

Statement of Intent 2012 – 2016



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Foreword from the Minister for Canterbury Earthquake Recovery

Achieving greater Christchurch's recovery from the Canterbury earthquakes is a major goal in the Government's programme. As its contribution to the recovery efforts of local authorities, businesses and the wider community, the Canterbury Earthquake Recovery Authority (CERA) provides dedicated central government leadership and the ability to act quickly on urgent priorities.

This Statement of Intent 2012–2016 sets out CERA's key priorities. It is based on the understanding that the authority is the central coordinating agency working for the focused, timely and expeditious rebuild and recovery of greater Christchurch. At the same time, it recognises that CERA is only one of many contributors to this vital outcome.

CERA has established itself as a credible and effective government department, and a reliable and knowledgeable partner to the recovery community in Canterbury. For residents to move forward with their lives, the future of homes must be certain, services and infrastructure repaired, and communities reconnected. In leading, coordinating and directing the recovery, CERA can make these achievements possible.

CERA has also met the challenge of responding to unprecedented land damage. Our knowledge of the land underlying greater Christchurch has never been better and the resulting land zoning decisions have provided thousands of residents with far greater certainty and confidence in planning for their future.

Today CERA's task remains challenging. A new stage in recovery has begun and I expect CERA to continue to perform at a demanding tempo this year. As a partner in the Christchurch Central Development Unit, CERA will champion, lead and influence the redevelopment of Christchurch's central business district. CERA's ability to work hand-in-glove with strategic partners and attract investors, its access to public funding, and its capacity to 'masterplan' will support Christchurch in realising its vision for an innovative and productive commercial, cultural and social heart.

The recovery of greater Christchurch is not just a local issue; it is of national consequence. The Government considers that the cost and the scale of the rebuild are too great for Christchurch to bear alone. The performance of Christchurch is essential to the wider economy. More than that, New Zealanders everywhere were deeply saddened by the tragic events of 4 September 2010 and 22 February 2011. This Statement of Intent represents the Government's commitment to the people of greater Christchurch and its resolve to see through their recovery towards a brighter future.



Hon Gerry Brownlee
Minister for Canterbury Earthquake Recovery

Ministerial Statement of Responsibility

I am satisfied that the information on future operating intentions provided by CERA in this Statement of Intent is in accordance with sections 38, 40, and 41 of the Public Finance Act 1989 and is consistent with the policies and performance expectations of the Government.



Hon Gerry Brownlee
Minister for Canterbury Earthquake Recovery

Introduction from the Chief Executive

The impact of the earthquakes in greater Christchurch is testing many Cantabrians to their limits. And the burgeoning recovery of the region is a testament to the spirit and resilience of its residents, and to the efforts of passionate and committed people, organisations, iwi, businesses, clubs, charities and agencies. CERA's Statement of Intent 2012–2016 outlines the department's role to 30 June 2016 in leading, facilitating and enabling those efforts.

Since its inception in April 2011, CERA has moved from a phase of emergency response and establishment to one of assisting and directing recovery. I am extremely proud of the progress this department has made and of the people working in it – many having been directly affected themselves by the earthquakes. We are united in our desire to contribute to a timely and effective recovery over the coming years.

Our purpose is clear: to return greater Christchurch as quickly as possible to a prosperous and thriving place in which to work, live and play by leading and partnering with all of the region's communities. The recovery of greater Christchurch requires integrated and timely decision making across a range of public and private organisations. Our roles of coordination, facilitation, planning, and information dissemination have proven to be important building blocks in a locally led recovery and in achieving the Government's outcome for greater Christchurch.

A priority will be to kick-start in earnest the recovery of the Christchurch central business district. CERA's enhanced role in leading and coordinating this effort through the Christchurch Central Development Unit will engender a cohesive approach to planning, resource use and implementation. Establishing momentum and confidence in the regeneration of Christchurch's heart will present both challenges and opportunities. Innovative, even world leading, solutions can be considered and incorporated into our efforts to raise a new Christchurch from the debris of the earthquakes.

