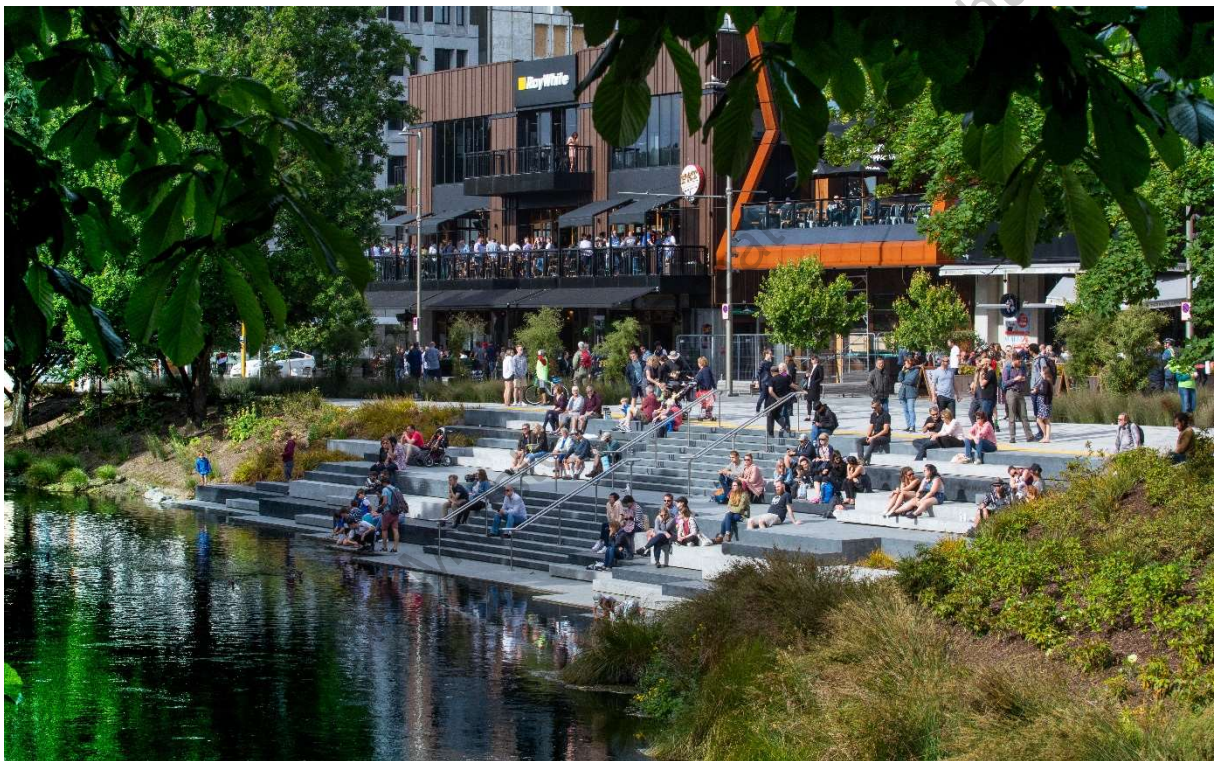




# Briefing to Incoming Associate Minister for Greater Christchurch Regeneration



Credit: Christchurch City Council

Date

2 July 2019

Priority

Routine

Security Classification

In Confidence



# Welcome and introduction

Congratulations on your appointment as Associate Minister for Greater Christchurch Regeneration. On behalf of DPMC and our colleagues across regeneration-related entities, we look forward to working with you to support the regeneration of greater Christchurch.

It is nearly nine years since the first earthquake struck Canterbury on 4 September 2010, which was followed a few months later by the 22 February 2011 6.3 magnitude earthquake. As you know, these devastating events marked the beginning of a long journey of recovery and regeneration for the people of greater Christchurch.

Almost a decade later, considerable progress has been made rebuilding the city and the lives of those impacted by the earthquakes. Regeneration momentum has accelerated in the last two years, as a number of critical projects reach or near completion, with critical decision points during the next year that will shape the future of greater Christchurch and a return to local leadership. Most notable are the decisions relating to the future use of land in the residential red zone, global settlement, and Canterbury Multi-Use Arena.

This briefing provides you with contextual information about the regeneration of greater Christchurch. It outlines roles and responsibilities across the portfolio as a whole and specific information about key issues and decisions required in relation to the portfolio in the coming months. Following the delegation of specific responsibilities to you as Associate Minister, officials will provide further briefings as required.

As the portfolio Associate Minister, in addition to the Department of the Prime Minister and Cabinet, you may interact with the Treasury; Ministry of Business, Innovation and Employment; and Land Information New Zealand. These agencies have contributed to this briefing. You may also interact with Ōtākaro Limited, Regenerate Christchurch, and a range of other local and central agencies.

We welcome the opportunity to provide more detailed papers on the matters in this briefing, and look forward to working with you as Associate Minister for the portfolio.



# Recommendation

The Department of the Prime Minister and Cabinet recommends that you:

Note the contents of this briefing.

NOTED

Anne Shaw

**Executive Director, Greater  
Christchurch Group**

Date: / /2019

Hon Poto Williams

**Associate Minister for  
Greater Christchurch  
Regeneration**

Date: / /2019

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# 1. Overview

This briefing sets out:

- Context for regeneration and a summary of the current key issues in the Greater Christchurch Regeneration portfolio;
- Overall roles and responsibilities of the portfolio; and
- Key areas of focus requiring consideration either immediately or within the next six months.

# 2. Context

## Background

Since the devastating earthquakes of 4 September 2010, and 22 February 2011, there has been significant progress towards recovery and now regeneration.

The Canterbury Earthquake Recovery Authority (CERA) was disestablished in April 2016. At this time, CERA's functions were either ended or were transferred to inheriting agencies including DPMC, Ministry of Health - psychosocial issues, Land Information New Zealand (LINZ) - management of Crown land including the residential red zone; and the Ministry of Business, Innovation and Employment (MBIE) - Residential Advisory Service.

The Canterbury Earthquake Recovery Act 2011 expired in 2016 and was replaced by the Greater Christchurch Regeneration Act 2016 (GCR Act). The 2016 legislative framework supports regeneration in greater Christchurch and assumes that central government has a transitional role until 2021 when the majority of the GCR is automatically repealed.


In March 2016, DPMC became central government's lead agency for regeneration. The Greater Christchurch Group (GCG)<sup>1</sup> was established to fulfil this role, taking responsibility for advising on the regeneration of greater Christchurch and monitoring and reporting on regeneration progress.

Two new regeneration entities, Regenerate Christchurch and Ōtākaro Limited, were also created and inherited or received new functions at this time, as did a range of other government agencies. Further information is provided in **Appendix B**.

It is more than three years since the above arrangements were put in place and we are now moving towards the transition back to local leadership and the Crown stepping back from its extraordinary role. The revocation of the Order in Council in

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<sup>1</sup> The structure of and key contacts for GCG are provided in Appendix A.



February 2019, returning district planning processes to Christchurch City Council, was a key milestone in signalling a return to local leadership.

The Minister for Greater Christchurch Regeneration has four principles that guide the progression to transition:

- **People** – ensuring central government maintains the confidence of the people of Christchurch, keeping them at the centre of regeneration decisions promoting positive outcomes for them;
- **Momentum** – transition decisions ensure regeneration momentum is maintained and accelerated, where possible;
- **Value** – recognising that central government objectives in greater Christchurch are mixed. It is about ensuring that transition decisions meet the social, environmental and cultural needs of the people of Christchurch while promoting economic growth;
- **Future** – leaving a strong foundation for locally led success on regeneration, through advancing the transition to a new-normal relationship between the Crown and Council.

Strong working relationships are critical to the regeneration process and transition towards local leadership. Strong relationships will contribute to seamless transition, foster ongoing, longer-term positive relationships between central and local government and help provide assurance to the wider community that regeneration momentum will continue at pace. GCG has pivotal relationships with Christchurch City Council, Regenerate Christchurch and Ōtākaro Limited, as well as LINZ and Treasury on the central government side. Other strategic partners in regeneration include Environment Canterbury, Selwyn and Waimakariri District Councils, and Te Rūnanga o Ngāi Tahu.

## Progress

The Crown has made a huge contribution to support the recovery and regeneration of greater Christchurch, including investing an estimated \$18 billion to make it stronger and more resilient than before the earthquakes.

The central city is beginning to function more like a normal central city with major regeneration milestones achieved including on key anchor projects:

- Canterbury Earthquake National Memorial (*Oi Manawa*) – opened to the public in 2017;
- Turanga Christchurch Central Library – completed and opening in 2018;
- Te Pae Convention Centre - on track for opening and hosting its first event in October 2020;

- Metro Sports Facility - construction now underway with completion expected in 2021;
- Canterbury Multi-Use Arena investment case nearing completion in mid-2019;
- East Frame completion of the first homes being constructed;
- Avon River Precinct – opening of the promenade in 2018 and the final two elements expected to be complete in 2019 including the North Frame pedestrian bridge between Colombo and Manchester Streets and the Avon Loop development;
- Hospitality and Retail precincts – private sector led developments continue to expand with the Crossing (opened 2019), the Terrace (opened 2018) and Riverside Farmers Market due to open spring 2019; and
- Christ Church Cathedral Reinstatement Project - continues to receive Crown support, most recently with the advancement of the \$15 million suspensory loan, following the Crown’s initial \$10 million grant.


## Looking ahead

Minister Woods has made it clear it is her intention to be the last Minister with the Regeneration portfolio. Whilst prioritising a return to a ‘normal’ Crown relationship with greater Christchurch, the current Government and Minister are firmly committed to first resolving any outstanding matters (**section 4** provides more detail on these), with the end goal that greater Christchurch is well set up for a positive and dynamic future.

In the next three months key decisions in the portfolio will need to be made on the following:

- **Global settlement and future institutional arrangements:** Completion of the global settlement negotiations with Christchurch City Council to provide clarity about long-term ownership of assets, funding arrangements, and roles and responsibilities.
- **Ōtākaro Avon River Corridor residential red zone:** Regenerate Christchurch submitted its draft *Ōtākaro Avon River Corridor Regeneration Plan* in March 2019 to the Minister who has a statutory decision-making role and can either approve or decline, but not amend, the draft Plan.
- 9(2)(f)(iv)




- 
- **Canterbury Multi-Use Arena:** Crown funding of \$220 million for the Arena (from the \$300 million Christchurch Regeneration Acceleration Facility (CRAF)) is dependent on its approval of the Investment Case, which is progressing and due with Cabinet in August 2019.
  - **Christ Church Cathedral:** An appointments process will need to commence shortly to establish the Christ Church Cathedral Reinstatement Review Panel, which will be responsible for reviewing and providing advice on Orders in Council made under the Christ Church Cathedral Reinstatement Act 2017 to enable reinstatement in an expedited manner.

Once key decisions are made in relation to the above matters, subsequent implementation processes and associated decision-making will be required in a number of areas.

The local government elections in October this year (and the central government elections in 2020), along with stakeholder and community expectations to have certainty on resolving outstanding regeneration matters, places huge impetus on key projects to be progressed over the next weeks and months. 9(2)(j)

Other key matters include:

- **Exercise of planning powers under the GCR Act:** Ministerial exercise of power under section 71 of the GCR Act enables fast tracking of discrete amendments to district and regional planning documents for regeneration purposes. You may recall past section 71 decisions in relation to Residential Unit Overlay District Plan Changes, Yaldhurst Recreation and Sports Facility, and Redcliffs School relocation. Further proposals are expected in the next few months to utilise this provision prior to its expiry. Further information is provided in **section 4** and **Appendix E**.
- **Close out of Greater Christchurch Horizontal Infrastructure Programme:** A final invoice was received in June 2019 for the Christchurch City Programme consisting of 743 projects. The rebuild and repair of damaged three-waters infrastructure in the Waimakariri District, the other outstanding part of the Programme, is nearing completion, with physical works on all projects expected to be complete in July 2019. Further information is provided in **Appendix B**.
- **Public Inquiry into the Earthquake Commission:** DPMC hosts and provides secretariat support to the Inquiry into EQC, led by Dame Silvia Cartwright. The Inquiry is required to report its findings and recommendations by March 2020, although it is working towards a report by the end of 2019. Further information is provided in **Appendix B**.



We look forward to engaging with you on these key areas of regeneration, particularly those within your delegations.

