11. **Clear communication** will be needed that we will be unable to do everything all at once, but will need to take a planned, prioritised approach. This might include helping people whose primary place of residence is facing significant risks to retreat; helping people with limited financial means to protect themselves; supporting councils to reduce risks from flooding and reduce recovery costs; and iwi, hapū and Māori adaptation funding.

## Adapting through recovery (Chapter 8): Seeking clarity before and after disasters

1. HCC supports the need for **clarity** for communities prior to disaster as to the funding and support that will be available to them **after a disaster**. Our communities need clarity and certainty to reduce the anxiety inherent in preparing for climate hazards.
2. The only cost sharing model we currently have in New Zealand is the approach to funding recovery after disasters but the approach to funding adaptation before a disaster is significantly different to funding recovery. Under the National Civil Defence Emergency Management Plan 2015, central government covers 60 per cent of the costs of repair of some essential council infrastructure after a disaster. The remaining 40 per cent is covered by councils. In practice, central government has often contributed beyond these costs, notably in areas where there is less ability to pay on the part of private individuals, households, businesses or local councils. Toka Tū Ake EQC Earthquake Commission (EQC) also provides natural disaster damage cover to residential property and land. EQC addressed several claims made in Te Awa Kairangi ki Tai Lower Hutt following the severe wet weather in July and August 2022. There is **currently no formula for sharing adaptation costs before a disaster**. The approach to retreat and adaptation funding should be different before and after a disaster. There are opportunities to **expand and better utilise central government's Climate Emergency Response Fund** to support adaptation initiatives.
3. Finally, it will be important to ensure that good **monitoring and evaluation** are part of the system and to promote continuous improvement. The system will need to adapt as it goes, and keeping track of progress will be important.

Thank you for the opportunity to contribute to development of the proposed Climate Adaptation Act. We look forward to the outcomes of the inquiry.

Yours sincerely,

Alison Geddes

**Director Sustainability and Environment**



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