Enabling people to restore themselves and their homes by providing information, assistance and processes that create confidence in decision making will also remain a top priority for CERA. The more we have learnt about the underlying land over the past 18 months, the more complex and difficult the decisions have become for many property owners and residents. The need for certainty of outcome has intensified, and CERA will continue its efforts to ease the pressure on communities, families, businesses and individuals.

Because of the unprecedented nature of the events in Christchurch, we must address new problems, find previously unimagined solutions and undertake ground-breaking work. Paramount to our success is to form strong, principled partnerships that will weather the inevitable tensions and pressures under which we will operate as a community.

This Statement of Intent outlines how we organise ourselves to deliver on our commitments to the greater Christchurch community and to the Minister for Canterbury Earthquake Recovery. We will review annually the Christchurch Earthquake Recovery Act 2011 to assess its operational effectiveness. The findings of these reviews may reshape the nature and priority of CERA's functions over time and, accordingly, its Statement of Intent.

This year, the Government has challenged us to see that the recovery gathers in force and pace and that we do not miss the internationally recognised three-year window of opportunity in which to cement the recovery. CERA is unswerving in meeting its obligations to be financially responsible so that central government funding is channelled to where it is needed most: the frontline recovery effort.

We have been entrusted to work with the community to forge this effort and enable Canterbury to take back responsibility for its ongoing recovery. I am confident that the staff of CERA will perform the duties expected of them in accordance with the State Services Standards of Integrity and Conduct and in line with the department's action and partnership oriented values.



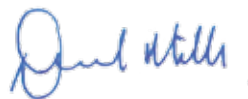
Roger Sutton
Chief Executive

Chief Executive Statement of Responsibility

In signing this statement, I acknowledge that I am responsible for the information contained in the Statement of Intent for the Canterbury Earthquake Recovery Authority. This information has been prepared in accordance with the Public Finance Act 1989. It is also consistent with the proposed appropriations set out in the Appropriations (2012/13 Estimates) Bill, as presented to the House of Representatives in accordance with section 13 of the Public Finance Act 1989, and with existing appropriations and financial authorities.



Roger Sutton
Chief Executive
May 2012



David Mills
Chief Financial Officer
May 2012

The Nature and Scope of Functions

Purpose

CERA's purpose is to lead and partner with communities to return greater Christchurch to a prosperous and thriving place to work, live and play, as quickly as possible.

Our vision is to support and enable greater Christchurch to take back responsibility for its ongoing recovery. With this vision fulfilled, CERA and its legislation will conclude in April 2016.

Scope

CERA provides services to the Minister and Associate Minister for Canterbury Earthquake Recovery, as mandated by the Canterbury Earthquake Recovery Act 2011 (the CER Act).

Role

Our role, covered in section 3 of the CER Act, is to:

1. enable a focused, timely and expedited recovery of greater Christchurch
2. enable community participation in the planning of the recovery of greater Christchurch
3. enable information to be gathered about any land, structure or infrastructure affected by the Canterbury earthquakes
4. facilitate, coordinate and direct the planning, rebuilding and recovery of affected communities in greater Christchurch, including the repair and rebuilding of land, infrastructure and other property
5. restore the social, economic, cultural and environmental wellbeing of greater Christchurch communities.

Structure

We deliver services to greater Christchurch through five operational units:

- Community Wellbeing
- Economic Recovery
- Infrastructure
- Operations
- Christchurch Central Development Unit.

These units are supported by a Strategy Policy and Planning function, a Communications and Engagement team, Corporate Services, and the Chief Executive's Office.

Collaboration

CERA works in collaboration and partnership with local government, business, insurers, Te Rūnanga o Ngāi Tahu, other central government agencies, and community groups. While CERA is mandated to take the lead on some matters in the recovery, in other areas it has a facilitative or monitoring role which it implements through established governance frameworks.

Legislation

We manage and administer the CER Act. The Act will be reviewed annually to ensure that it is operating effectively to meet the Government's priorities and policy objectives.