### 3. Roles and responsibilities in regeneration

#### The Greater Christchurch Regeneration Act 2016

The GCR Act provides the legislative framework to support regeneration in greater Christchurch. It is based on the assumption that central government has a transitional role in greater Christchurch until 2021 when the majority of the GCR Act is automatically repealed. More information about the GCR Act, and statutory responsibilities under it, is provided in **Appendix E**.

#### Ministerial responsibilities

The Minister for Greater Christchurch Regeneration is responsible for central government's ongoing role in the regeneration of greater Christchurch. In particular, the following aspects of regeneration fall under this portfolio:

- Responsibility for exercising powers in the GCR Act, including exercising any remaining residual statutory functions of the Minister for Canterbury Earthquake Recovery;
- Monitoring ongoing regeneration in greater Christchurch;
- Managing residential red zone land;
- Overseeing the central government's interests in, and relationship with, Regenerate Christchurch;
- Responsibility as a Shareholding Minister, along with the Minister of Finance for Ōtākaro Limited; and
- Monitoring of insurance settlements in greater Christchurch.

Whilst the Prime Minister is the 'Responsible Minister' for DPMC, including GCG as a business unit, in practice, the Minister for Greater Christchurch Regeneration provides day to day oversight and is consulted on such matters. Relevant information about funding for the Greater Christchurch Regeneration Portfolio is provided in **Appendix C**.

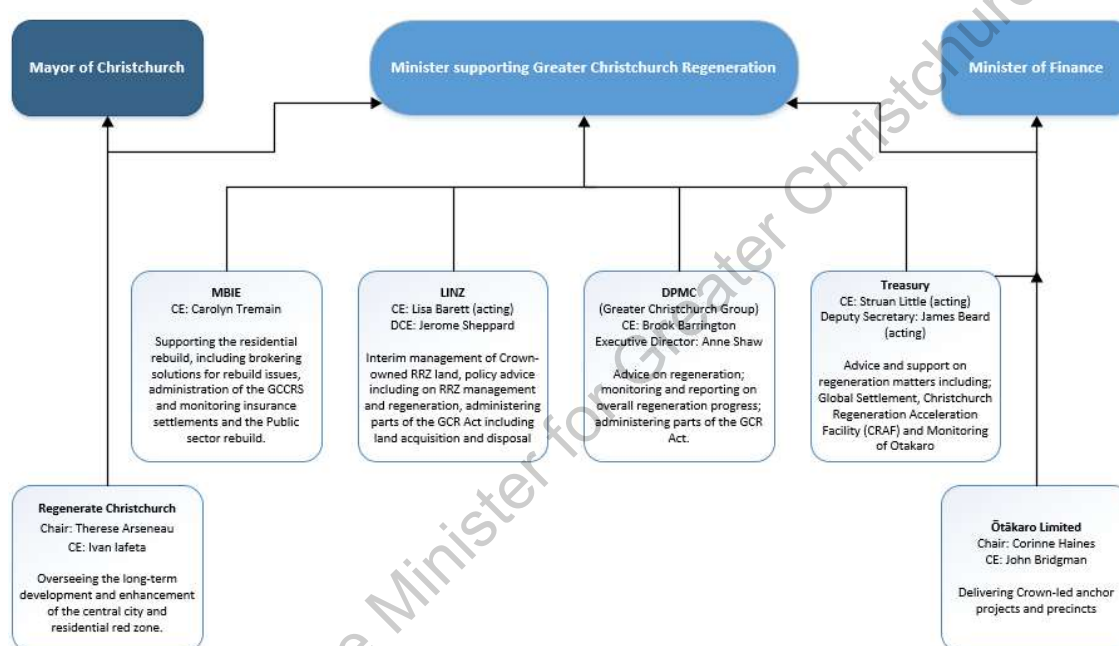
#### Regeneration agencies

Following the disestablishment of CERA in 2016, a range of agencies picked up roles in the regeneration of greater Christchurch. Four central government agencies, one

Crown-Council organisation (Regenerate Christchurch) and a Crown company (Ōtākaro Limited) undertake regeneration functions and report to the Minister as set out in Diagram 1 below.

Ōtākaro Limited reports to both the Minister for Greater Christchurch Regeneration and the Minister of Finance, as joint shareholders. Regenerate Christchurch reports to both the Minister for Greater Christchurch Regeneration and the Mayor of Christchurch. More detail on roles in relation to these two agencies where there is joint ministerial responsibility is in **Appendix B**.

*Diagram 1: Regeneration related agencies reporting to the Minister for Greater Christchurch Regeneration*



## Greater Christchurch Group, DPMC

DPMC, through the Greater Christchurch Group (GCG), is central government's lead agency for regeneration. GCG is a small, agile unit within DPMC, based in both Christchurch and Wellington, and its most important task is to support the transition of leadership in greater Christchurch from central government to local institutions.

GCG's role includes:

- Leadership, coordination and brokering across central and local agencies involved in the regeneration of greater Christchurch – e.g. residential recovery, psychosocial and land matters;
- Advising on the regeneration of greater Christchurch;
- Providing second-opinion advice on policy related to regeneration;

- Administering parts of the GCR Act;
- Supporting Regenerate Christchurch in delivering its work programme;
- Monitoring Regenerate Christchurch;
- Being the policy lead for Ōtākaro Limited;
- Providing both policy and operational lessons learned from the Canterbury experience in supporting other central and local agencies;
- Monitoring and reporting on the overall progress of regeneration; and
- Part-funding and joint governance of horizontal infrastructure repairs (largely completed).

Given DPMC's leadership role in regeneration, you can expect GCG to provide regular policy advice (both first and second opinion) across all matters under the regeneration portfolio that are discussed in **section 4**. Other parts of DPMC also provide support with corporate services such as ministerial services, communications, legal services, and strategy and planning.

## Partners and working together

There are positive working relationships and goodwill between all the regeneration partners at both governance and organisational level. The shared commitment to keep up the momentum of regeneration and achieve the best possible outcomes for greater Christchurch helps enable GCG's delivery of its work programme and transition planning.

Of all the regeneration partners, the Christchurch City Council is the organisation GCG works most closely with and it will be impacted the greatest by the transition to a return to local leadership and the negotiation of a final global settlement. █

9(2)(j)

## 4. Key areas of focus

This section provides an overview of the key regeneration matters and projects that require consideration in the GCR portfolio. These are a mix of strategic and operational, statutory and non-statutory matters, including the transition to local leadership, planning, and projects in the central city.

Officials look forward to the opportunity to brief you in more detail on these issues and initiatives in the near future, as they relate to your delegated responsibilities in the Greater Christchurch Regeneration portfolio.

## Transition to local leadership

### **Global Settlement (DPMC / Treasury) – COMMERCIALY SENSITIVE**

Following the earthquakes in 2010 and 2011, the Crown and Christchurch City Council entered into a cost sharing agreement (CSA) in 2013, which set out the respective financial contributions of the parties to the recovery of the city.

The CSA left open some issues – particularly timing of asset transfers and/or ultimate ownership of some anchor projects – that could not be resolved at the time with the information available.

DPMC, alongside the Treasury, has been leading negotiations with the Council on behalf of the Minister for Greater Christchurch Regeneration and the Minister of Finance. Both parties are committed to achieving an economically sustainable Christchurch, with its people, businesses and communities supported to thrive and deliver on the Council's long-term vision for the City.

The joint ambition for the parties is to see a demonstrable transition, moving away from an environment where central government continues to play an extraordinary role, towards a locally-led sustainable economy. This would be achieved through ensuring a full and final settlement to both parties' respective rights and extraordinary responsibilities in Christchurch's regeneration, with the view of resuming a normalised and sustainable relationship between the parties.

The negotiations will consider the financial contributions of each party and agree the future ownership and operation of relevant regeneration matters.

In early-December 2018 9(2)(j) [redacted] [redacted]. Officials from the Crown and the Council started the first stage of negotiations shortly thereafter. The negotiations have focused on building a collaborative relationship with the Council to achieve a positive global settlement that can be implemented and provides strong progress on regeneration. This culminated in a high-level Agreement in Principle (AiP) that was signed by the Crown in May 2019.

The AiP sets the high-level trajectory for a range of matters and provides the basis for the second stage of the negotiations that are now underway and are on the finer details that will be required to give effect to the direction set by the AiP.

The intention is to have a global settlement finalised 9(2)(j) [redacted]. The Council has indicated that it intends to provide the public with an opportunity to comment on the proposed final agreement before it is considered by the Council (expected in early August 2019). 9(2)(j) [redacted]  
[redacted]  
[redacted]

Following these processes, it will be necessary for Cabinet to consider the proposed agreement before the Minister of Finance and Minister for Greater Christchurch Regeneration sign off the agreement on behalf of the Crown.

Once a global settlement agreement is finalised, implementation will begin in earnest. This could be a process that takes around two years.

### **Christchurch Regeneration Acceleration Facility (DPMC / Treasury)**

This government announced the \$300 million CRAF in Budget 2018. The fund was established to progress key regeneration activities in the city, as part of the broader work towards transitioning projects and decision making back to local leadership (including global settlement).

The Council was then able to seek to apply the funding towards: the Canterbury Multi-Use Arena (CMUA); residential red zone projects; and roading, three waters, and land drainage (horizontal infrastructure) projects. Accessing the funding requires the Council to first produce an investment proposal to enable the Minister of Finance and Minister for Greater Christchurch Regeneration (joint Ministers) to earmark the funding. Once the investment proposals are approved, this provides the confidence for the Council to proceed with a more detailed investment case. However, Cabinet agreed that drawing down CRAF funding is contingent on the parties first agreeing to a global settlement.

Joint Ministers have approved investment proposals for all three categories of projects which enabled the earmarking of \$220 million for the CMUA, up to \$40 million for residential red zone projects, and \$40 million for roading projects. This has enabled the Council to begin preparing the more detailed investment cases for the projects.

### **Institutional arrangements (DPMC / Treasury)**

As part of the Crown's transition to local leadership and a new normal relationship with the Council, the extraordinary institutional arrangements in Christchurch will need to be addressed.

Currently Regenerate Christchurch will be wound up at the expiry of the majority of the GCR Act in June 2021. Earlier this year the Council decided to reduce its contribution towards Regenerate Christchurch's costs down to \$1 million a year. Council and the Crown are currently in the process of appointing a new Chair and directors to the Board.

Ōtākaro Limited is a Crown company that is responsible for adding value to Anchor Projects and Crown land in a manner that balances a desire to achieve good commercial outcomes against the Crown's regeneration objectives.

9(2)(f)(iv), 9(2)(b)(ii)

9(2)(f)(iv), 9(2)(b)(ii)

Further information on both Regenerate Christchurch and Ōtākaro is provided in **Appendix B**.

## GCR Act regeneration planning

As the end of the lifespan of the GCR Act gets closer, it is expected that the use of its extraordinary planning powers will lessen over the remaining time.

As outlined in **section 3**, the Minister for Greater Christchurch Regeneration, has a statutory decision-making role in the regeneration planning processes under the GCR Act. Consideration will be required on any section 71 proposals received in the future, and one regeneration plan, which is outlined below.

### Draft Ōtākaro Avon River Corridor (OARC) Regeneration Plan

In March 2019, Regenerate Christchurch delivered a draft *Ōtākaro Avon River Corridor Regeneration Plan* to the Minister for Greater Christchurch Regeneration. The draft Plan is intended to support the regeneration of the Ōtākaro Avon River Corridor, providing a vision and objectives for short, medium and long-term future land uses and opportunities for the 602-hectare residential red zone area in the heart of east Christchurch, and some adjacent Christchurch City Council and Crown-owned land. The Crown has a significant interest in this area as the majority landowner, having expended more than \$1 billion through the Crown offer process in purchasing almost 5,500 properties. Final decisions on the draft Plan are still to be made.

As a local Member of Parliament, you have previously been briefed on the Minister's decision-making process. The Minister's role in this process is to either approve or decline, but not amend, the draft Plan. The Minister is carefully considering the draft Plan in line with GCR Act requirements – for example, considering the feedback provided by key partners and the community and how these views have been addressed, the public interest, and financial implications. Regenerate Christchurch has also prepared a proposal for Partial Revocation of the Christchurch Central Recovery Plan for the Minister to consider.

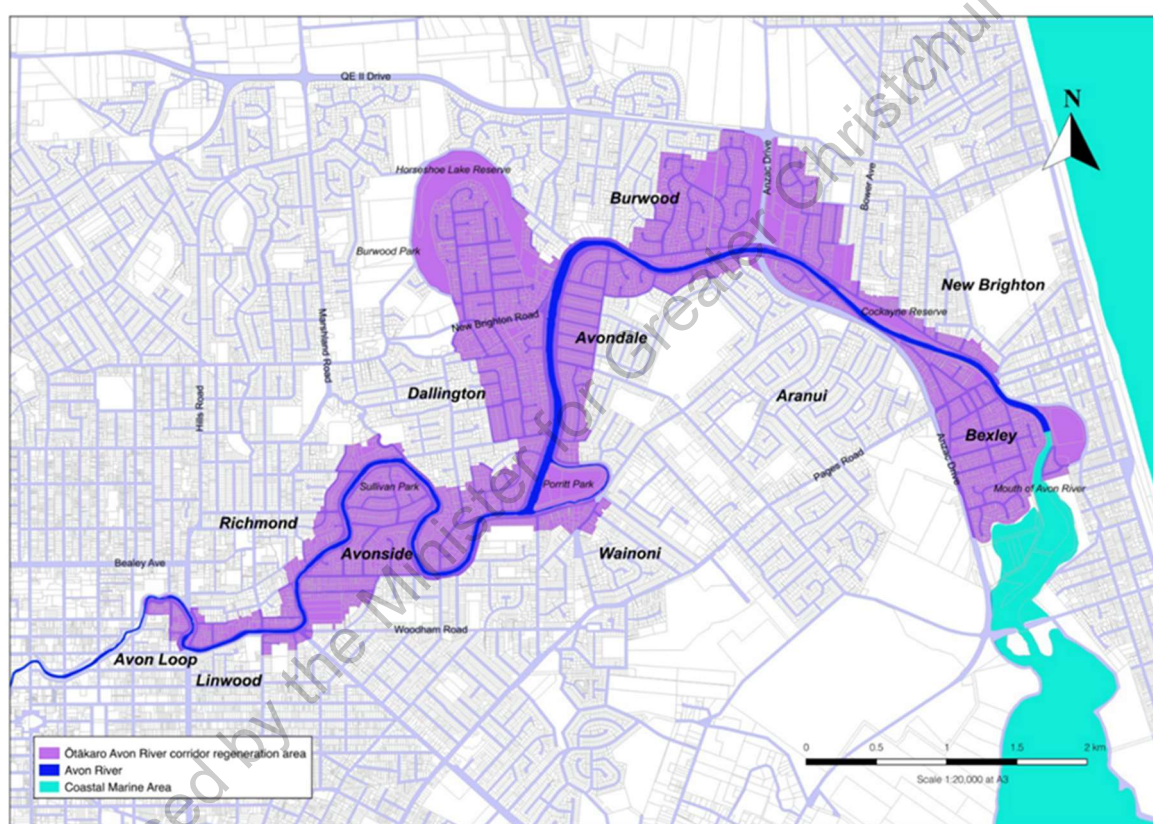
Minister Woods is aware of the complaint from East Lake Trust to the Ombudsman and is taking advice on what, if any, impact the Ombudsman's process will have on her decision making. The Minister is also aware of the petition before the Governance and Administration Select Committee requesting the House urge her and Regenerate Christchurch to include the East Lake in the long-term plan for the red zone and is also taking advice on this.

The draft Plan identifies potential future projects in the OARC and its focus is on future use. Christchurch City Council has asked for \$40 million from the CRAF and is

developing an investment case for this. The Council has other funding it has set aside for the OARC, particularly for infrastructure (such as storm water treatment, flood mitigation, and transport works, including a major cycleway).

Outside the scope of future use regeneration planning, the Crown expects some of the issues around governance, funding, implementation and ownership of the OARC Regeneration Area to be addressed through the global settlement. Additionally, if the use of GCR Act powers is needed to implement any approved regeneration plan, there will also be limited time due to the repeal of the majority of the GCR Act in June 2021. Officials will be working through these issues over the coming months.

Map: Ōtākaro Avon River Corridor Regeneration Area



### Section 71 proposals

Section 71 of the GCR Act allows the Minister to suspend, amend, or revoke planning documents for the greater Christchurch area. This includes Resource Management Act documents and a range of other plans, policies and strategies under the Local Government Act, Land Transport Act and Conservation Act without needing to use the required statutory processes set out under relevant legislation i.e. Resource Management Act 1991.



Section 71 powers are extraordinary powers that do not apply to any other area within New Zealand. Section 71 should not be used to avoid consideration of matters that would be considered under standard Resource Management Act (RMA) plan change processes, which could produce different outcomes. There are risks in trying to use fast track processes if proposals are not considered properly against standard requirements.

With the revocation of the Christchurch Replacement District Plan Order in Council, any section 71 proposal for an amendment to the Christchurch District Plan now means that the plan change process under the RMA will be a viable alternative. This is a 'higher bar' than previously that a section 71 proposal would need to consider in the assessment of alternatives.

To date three section 71 processes have been completed (Residential Unit Overlay District Plan Changes, Yaldhurst Recreation and Sports Facility, and Redcliffs School relocation).

In April 2019, Christchurch City Council agreed to proceed with the drafting of two new section 71 proposals, seeking to amend the Christchurch District Plan. The Council has recently:

- Consulted with around 70 affected property owners on a possible proposal to amend the slope instability hazard overlay for certain properties on the Port Hills;
- Consulted the community, including holding information sessions, on the possible proposal to amend or remove the on-site parking requirements for developments in the Lyttelton town centre which are inhibiting the regeneration of the Lyttelton town centre.

We are working closely with Council officials during these processes. If the Council decided to proceed with the proposals, we expect they will be received in the next few months. DPMC will provide advice on Ministerial statutory decision making when necessary.

You may be aware that the Canterbury Cricket Trust (CCT) would like to use section 71 of the GCR Act to amend the Christchurch District Plan to address operational issues with the existing resource consent for Hagley Oval. Regenerate Christchurch is assessing whether the GCR Act could be used to help Hagley Oval host high-profile international fixtures on a regular basis. Minister Woods has not formally been approached by Regenerate Christchurch on this matter.

## Greater Christchurch Regeneration Act 9(2)(f)(iv)

9(2)(f)(iv)

[Redacted content]

9(2)(f)(iv) [REDACTED] the third annual review of the GCR Act, underway, will identify and recommend any changes to the Act that will improve its overall operation and effectiveness in supporting the transition to local leadership. This 2018/19 review is the second stage of a two-stage review process. The first stage 2017/18 review was intended to be a 'light touch' with this second stage being more comprehensive.

## Projects in the central city

### Canterbury Multi-Use Arena

In October 2018, the Crown earmarked \$220 million of funding for the Canterbury Multi-Use Arena, subject to an approved investment case, from the \$300 million CRAF. In addition, the Crown has spent more than \$80 million to purchase the land. Christchurch City Council has committed funding of \$253 million.

Good progress is being made on the Investment Case, which is being led by Christchurch City Council, with support from the Crown. The aim of the Investment Case is to give more certainty to decision makers on the strategic, economic, commercial, management, and financial aspects of the project. It is not a design plan and no options are being ruled out at this point.

The Investment Case was initially due with the Crown in July 2019. This timeline was revised to reflect the impact of 15 March events on Council staff and resources, and allow for a more detailed market sounding. The market sounding exercise is drawing feedback directly from the construction industry to identify market capacity and capability to deliver the Arena. It will make Investment Case cost estimates more robust.

Discussions are ongoing about the appropriate level of central government involvement in the design and build phase of the project. Outcomes of these discussions will be captured in the Investment Case.

Stakeholder engagement is crucial for the success of this project and as such a Stakeholder Reference Group was established by the Minister and Mayor to provide feedback on the Investment Case. This Group have meet twice to provide feedback, which is being considered and incorporated into the Investment Case. The Group will be engaged for a third time once the case is finalised.

The Investment Case is due to go to Council later this month (July 2019) and following approval, will be provided to Crown for a decision.

### Christ Church Cathedral Reinstatement

Good progress is being made on the Christ Church Cathedral reinstatement. Design work is underway following the appointment of key consultants to the project team. Early stabilisation work is expected to begin on site in the first quarter of 2020, taking 12 to 18 months. The entire project is expected to take around a decade to complete.



The key partners in the Christ Church Cathedral Reinstatement Project are:

- Christ Church Cathedral Reinstatement Trust (CCRT), a Crown appointed Trust, which holds a governance role and is responsible for fundraising;
- Anglican Diocese of Christchurch, which includes the Bishop, the Cathedral Dean and Chapter and the Church Property Trustees (CPT), which legally owns the Cathedral;
- Christ Church Cathedral Reinstatement Limited (CCRL), which was established to deliver the reinstatement. It is a joint venture between CPT and CCRT.

The indicative budget for the Cathedral reinstatement project is \$105 million. Funding sources include insurance compensation (approximately \$42 million), Crown funding (\$25 million) and Christchurch City Council funding (\$10 million grant). This leaves a shortfall of about \$28 million, which will need to be fundraised. Fundraising is underway.


The Crown has sent a clear message of its support for the reinstatement through a grant of \$10 million (released in June 2018), a suspensory loan of \$15 million (advanced in the last week of June 2019), and special legislation to facilitate reinstatement in an expedited manner compared with normal statutory processes for gaining consents and approvals through an Order in Council mechanism.

The Christ Church Cathedral Reinstatement Review Panel, yet to be appointed, will be responsible for reviewing and providing advice on any Orders. The appointment process will need to commence shortly to ensure the Panel is in place when the first Order is proposed, expected in 2020.

### **Metro Sports Facility**

The Metro Sports Facility is a major anchor project, funded by the Crown and the Christchurch City Council. The Council will own and operate the Metro Sports Facility. Its contribution is limited to \$147 million under cost sharing arrangements, with the Crown funding the remainder of the facility. The Crown had already purchased the land, giving the Metro Sports Facility a high-profile location on Moorhouse Avenue.

The Metro Sports Facility was originally due to open in 2016, but following a \$75 million cost over-run, Ōtākaro Ltd terminated the Early Contractor Involvement (ECI) contract with the Leighs Cockram Joint Venture in November 2017. In April 2018, Ōtākaro completed the detailed design of the Metro Sports Facility and, through a combination of changes to the procurement approach and to the final design, reduced the estimated cost of the project by more than \$50 million. The Minister, Mayor and sporting codes were part of the process to make cost savings in the final design.



Despite design and procurement savings, land remediation has cost about 9(2)(b)(ii) more than anticipated due to ground conditions being worse than expected and construction costs, which were based on 2015 prices, have continued to rise.

Just over \$300 million has been committed to the delivery of the project. In April 2019, Ōtākaro Ltd announced awarding a \$221 million contract for the construction of the facility to CPB Contractors Limited. The contract is in addition to \$80m allocated for specialist equipment (like the pool tanks, hydrosides and water toys) as well as for professional services and land remediation.

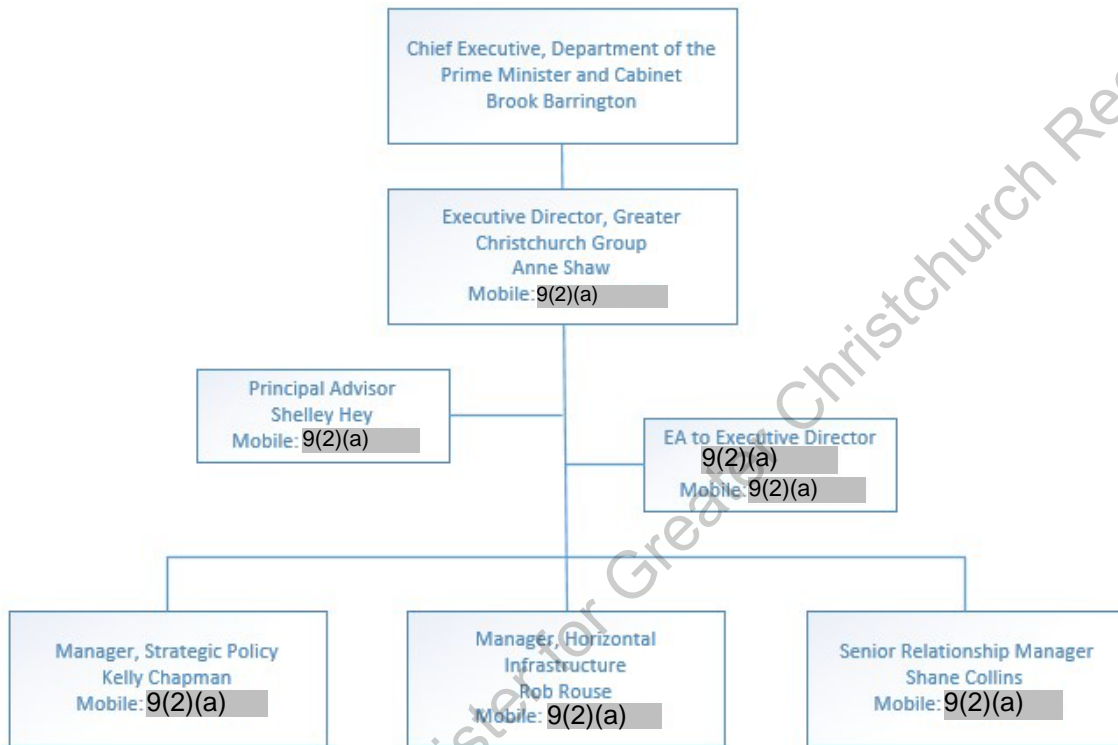
Construction of the Metro Sports Facility is expected to be completed late in 2021. Recently, on 7 June 2019, Minister Woods, the Minister of Finance and the Mayor of Christchurch City turned the first sods on the site.