CERA has led the development of the Recovery Strategy; a guiding document for the recovery and rebuild of greater Christchurch that is grounded in the CER Act.

Strategic Direction

The Government's priority for greater Christchurch is to achieve a **focused, timely and expedited recovery** from the impacts of the Canterbury earthquakes.

Every part of the Canterbury community has been affected by the Canterbury earthquakes. The people of greater Christchurch are supported through difficult changes and decisions by the joint efforts of CERA, the public and private sectors, non governmental organisations and wider community organisations. CERA together with its strategic partners, Christchurch City Council, Waimakariri and Selwyn District Councils, Environment Canterbury and Te Rūnanga o Ngāi Tahu, will continue to provide leadership and channel contributions from all sectors of government so that recovery work and decisions are coordinated and integrated across the social, cultural, economic, natural and built infrastructure sectors.

With strategic partners we will make critical decisions that create and maintain momentum for the recovery, and that foster confidence and a sense of security among residents and investors. Another way in which we will maintain this momentum is by monitoring progress and providing advice to identify those activities that support the recovery and those that do not.

CERA's focus and role will change over time. What will remain constant is our work with others to foster community resilience and to support greater Christchurch on its path to progressively take back responsibility for its ongoing recovery.

Key challenges

The Canterbury earthquakes have caused damage on a huge scale, which can only be addressed after making complex decisions. These conditions have shaped the nature, timing and pace of recovery efforts. While significant seismic activity has continued, CERA has undertaken major work in relation to demolition, policy and planning, assessment of land, structures and infrastructure, and community wellbeing. Pace and timing have inevitably been affected by the unstable environment in which it is operating.

Another challenge for CERA is that many, sometimes disparate, organisations and communities have a role in the recovery of greater Christchurch. CERA must guide, lead and integrate the efforts of the entire recovery community in order to lift performance, identify areas of mutual interest early, ensure resources are used efficiently, and establish sustainable working relationships for the longer-term recovery. By carefully planning and sequencing recovery programmes, CERA can achieve economies of scale and multiple goals, and reduce duplication of effort.

Key opportunities

The building blocks for recovery are in place. The region's economy is performing better than expected and, as understanding of the risks grows, insurance and investor confidence is returning. There are significant opportunities to rethink directions and 'build back better' in order to enrich people's quality of life – without compromising the repair or replacement of essential infrastructure and services elsewhere.

The recovery also presents an opportunity to contribute significantly to the national and international body of knowledge and experience of disaster response and recovery.

Our Performance Story to Date

Size and scale of the task

CERA was established by the Government four weeks after the 22 February earthquake to work with the people of Canterbury to rebuild greater Christchurch. Greater Christchurch covers Christchurch, the Selwyn and Waimakariri districts and the coastal marine area from Pegasus to Rakaia. The scale and complexity of the task are unprecedented in New Zealand history. The Canterbury earthquakes are the fourth-largest insurance event in history and ongoing seismic activity has made for a unique operating environment, presenting further challenges for the recovery effort.

Response and planning

An early collaborative, multi-agency approach and timely decision making have helped to avoid some of the problems that often follow disasters of this scale, such as widespread health issues, and a long-term loss of population or capital. As a result of exceptional partnerships between asset owners, funders and contractors, critical infrastructure and networks – both below and above ground – have been repaired rapidly.

The *Recovery Strategy for Greater Christchurch: Mahere Haumanutanga o Waitaha* will consolidate CERA's strategic partnership with local entities. It also has statutory effect in identifying goals for the recovery across six interlinked components – leadership and integration; and the economic, built, social, cultural and natural environments.

Land decisions and community assistance

CERA has focused on supporting residents with information that provides the certainty and confidence they need to make decisions, and with social services to facilitate this decision making. The first land zone decisions were announced in June 2011 and property owners in residential red zones became eligible for a Crown offer to purchase their property.

Nine months later, more than 180,000 greater Christchurch properties had been zoned green, and of the 7,000 zoned red, approximately half had reached a purchase settlement. By April 2012 fewer than 3,000 property owners were awaiting a land zone decision. These residents remain the focus of CERA's efforts until the complex and difficult decisions regarding their properties are made.