### **Te Pae Christchurch Convention Centre**

Te Pae, the Christchurch Convention and Exhibition Centre, is a Crown-delivered anchor project with the design and construction being led by Ōtākaro Ltd. In August 2017, the previous government announced a \$240 million contract with CPB Contractors to build Te Pae. Construction began in November 2017.

Ōtākaro appointed the operator, AEG Ogden, in February 2019. Te Pae remains on track to be delivered on time and within the allocated budget. It will host its first event in October 2020.

# Appendix A: Greater Christchurch Group



Proactively released by the Minister for Greater Christchurch Regeneration

## Appendix B: Other key Ministerial responsibilities

This section summarises other portfolio areas of responsibility that are currently also active, across the regeneration agencies that report to the Minister for Greater Christchurch Regeneration, and could require Ministerial involvement in the coming months:

- Land Information New Zealand (LINZ)
- Department of the Prime Minister and Cabinet (DPMC)
- Agencies with insurance-related services
- Regenerate Christchurch
- Ōtākaro Limited

LINZ and DPMC are responsible for administering different parts of the GCR Act. They are the only two agencies responsible for the administration of the GCR Act.

In the case of the last two regeneration agencies listed above, the Minister for Greater Christchurch Regeneration and the Mayor of Christchurch City Council have joint responsibility for Regenerate Christchurch, and the Minister for Greater Christchurch Regeneration and the Minister of Finance have joint responsibility for Ōtākaro Limited. This section therefore also sets out roles and responsibilities in relation to these agencies.

You will be briefed on the below matters as required.

### Land Information New Zealand

LINZ has an important role in supporting the Crown's global settlement negotiations with Christchurch City Council. If global settlement is agreed, it is also expected to have a key role in implementation over the following two years (e.g. reconfiguration of land where agreed) **[NOTE: This is commercially sensitive]**.

#### Land management

LINZ has responsibility for residential red zone (RRZ) policy and operational functions, including clearing and managing the Crown-owned land and property portfolio in greater Christchurch's RRZ areas, and the central city.

In its management of the portfolio, LINZ is: ensuring that future use options for the RRZ are not limited by its land management; ensuring that it is supporting the regeneration of greater Christchurch; providing advice to support robust Crown decisions about the land; and overseeing the recovery of relevant insurance claims.

## Residential red zone land

The Crown currently owns nearly 6,700 RRZ properties. Clearance and property management activities include building demolition, maintenance, security and payment of rates. Clearance of these properties is mostly complete, with only a handful remaining to be cleared, although management of Crown land by LINZ will be ongoing until decisions are made about future ownership. The Crown now has an opportunity to apply lessons from the management of RRZ land to other Crown land (for example, clearances and health and safety practices).

LINZ assesses property-specific requests (transitional and permanent) for accessing and using Crown-owned RRZ land, coordinating with Christchurch City Council and Regenerate Christchurch. The Minister for Greater Christchurch Regeneration's approval is required for any permanent use outside of a formal regeneration planning process (for example, for urgent infrastructure works).

LINZ supports DPMC in providing advice to the Minister on Regenerate Christchurch's draft *Ōtākaro Avon River Corridor Regeneration Plan*, and any other RRZ-related regeneration planning activities or strategies that may be developed. The Minister, under the GCR Act, will make the final decision on the Plan.

LINZ is also responsible for Crown offer processes, including as part of the Crown's further and final response to the Quake Outcasts litigation. The Crown offer expired in April 2019. There are currently 134 privately-owned properties in the RRZ areas.

## Central city land

LINZ is working with property owners to acquire land for anchor projects in the central city. Once acquired, LINZ demolishes buildings and manages this land. The Minister makes decisions on compulsory acquisitions, related compensation, and on land disposals. The Minister's approval is also required for the negotiated acquisition of land and related payments.

LINZ is responsible for the administration of a Compensation Panel relating to land compulsorily acquired under the *Canterbury Earthquake Recovery Act 2011* or the GCR Act. The Panel comprises three experts and was established to provide advice and recommendations to assist the Minister in determining whether compensation is paid and how much. LINZ will brief you on compensation claims as required.

## EQC RRZ Claim

The Minister has delegated her responsibilities for this part of the portfolio to the Minister for Land Information, including finalising the Crown's RRZ EQC land claim. LINZ is leading this process for the Crown.



## Greater Christchurch Group, DPMC

This section covers key GCG focus areas not covered elsewhere in this Briefing.

### Horizontal Infrastructure

The Stronger Christchurch Infrastructure Rebuild Team (SCIRT) Programme, consisting of 743 individual three-waters (water supply, wastewater and stormwater) and roading projects, reached practical completion in June 2017. The completion of the physical works and the Defects Liability Period was complete in July 2018.

Following the completion of this Period, officials have completed a robust eligibility review of all programme costs, ensuring they have been correctly treated and allocated. As a result, a number of corrections were made and a final outstanding Crown payment of \$275,541 was agreed with Christchurch City Council officials to close-out the programme.

The final invoice has been received from Christchurch City Council and will be accounted for in the 2018/19 year. Payment of this invoice will take the Crown's total financial contribution to \$916.1 million and will complete the government's financial and non-financial obligations in the rebuild and repair of earthquake damaged three-waters assets in Christchurch City.

The rebuild and repair of damaged three-waters infrastructure in the Waimakariri District is nearing completion, with physical works on all projects expected to be complete in July 2019. To date, the Government has reimbursed the Waimakariri District Council \$19.11 million for eligible three-waters costs. The government's remaining contribution to close out the Waimakariri programme is estimated to be \$1.64 million.


The Environment Canterbury and Selwyn programmes were complete in November 2013 and final payments for eligible work totalling \$0.82 million and \$0.27 million respectively have been made.

### Public Inquiry into the Earthquake Commission

Formally launched on 16 November 2018, the Public Inquiry into EQC is a public inquiry under the Inquiries Act 2013 (Section 6(2)). It has all the powers and protections of a Royal Commission and is independent of Ministers and officials. Its conduct and operations are the sole responsibility of the Inquiry.

The purpose of the Public Inquiry into the EQC, launched in November 2018 and led by Dame Silvia Cartwright (its sole member), is to learn lessons from the Canterbury earthquakes and ensure that the EQC has the appropriate policies and operating structures in place to ensure improved claims management experiences in the future.





The Inquiry is required to report its findings and recommendations by 31 March 2020, although it is working towards a report by the end of 2019.

DPMC hosts the Inquiry secretariat in Christchurch.

## Monitoring Regeneration

To date DPMC has played a key role in monitoring and reporting on the overall progress of the regeneration of greater Christchurch. Monitoring ensures that the most critical issues receive focus by the responsible agencies. Monitoring is undertaken at the following levels:

- Monitoring progress against overall outcomes using regeneration indicators:
  - These monitoring reports objectively assess the progress of regeneration in greater Christchurch in six key areas: demographics, the economy, infrastructure, wellbeing, housing and tourism.
  - The most recent of these reports on the progress of regeneration outcomes, from the October - December 2018 quarter, using robust, reliable, and evidence-based data is attached to this briefing (**Appendix D**).
- Monitoring and reporting on Crown-led greater Christchurch regeneration work:
  - This quarterly monitoring and reporting helps central government and communities remain confident that agencies continue to focus on, and are held accountable for, the delivery of regeneration functions and programmes and are committed to supporting positive regeneration outcomes.
- Joint Crown/Council monitoring of Regenerate Christchurch:
  - DPMC is jointly responsible with the Christchurch City Council for monitoring the performance of Regenerate Christchurch and its Board. Quarterly joint Crown/Council monitoring reports provide an assessment of whether Regenerate Christchurch is delivering the regeneration outcomes sought. This quarterly report will also contain supplementary outcome information from DPMC intended to identify any risks or future issues, which may arise in Regenerate Christchurch driving its regeneration outcomes.



## Insurance-related services

### Greater Christchurch Claims Resolution Service

The Greater Christchurch Claims Resolution Service (GCCRS), hosted by MBIE, is a Crown co-ordinated insurance resolution service for Canterbury homeowners with unresolved earthquake insurance claims resulting from the 2010/11 Canterbury earthquakes. It is a free, impartial service that provides a Government-led, streamlined, cross-agency claims resolution process that is supported by the wider insurance industry.

The service was launched in October 2018, and is central to the package of initiatives designed to improve the resolution of outstanding insurance issues arising from the Christchurch earthquake sequence.

#### **GCCRS has worked on over 1000 cases since October 2018**

When GCCRS was launched in October 2018, close to 4,000 unresolved insurance claims remained. Many of the remaining claims are complex, and the resolution process is not straight forward.

GCCRS has worked on over 1,000 cases since October 2018. It continues to receive very positive feedback from its customers with over 60 percent of referrals into the service coming from either current customers or from lawyers within Christchurch.

#### **GCCRS advisory arrangements**


The GCCRS advisory framework includes an overarching Advisory Committee with four subject-specific Advisory Groups (Engineering, Legal, Homeowner and Wellbeing). It includes the Chairs of the four Advisory Groups, MBIE and Treasury with EQC, Southern Response and the Director of GCCRS as attendees. The Committee advises MBIE on oversight of the GCCRS's performance against stated principles, objectives and the Homeowner Charter, providing co-ordinated advice and recommendations on service improvements where necessary.

The Advisory Committee is accountable to MBIE, with reporting requirements to the Minister for Greater Christchurch Regeneration after every quarterly meeting.

### Other related services

#### **The Canterbury Earthquakes Insurance Tribunal**

The Ministry of Justice recently launched the Canterbury Earthquakes Insurance Tribunal (CEIT) as part of the wider system for resolving claims. The Tribunal provides



mediation services, hearings, and makes binding decisions. It provides specialist application of existing law and precedent.

MBIE and the Ministry of Justice have been working closely to ensure that the services provided by GCCRS and CEIT are complementary in how they seek to assist homeowners to choose between the various options to settle their claim. GCCRS has already begun referring cases to CEIT.

### **Residential Advisory Service**

The Residential Advisory Service (RAS) which was established in 2013 to assist homeowners facing challenges in getting their damaged homes repaired or rebuilt following the Canterbury earthquakes continues to assist those affected by the North Canterbury events and other parts of the New Zealand such as the Edgumbe floods.


## Regenerate Christchurch

### Role and functions

Regenerate Christchurch is a body corporate, jointly owned and funded by Christchurch City Council and the Crown. It was established under the GCR Act to lead regeneration in Christchurch. It is governed by an independent Board.

The functions of Regenerate Christchurch as set out in section 123 of the GCR Act are to:

- Develop visions, strategies, and regeneration plans to assist in achieving regeneration;
- Make recommendations and provide advice on the development, revocation and amendment of regeneration plans and the exercise of power under section 71 of the GCR Act;
- Facilitate increased investment;
- Provide advice to Ōtākaro Limited, Development Christchurch Limited, and others on the regeneration outcomes being sought;
- Comment on regeneration outcomes and interventions, and the contribution of Ōtākaro Limited and Development Christchurch Limited; and
- Provide independent advice on regeneration activities to the Council and to the Minister.



Regenerate Christchurch has an ongoing role in providing advice and recommendations on the development, revocation and amendment of regeneration plans and the exercise of section 71 powers in Christchurch District.

## Role of the Minister and Christchurch City Council

The GCR Act outlines the Crown and the Council's responsibilities (as shareholders) which include:


- Overseeing and managing the Council's and Crown's interests in, and relationship with, Regenerate Christchurch;
- Appointing its Board members, including one as Chair;
- Producing the letters of expectations for Regenerate Christchurch;
- Engaging with Regenerate Christchurch on preparing its Statement of Intent and Statement of Performance Expectations (including commenting on the draft and final versions of these documents where amendments are needed); and
- Reviewing Regenerate Christchurch's performance.

## Letter of expectations 2019/20

The letter of expectations for 2019/20 was provided to Regenerate Christchurch on 24 May 2019. Regeneration in Christchurch is in a strong position, with the transition to local leadership underway and a clear priority for the Crown. The letter reflects this with a focus on the wind-up of its functions and the transition to local-leadership.

It sets out the following shareholder expectations:

1. Deliver value for money by ensuring it is a lean and tight organisation appropriate to achieving its Statement of Performance Expectations.
2. Actively transitions its lessons, knowledge and expertise, as well as its assets and responsibilities to local entities.
3. Respond to any requests for regeneration planning advice from other agencies or entities. If you believe that specific opportunities exist, then we would welcome specific advice on how they could be enabled and by who.
4. Provide advice to shareholders on any unique functions that only Regenerate Christchurch can undertake under the Act, and which you consider must be undertaken (for example, a Regeneration Plan for any area of residential red zoned land, or provision of advice to the Minister on any Regeneration Plans proposed by other parties).
5. Complete the work necessary to ensure that the Minister can satisfactorily and appropriately fulfil her statutory functions with respect to the approval of the Ōtākaro Avon River Corridor Regeneration Plan.

- 
6. Improve the level of collaboration and engagement with other agencies (both at a management and governance level), including more regular meetings between your Board and shareholders.

And noted the following specific activities that the Minister and Council do not want Regenerate Christchurch to prioritise:

1. Engagement, development or promotion of urban development models (including UDA structure and form) outside of the transitional activities outlined in the section below.
2. Activities and fora that have a broader focus than Christchurch city, unless required by its statutory responsibilities under the Act.
3. City visioning, strategies, benchmarking, analytics, promotion, business or commercial investment and attraction.

The Crown and Council had previously committed to jointly funding Regenerate Christchurch up to \$4 million each per annum (\$8 million in total). The letter of expectations revised this to \$5 million, made up of \$4 million from the Crown and \$1 million from the Council.

Regenerate Christchurch is currently producing its statement of intent to reflect the latest letter of expectations. It is working on this in conjunction with representatives of each of the shareholders.

## Current Regenerate Christchurch work areas

### **Draft Ōtākaro/Avon River Corridor Regeneration Plan**

The Minister for Greater Christchurch Regeneration received the draft Ōtākaro Avon River Corridor Regeneration Plan in March 2019 for her decision. It is therefore, under active consideration with officials providing advice and support to the Minister. Further information on the Plan can be found in **section 4**.

### **Hagley Oval section 71 consideration**

Refer to **section 4**.

# Ōtākaro Limited

## Role and functions

Ōtākaro is a Crown company listed in Schedule 4A of the *Public Finance Act*. It was incorporated to take over specific functions of CERA, and became operational in April 2016.

Ōtākaro has an independent Board consisting of three directors currently (one to two further appointments are to be considered this year) who provide strategic direction to the Chief Executive to ensure decisions are made that are consistent with its mandate to balance fiscal and regeneration objectives. Day to day operations of Ōtākaro are managed by the Chief Executive under delegated authority from the Board. The company manages its functions and operations in a way that is consistent with the strategy set out by the Board.

Ōtākaro's strategic objectives, acting in the interests of the Crown and the people of Christchurch, are to:

- Add value to Crown anchor projects by delivering the projects safely, on budget, to schedule and to the desired quality;
- Divest Crown land holdings in central Christchurch in a manner that balances a desire to achieve good commercial outcomes against the central government's regeneration objectives; and
- Support the central government's exit from anchor projects and land holdings over time on favourable terms.

The overarching responsibilities of Ōtākaro include:

- Delivery of defined anchor projects by providing procurement, design management and construction management services on behalf of the central government;
- Providing programme governance, including risk, cost and schedule management;
- Divestment of Crown-owned land in central Christchurch and the RRZ (if transferred), while achieving good commercial outcomes;
- Acting in a manner consistent with recovery plans and any regeneration plans; and
- Managing the operations and ownership responsibilities of completed assets.

Ōtākaro is responsible for the Avon River Precinct, East Frame Public Realm and Residential Project, South Frame Public Realm, An Accessible City Phase 1 (joint delivery responsibility with Christchurch City Council), Convention Centre Precinct

and the Metro Sports Facility. It also delivered the Canterbury Earthquake National Memorial.

The company will exist until the projects it is responsible for are delivered and land is divested. At the time of incorporation, it was estimated that this would take seven years.

## Role of Ministers and government departments

Ōtākaro's shareholders are the Minister of Finance and the Minister for Greater Christchurch Regeneration, with each holding 50 per cent of the share capital.

The Treasury monitors Ōtākaro's commercial and financial performance, while DPMC is the policy lead for Ōtākaro. Key contacts in these agencies are:

- Treasury – Angus White, Principal Advisor, 9(2)(a)
- DPMC – Kelly Chapman, Manager Strategic Policy, 9(2)(a)

## Current work areas and priorities

Since its establishment, Ōtākaro has maintained momentum across all projects it has been asked to deliver.

All projects that Ōtākaro is managing have either pre-construction or construction works occurring on site. Land is being divested in accordance with a Land Divestment Strategy. Ōtākaro updates its Shareholding Ministers on progress as part of a formal quarterly reporting process, or informally as required.

Ōtākaro's Investor Confidence Rating (ICR) assessment achieved an A rating in July 2018 (Tranche 4). This was an excellent result and indicates that Ōtākaro has quickly set up a mature investment management process, giving confidence that the company has the skills and processes in place to ensure procurement and contracts are well managed.

Key priorities that will require Ministerial involvement include:

- **Operating funding** beyond FY 2019/20. A budget bid will need to be prepared before December 2019 if operating funding is to continue.
- **The East Frame Residential Anchor Project** is being considered 9(2)(b)(i), 9(2)(i), 9(2)(j) Ōtākaro has commissioned market research and a meeting with the Minister is being scheduled to discuss further.
- **Projects beyond disestablishment timeframe:** Te Pae and the East Frame Residential Anchor Project are known to extend beyond June 2023, the date envisaged for Ōtākaro to be disestablished.

- **Final ownership of Anchor Projects:** Ōtākaro continues to face uncertainty about the end ownership of some Anchor Projects. There are potential impacts on Ōtākaro's role and costs in future as a result. Some of this falls within scope of global settlement discussions.
- **Governance and delivery options on the Canterbury Multi-Use Arena** which are being considered by officials who will continue to advise Ministers.

## Ōtākaro Limited Anchor Projects

Project	Description
<b>An Accessible City</b> <b>Status: Construction</b>	<p>These transport projects are improvements to the travel network in the central city.</p> <p>Streets will be prioritised for different forms of transport to provide safer and more efficient ways for motorists, pedestrians, cyclists and public transport users to move around.</p>
<b>Bus Interchange</b> <b>Status: Completed</b>	<p>The new Bus Interchange connects with all Metro bus services. Ōtākaro is the initial owner of the Bus Interchange and Environment Canterbury manages the day-to-day operation of the facility.</p>
<b>Canterbury Earthquake National Memorial</b> <b>Status: Completed</b>	<p>The memorial provides a place to reflect on the events that changed Canterbury forever - paying respect to the 185 people who lost their lives on 22 February 2011 and those who were seriously injured.</p>
<b>Convention Centre Precinct</b> <b>Status: Construction</b>	<p>The Christchurch Convention Centre will be a world class conference facility supported by accommodation, retail, hospitality and public transport. In a competitive environment where convention centres around the world are expanding their capacity to accommodate larger events, the Christchurch Convention Centre will be a boutique facility, set in a well organised and compact, regenerating city.</p>
<b>East Frame</b> <b>Status: Planning/construction</b>	<p>The East Frame Residential Project (now rebranded 'One Central') is a new residential area in the heart of the city, built around a large park. It will be enhanced by cafés, restaurants and outdoor entertainment areas.</p>

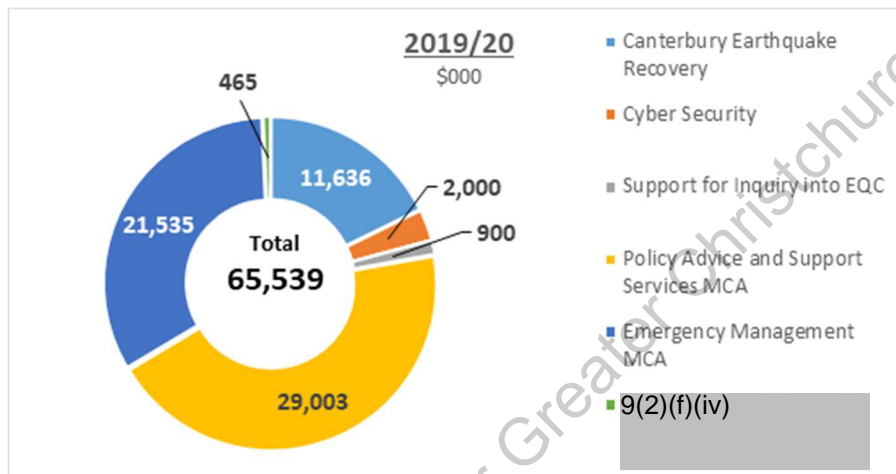


Project	Description
<b>Metro Sports Facility</b> <b>Status: Construction</b>	The largest aquatic and indoor recreation and leisure venue of its kind in New Zealand, the Metro Sports Facility will be accessible to people of all ages, abilities and skill levels.
<b>South Frame</b> <b>Status: Construction</b>	The South Frame will be a place for markets, events and celebrations, including a pedestrian and cycling corridor with distinctive gardens that will run the entire east-west length of the development.
<b>Te Papa Ōtākaro / Avon River Precinct</b> <b>Status: Planning/construction</b>	The central city area of the Ōtākaro/Avon River is being transformed as part of Christchurch's regeneration. A new city waterfront is being created to make it easier to access the river surrounds.

# Appendix C: How things are funded

## Departmental Appropriations

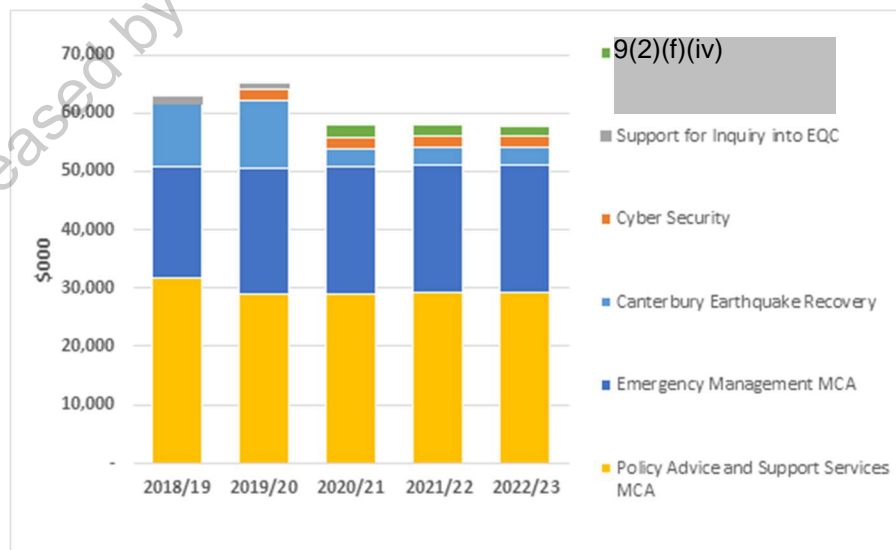
In 2019/20 DPMC departmental activity is funded through three Departmental Output Expense appropriations and through two multi-category expense appropriations (MCA) in Vote Prime Minister and Cabinet:




## Changes in out-years

### Canterbury Earthquake Recovery

The Canterbury Earthquake Recovery appropriation reduces in future years as DPMC responsibilities related to earthquake recovery wind down or are transferred to other Crown or local agencies.





In the 2015/16 financial year CERA was disestablished. Baseline funding was transferred from the CERA appropriations to the agencies that inherited functions from CERA. For DPMC, this funding was for the purpose of the activities of the Greater Christchurch Group and to enhance the capability and capacity of DPMC's corporate functions.