CBD demolitions and making safe

In the central business district (CBD) more than 1,000 buildings have been demolished or deconstructed, or have been made safe and are under repair. The CBD red zone cordon, which began with a perimeter of eight kilometres and covered 387 hectares, is now reduced to 66 hectares. The cordon is important to the safety not only of the public, but also of those owners who are working inside the cordon to restore their buildings and their businesses.

Recognising the need of Cantabrians to reconnect with their city, CERA has conducted bus and walking tours inside the red zone cordon for over 170,000 people. In addition, in partnership with the business community, it has initiated the RE:Start container mall, an important symbolic and physical first step towards reclaiming and renewing the CBD.

Delivering on the Government's Priority

The Government's priority for greater Christchurch is to achieve a **focused, timely and expedited recovery**. More than simply replacing what has been damaged, the term 'recovery' is concerned with 'building back better' where opportunities arise.

CERA is a linchpin in achieving the Government's priority for greater Christchurch as it can marshal central government resources where they are needed for recovery efforts. Its role in achieving the Government's priority for greater Christchurch is specified under section 3 of the CER Act.

CERA's role is expected to change and diminish over time. It is intended that the department will be disestablished by mid 2016 as greater Christchurch takes over the responsibility for its own ongoing recovery.

Overarching Intervention Logic

The diagram below outlines CERA's overarching intervention logic for contributing to the Government's priority for greater Christchurch – to achieve a **focused, timely and expedited recovery**.

CERA's outcomes

Greater Christchurch is seen to have recovered

CERA's impacts

Establishing an environment that fosters a more resilient community, with opportunities for social participation and cultural engagement

Ensuring that market conditions in greater Christchurch support the rebuild, development and economic recovery of the area

Overseeing a rebuild of all the components of the built environment to ensure that it is timely and sequenced

Leading the CBD rebuild to ensure that it is timely and focused

Success

- ✓ **Connectedness:** the majority of Canterbury residents feel they have someone they can turn to for help when faced with a serious injury or illness, or if they need emotional support during a difficult time
- ✓ **Life satisfaction:** the proportion of Canterbury residents who feel their overall quality of life is good or extremely good, will improve each year
- ✓ **Health:** the proportion of Canterbury residents who experience stress that has a negative effect on them will reduce each year
- ✓ **Confidence:** the majority of Canterbury residents have confidence that CERA makes earthquake recovery decisions that are in the best interests of the region, and see CERA's overall communication as timely, relevant and accurate
- ✓ **Cultural:** the proportion of Canterbury residents who feel they have opportunities for creative expression will increase each year

- ✓ Chief Executives of CERA's strategic partners are satisfied with CERA's contribution to Canterbury's economic recovery
- ✓ Businesses will remain located in greater Christchurch, with net business migration becoming positive during 2012 to 2015
- ✓ Canterbury's manufacturing and services sectors will continue to expand
- ✓ The number of Overseas Investment Office consents for investment in greater Christchurch will increase each year

- ✓ The number of new dwellings approved in Canterbury will remain above previous trends per month
- ✓ Net migration of taxpayers away from Canterbury will become net inward migration by June 2015
- ✓ The number of 'economically significant enterprises' in Canterbury will remain above previous trends per year
- ✓ Canterbury's employee count will remain above previous trends per year

Measuring Progress

The Government expects all government agencies to act in a fiscally responsible manner. CERA has established indicators to track our progress and performance against our desired medium-term outcomes, so that we know we are providing value, and value for money.

It is challenging for any agency to identify useful, quantifiable and attributable outcome measures to judge future performance where it is coordinating efforts across a range of organisations, all of which impact on a single outcome. CERA is in this position.

Nevertheless we have described the types of measures we will use and, where possible, included numeric standards. Furthermore, CERA regularly meets with the CER Minister and the Chief Executives of our strategic partners – Christchurch City Council, Waimakariri and Selwyn District Councils, Te Rūnanga o Ngāi Tahu, and Environment Canterbury. We will seek their formal and informal feedback on CERA's contributions to the recovery and gauge their level of satisfaction that CERA's policy and other advice supports their decision making on recovery matters.