While DPMC's GCG is preparing to transition, there are also some functions that will continue longer than anticipated e.g. resource supporting the Horizontal Infrastructure programme. DPMC is also responding to activity that was not anticipated at the time of CERA's disestablishment e.g. response to the Christ Church Cathedral Working Group. This creates a tension in budget management to ensure that on-going functions within the Greater Christchurch Group are not adversely impacted by the need to support these areas of extended or unanticipated activity.

DPMC's role was, however, always a transitional one and its funding reflects that - the Canterbury Earthquake Recovery appropriation goes from \$10.5 million in 2019/20 year to \$3 million for 2020/21 and subsequent years.

With many substantive outstanding components of its work programme to be completed in the next 12 months, DPMC is beginning to think about the transition of its remaining roles to local institutions, and residual roles to government agencies, as we head towards the expiry of the majority of the GCR Act on 30 June 2021.

The challenge to DPMC is to balance down-sizing our presence and transitioning responsibilities to local leadership in line with baseline funding reductions, with meeting expectations for accelerated momentum and resolution of a number of outstanding significant matters, as outlined in **section 4**.

## Land Ownership and Management

The Minister for Greater Christchurch Regeneration is also responsible for the Canterbury Earthquake Recovery Land Ownership and Management (M85) Multi-Category Appropriation in Vote Lands. This is a combination of departmental and non-departmental, with the appropriation's purpose being to support the recovery of Canterbury through the purchase, clearance, maintenance and management of land affected by the Canterbury earthquakes.

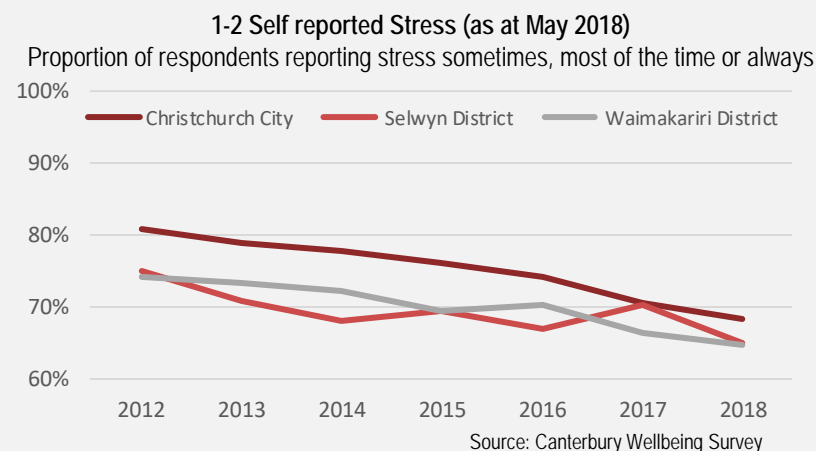
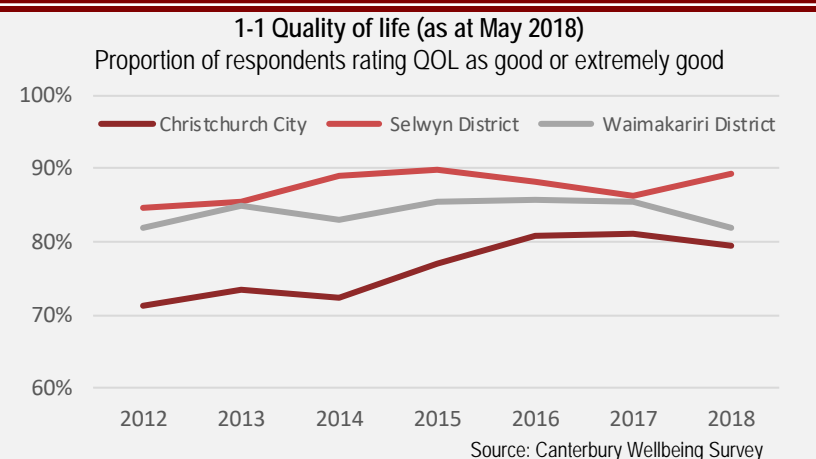
The Chief Executive of LINZ has been delegated by the Minister to incur expenditure up to \$250,000 against the Canterbury Earthquake Recovery Land Ownership and Management multi-category appropriation. The Minister is able to increase or decrease this delegation.



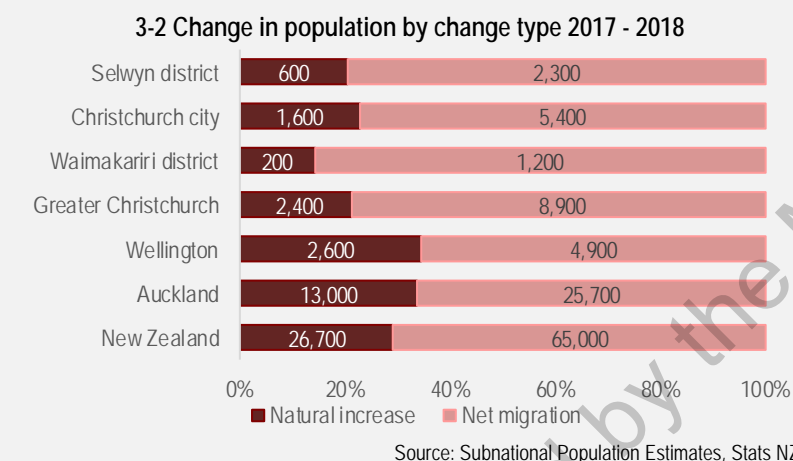
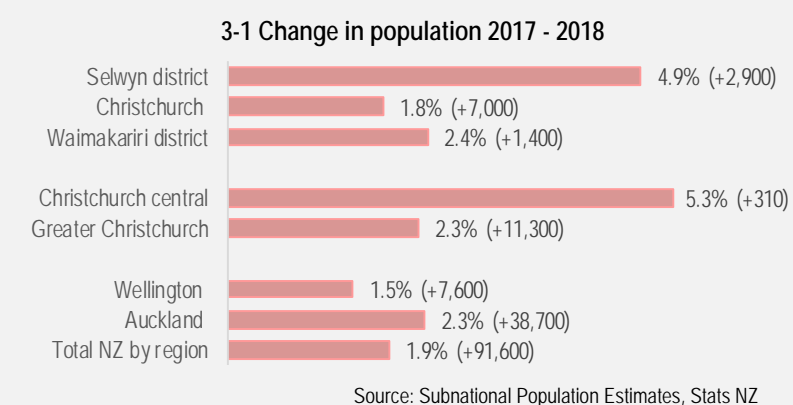
**Appendix D: Monitoring greater  
Christchurch regeneration  
(December 2018)**

Proactively released by the Minister for Greater Christchurch Regeneration

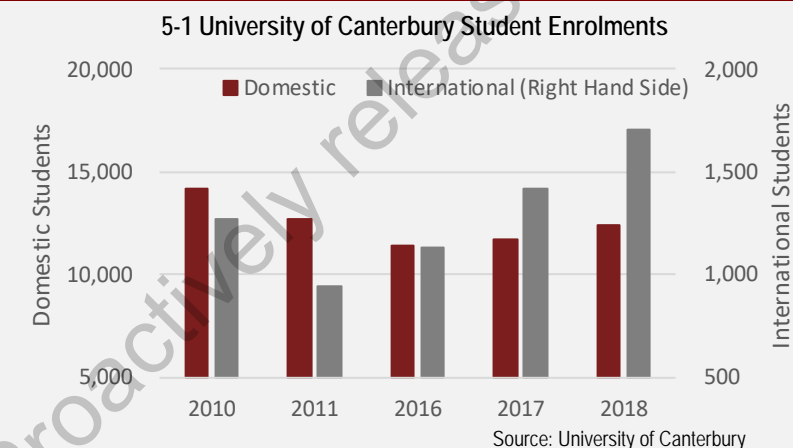
## 1. WELLBEING



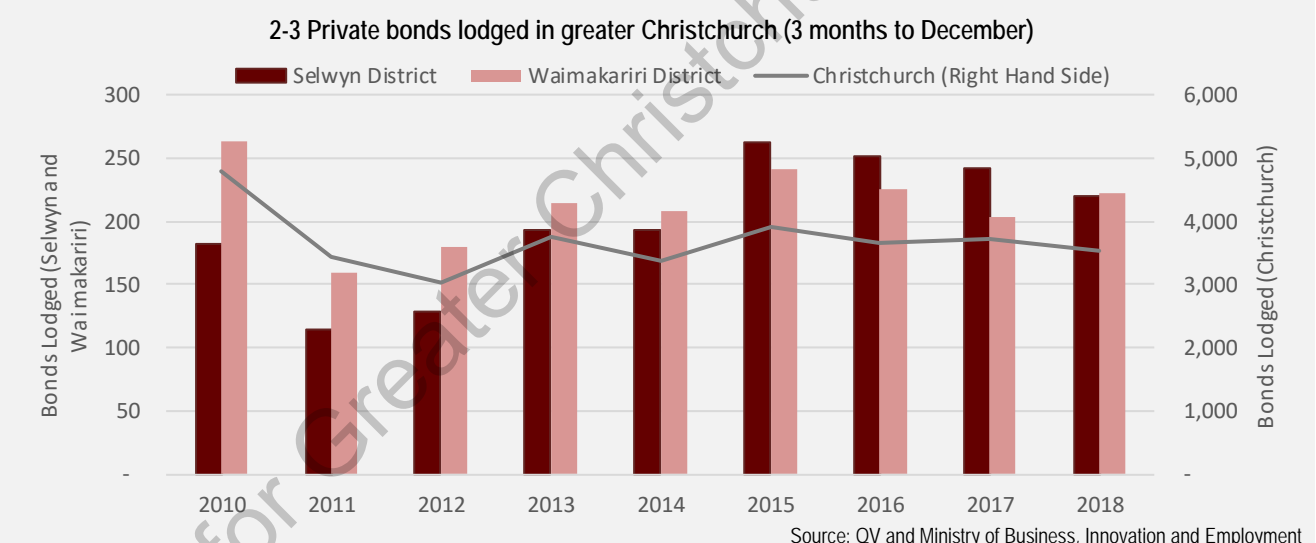
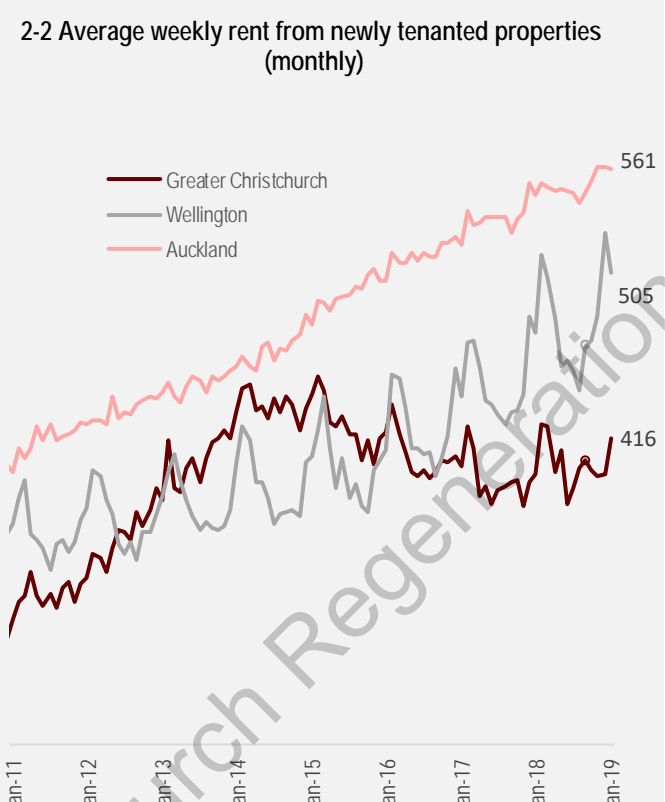
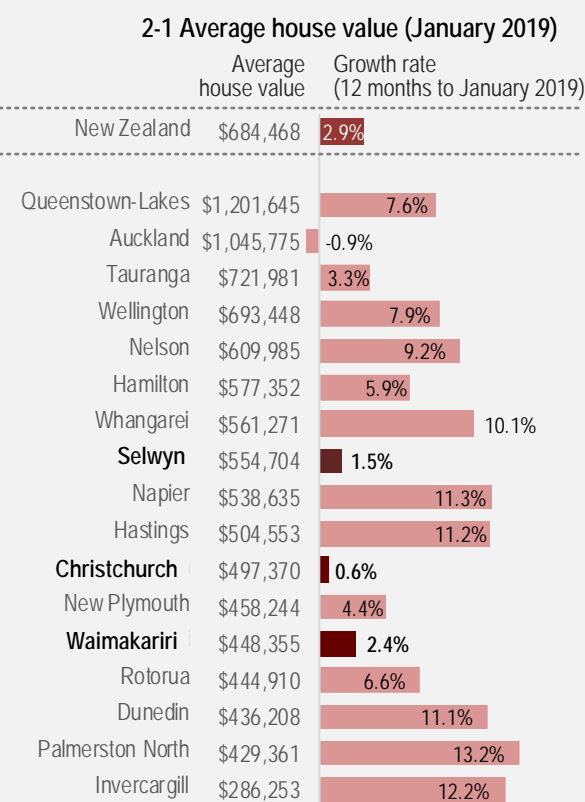
## 3. POPULATION



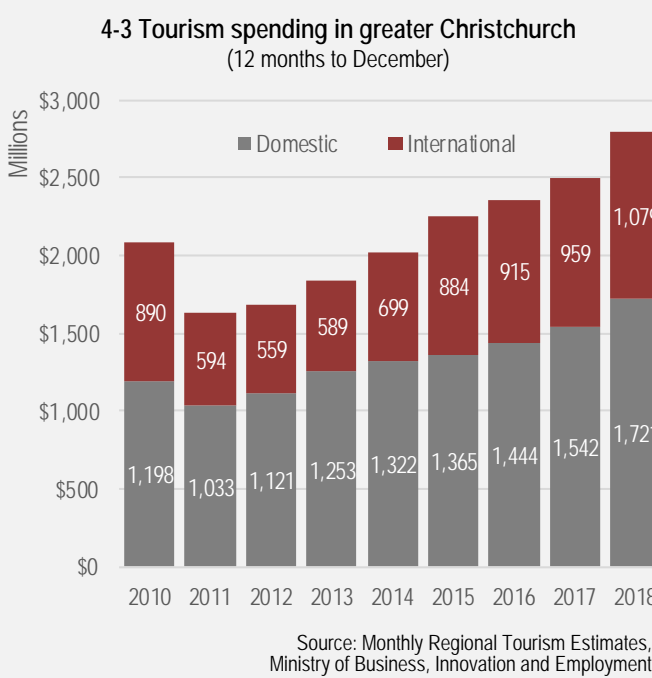
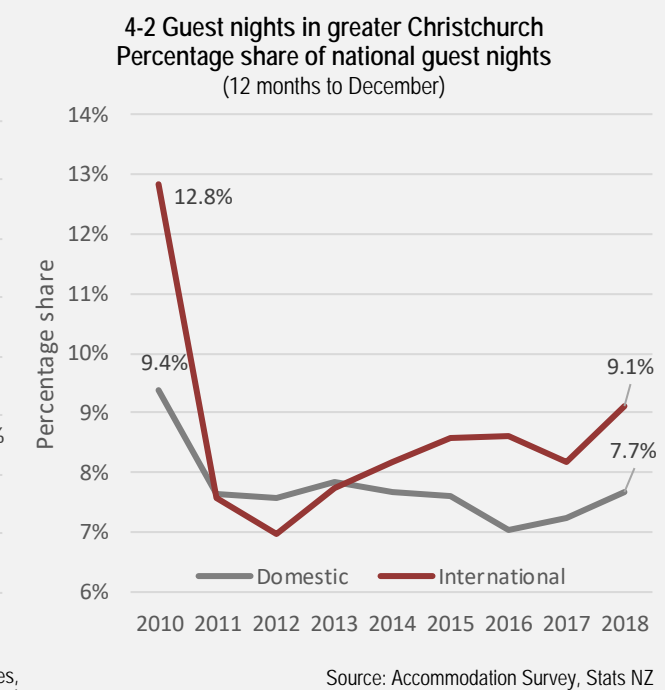
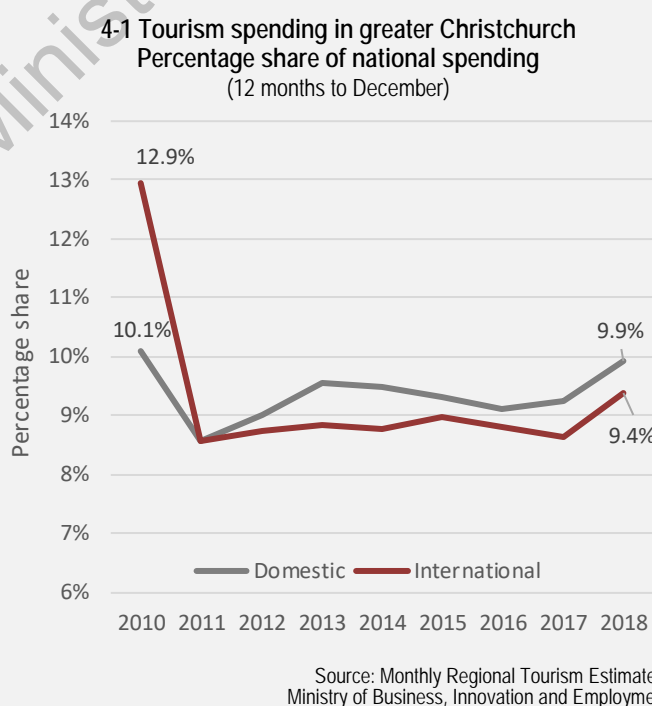
## 5. STUDENT NUMBERS



## 2. HOUSING

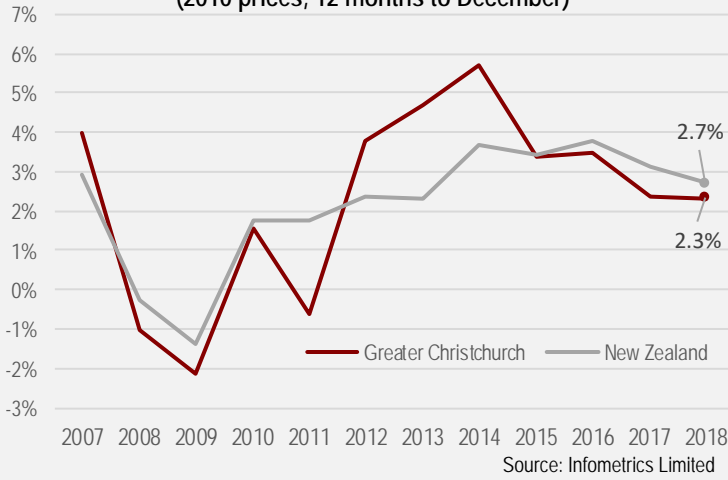


## 4. TOURISM

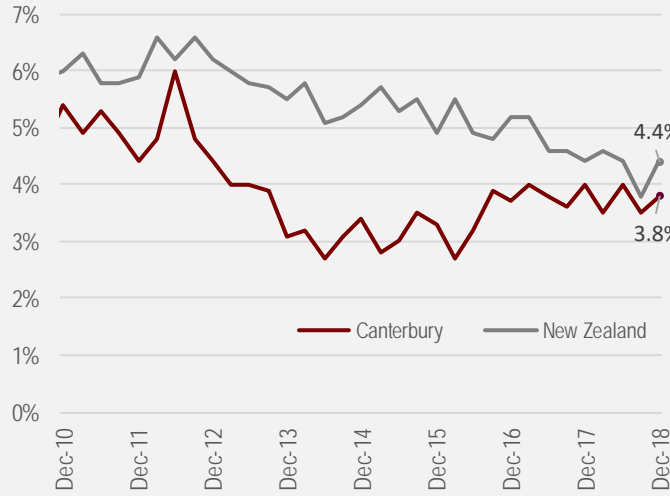


## 6. ECONOMY & LABOUR MARKET

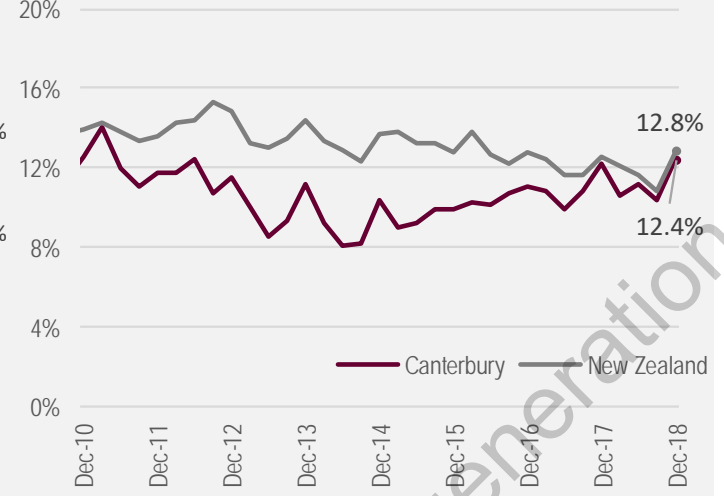
6-1 Growth in real Gross Domestic Product (2010 prices, 12 months to December)



6-2 Unemployment rate (not seasonally adjusted, quarterly)



6-3 Labour market underutilisation\* rate (quarterly)



\* The unemployed, underemployed, and the potential labour force (those not actively seeking but are available and wanting a job, and people who are actively seeking but not currently available, but will be available to work in the next four weeks) as a proportion of those in the extended labour force.

6-4 Average weekly earnings (ordinary time) in Canterbury (December quarter)

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Earnings (\$)	763	804	806	854	890	910	925	958	996
% of national average	93.1%	95.2%	92.4%	95.1%	96.5%	95.6%	95.7%	95.4%	96.0%
Annual change	4.1%	+5.4%	+0.2%	+6.0%	+4.2%	+2.3%	+1.7%	+3.5%	+4.0%

Source: Labour Market Statistics: December 2018, Stats NZ

## 7. BUSINESS OUTLOOK

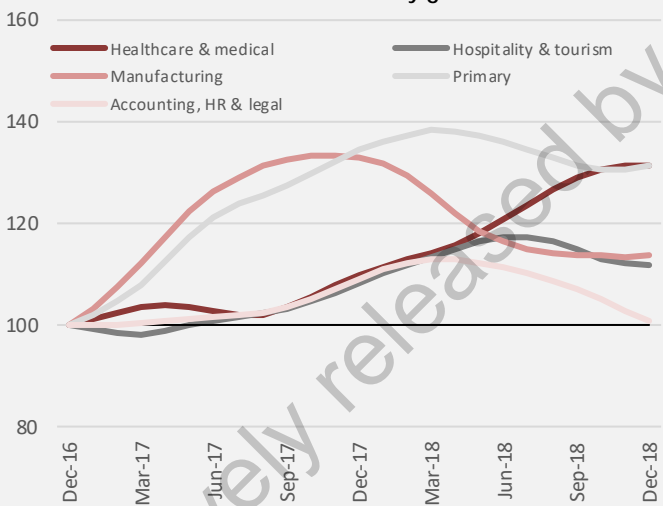
7-1 Business demography in Greater Christchurch

Ranked by industry business units (2018)	Business Units				Employee Count			
	2018	2017-2018	2018	2017-2018	2018	2017-2018	2018	2017-2018
	Number	% Share	Change	% Change	Number	% Share	Change	% Change
1. Rental, Hiring and Real Estate Services.....	11,367	20.6%	198	1.8%	4,460	1.8%	380	9.3%
2. Construction.....	7,548	13.7%	-126	-1.6%	26,050	10.5%	-250	-1.0%
3. Professional, Scientific and Technical Services.....	5,823	10.5%	84	1.5%	21,360	8.6%	1,520	7.7%
4. Agriculture, Forestry and Fishing.....	4,566	8.3%	-255	-5.3%	6,450	2.6%	400	6.6%
5. Financial and Insurance Services.....	3,540	6.4%	3	0.1%	4,740	1.9%	450	10.5%
6. Retail Trade.....	3,522	6.4%	-36	-1.0%	25,400	10.2%	600	2.4%
7. Other Services.....	2,592	4.7%	12	0.5%	8,370	3.4%	210	2.6%
8. Manufacturing.....	2,523	4.6%	-39	-1.5%	27,450	11.0%	250	0.9%
9. Health Care and Social Assistance.....	2,520	4.6%	60	2.4%	28,890	11.6%	1,270	4.6%
10. Accommodation and Food Services.....	2,325	4.2%	63	2.8%	16,610	6.7%	170	1.0%
11. Wholesale Trade.....	2,322	4.2%	-57	-2.4%	13,790	5.5%	460	3.5%
12. Administrative and Support Services.....	1,857	3.4%	0	0.0%	13,860	5.6%	740	5.6%
13. Transport, Postal and Warehousing.....	1,806	3.3%	-6	-0.3%	11,300	4.5%	390	3.6%
14. Education and Training.....	1,014	1.8%	6	0.6%	19,650	7.9%	950	5.1%
15. Arts and Recreation Services.....	987	1.8%	6	0.6%	4,450	1.8%	-20	-0.4%
16. Information Media and Telecommunications.....	360	0.7%	18	5.3%	3,005	1.2%	-160	-5.1%
17. Public Administration and Safety.....	309	0.6%	-6	-1.9%	11,110	4.5%	40	0.4%
18. Electricity, Gas, Water and Waste Services.....	162	0.3%	0	0.0%	1,620	0.7%	235	17.0%
19. Mining.....	66	0.1%	-3	-4.3%	296	0.1%	10	3.5%
<b>Total Industry*</b>	<b>55,212</b>	<b>100.0%</b>	<b>-78</b>	<b>-0.1%</b>	<b>248,900</b>	<b>100.0%</b>	<b>7,800</b>	<b>3.2%</b>

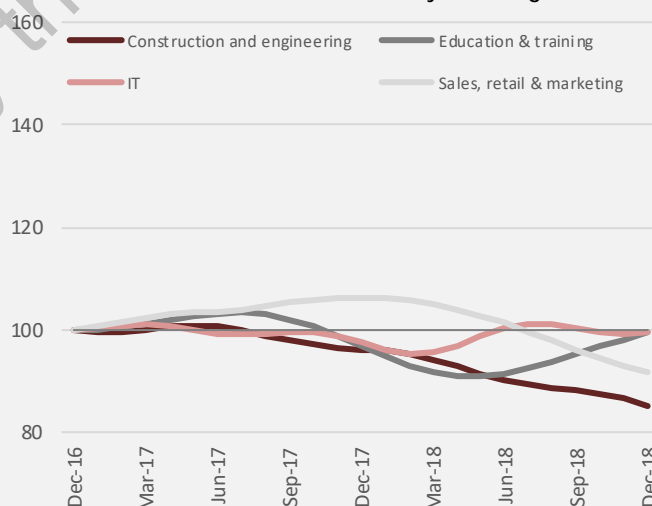
\* Numbers may not add up due to rounding.

Source: Statistics New Zealand, Business Demography

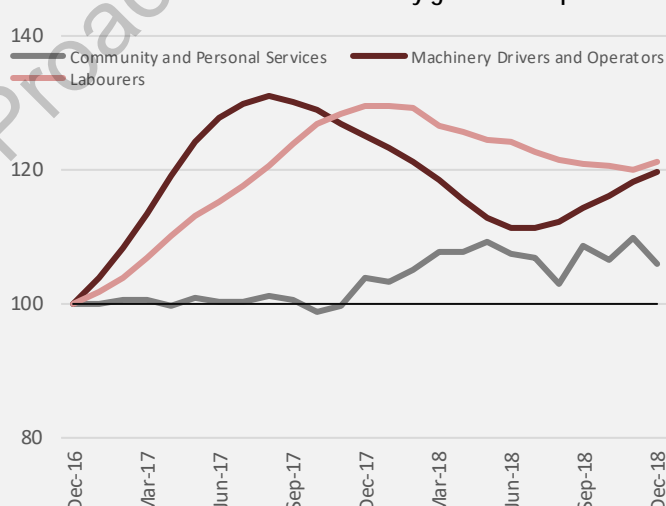
7-2 Jobs online vacancies Canterbury growth industries



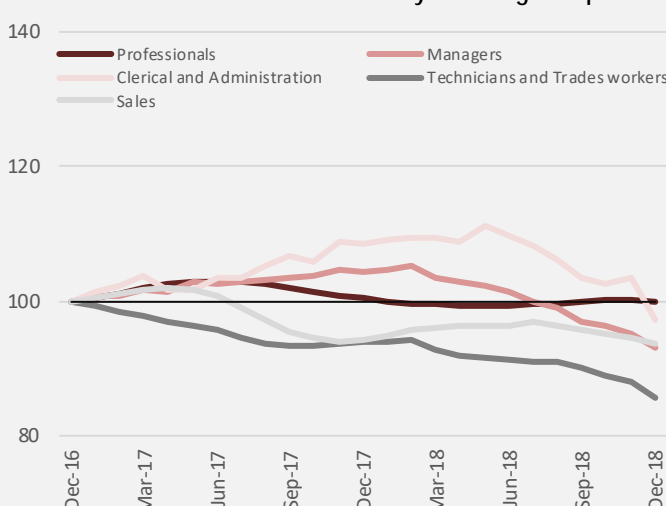
7-3 Jobs online vacancies Canterbury declining industries



7-4 Jobs online vacancies Canterbury growth occupations



7-5 Jobs online vacancies Canterbury declining occupations

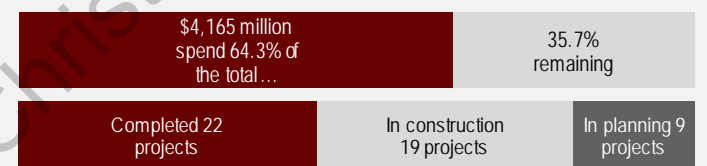


\* Jobs online indexed to Dec 2016

Source: Jobs Online Statistics: Ministry of Business, Innovation and Employment

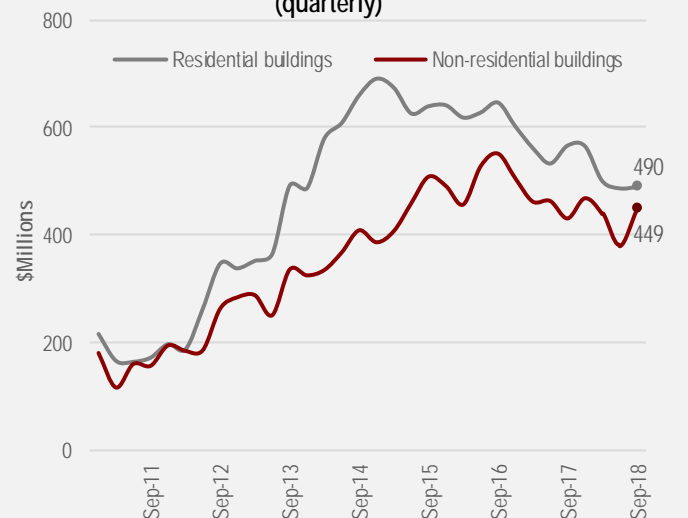
## 8. CONSTRUCTION ACTIVITY

8-1 Canterbury public sector project progress (as at 30 September 2018)



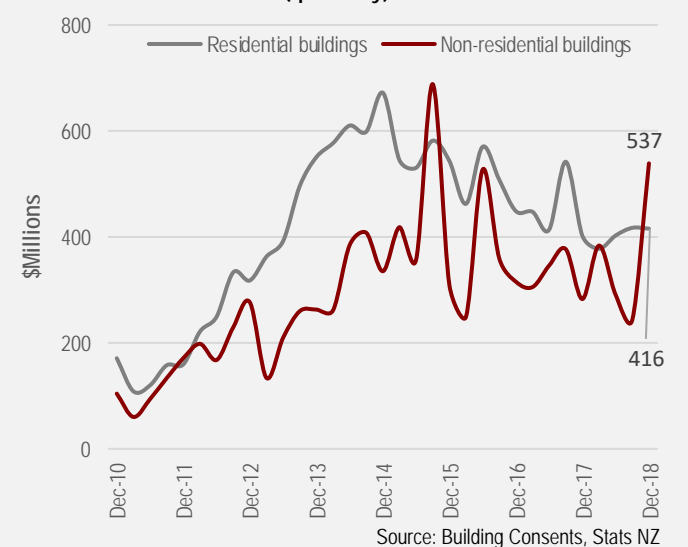
Source: Ministry of Business, Innovation and Employment

8-2 Value of building work put in place - Canterbury (quarterly)



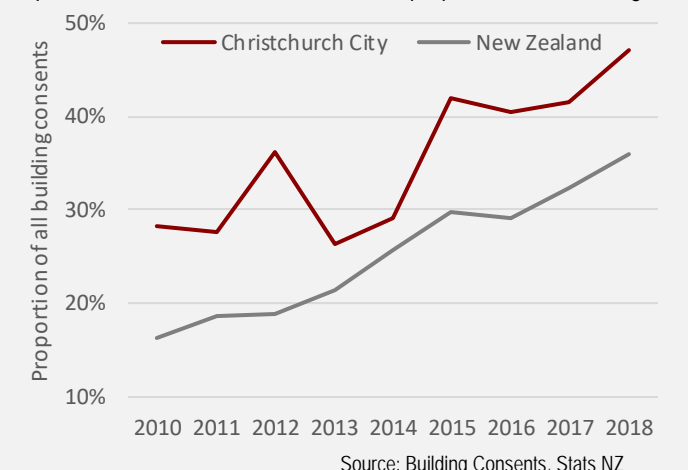
Source: Building Activity Survey, Stats NZ

8-3 Value of building consents issued in greater Christchurch (quarterly)



Source: Building Consents, Stats NZ

8-4 Number of building consents issued (12 months to December) Apartments, townhouses and units as a proportion of all buildings



Source: Building Consents, Stats NZ

## Appendix E: The Greater Christchurch Regeneration Act 2016

The GCR Act provides the legislative framework to support regeneration in greater Christchurch. It is predicated on the assumption that central government has a transitional role in greater Christchurch until 2021 when the majority of the Act is repealed.

Previously, the Prime Minister authorised the Minister supporting Greater Christchurch Regeneration to be the responsible Minister for the GCR Act. This means all statutory responsibilities under the Act are vested in one Ministerial portfolio to facilitate a whole of regeneration approach to Ministerial decision-making.

The Prime Minister also authorised two agencies, the Department of the Prime Minister and Cabinet and Land Information New Zealand (LINZ), to be the departments responsible for administering specific provisions of the GCR Act.

Regeneration is defined in section 3(2) of the GCR Act as meaning rebuilding and/or improving the environmental, economic, social, and cultural well-being, and resilience of, communities through urban renewal and development, and restoration and enhancement.


The GCR Act deals primarily with the built element of regeneration. It sets the framework for planning, land use and management in greater Christchurch.

Key provisions in the GCR Act include:

- **Planning** – including the development of regeneration plans and the power to amend *Resource Management Act 1991* (RMA) and other documents;
- **Building/works** – including empowering the Chief Executive of LINZ to carry out works (such as the construction or demolition of buildings) and the ability to restrict access, close, or stop roads;
- **Dealing with land** – including empowering the Chief Executive of LINZ or the Minister to acquire, amalgamate and dispose of land (also provisions relating to compensation claims and payments under certain circumstances);
- **Role and functions of Regenerate Christchurch** – including its purpose and objectives, the Board's role, and duties on members.

### Regeneration Plans and section 71

There are two types of planning mechanisms provided under the GCR Act – regeneration plans which set the direction of regeneration over large areas by amending RMA, and other documents; and the section 71 process, which is used to make specific discrete amendments to RMA and other documents.



In August 2017, Christchurch City Council's Cranford Regeneration Plan (the first Regeneration Plan under the GCR Act) was approved. The plan rezoned an isolated pocket of rural land within Christchurch to be developed for residential use.

Regenerate Christchurch, the proponent for the draft Ōtākaro Avon River Corridor Regeneration Plan delivered its draft plan to the Minister in March 2019. More information on this Regeneration Plan is outlined in **section 4**.

The GCR Act provides for separate processes for regeneration plans, amendments or revocations, depending on whether the proposal is based in greater Christchurch or Christchurch District. Various parties' involvement, in particular Regenerate Christchurch and Ōtākaro Limited, differ depending on which geographic process is undertaken.

## Ministerial involvement

To reflect the transition of leadership to local entities, the GCR Act allows a range of agencies to be the proponent for regeneration plans or section 71. It also provides the strategic partners, the Department of the Prime Minister and Cabinet, Regenerate Christchurch and Ōtākaro Limited a role in significant Ministerial decision-making processes.

Ministerial decision making on regeneration plans and the exercise of power under section 71 under the GCR Act is required in:

- Approving a regeneration plan outline;
- Approving regeneration plans;
- Deciding whether to proceed with a section 71 proposal; and
- Approving a proposal for exercise of power under section 71.

DPMC can provide you with more information on these processes under the GCR Act if you wish.





Proactively released by the Minister for Greater Christchurch Regeneration