We will measure our short-term performance against the output performance indicators in the Information Supporting the Estimates of Appropriations and the Output Plans for our Vote. We will also report on our progress in these areas in our Annual Report.

Operating Intentions

CERA's outcomes and expected impacts are set out below in regard to the social, cultural, economic, and built environments. They show how our work dovetails with, and will contribute to, the achievement of a **focused, timely and expedited recovery** for greater Christchurch, in line with the Government's priority, and CERA's key outcome that greater Christchurch is seen to have recovered. This section also describes how we will measure our success.

Economic environment

Our intervention logic:

CERA impact	Ensuring that market conditions in greater Christchurch support the rebuild, development and economic recovery of the area
CERA interventions	We will ensure that: <ul style="list-style-type: none">• obstacles to economic recovery, and possible solutions, are identified early, particularly for sectors most affected• domestic and foreign investment needed to capitalise business growth and to fund property development and construction is attracted to the region early• supply is on track to meet demand for appropriately skilled rebuild workforces.

What we will do in the next three years:

- ✓ **Identify obstacles to economic recovery and potential solutions, by:**
 - implementing the *Recovery Strategy* and recovery programmes, and involving partners and the private sector in our work
 - using the powers of the CER Act to ensure that sufficient and appropriately-zoned land is available
 - working with Treasury and insurance companies to resolve policy concerns.
- ✓ **Attract domestic and foreign investment, by:**
 - developing an *Economic Recovery Programme* that links to existing regional and local plans
 - leading, monitoring and reporting on the *Capital Investment Programme*
 - monitoring and reporting on the insurance market.
- ✓ **Enable a match between labour demand and supply, by:**
 - leading, monitoring and reporting on the *Labour Market Programme*.

How we will demonstrate success:

CERA impact	Measures and standards	Trends
Ensuring that conditions in greater Christchurch support the rebuild, development and economic recovery of the area	✓ 100% of Chief Executives of CERA's strategic partners are satisfied or more than satisfied with CERA's contribution to Canterbury's economic recovery, in a survey to be carried out in 2013 and 2015	N/A
	✓ Businesses remain located in greater Christchurch, and net business migration becomes positive, according to Inland Revenue taxpayer data	Net business migration of minus 70 in April 2011
	✓ Canterbury's manufacturing sector continues to expand, and reaches or exceeds the national figure on Business NZ's seasonally adjusted Performance of Manufacturing Index (PMI)	National indices of 52.7 in 2010; 51.0 in 2011; 55.5 in 2012 (February of each year) Canterbury's indices were 46.8 in 2010; 39.5 in 2011; 64.1 in 2012
	✓ Canterbury's services sector continues to expand, and stays at or exceeds the national figure on Business NZ's Performance of Services Index (PSI)	National indices of 52.7 in 2010; 51.0 in 2011; 55.5 in 2012 (February of each year) Canterbury's indices were 46.8 in 2010; 39.5 in 2011; 64.1 in 2012
	✓ The number of Overseas Investment Office consents for investment in greater Christchurch increases each year	9 in year to 31 Dec 2010; 13 in year to 31 Dec 2011

Social and cultural environments

Our intervention logic:

CERA impact	Establishing an environment that fosters a more resilient community with opportunities for social participation and cultural engagement
CERA interventions	We will ensure that: <ul style="list-style-type: none">• residential communities bordering on (or remaining in) the residential red zone feel safe and secure• community wellbeing and social services are effective and responsive to the changing operational environment• there are more spaces and places to participate in cultural activities, sports and recreation• access is restored to creative and cultural activities and there are opportunities to record collective memory and historic legacy

What we will do in the next three years:

- ✓ **Make it possible for residential communities bordering on (or remaining in) residential red zones to feel safe and secure, by:**
 - communicating relevant information in a timely fashion
 - maintaining security in residential red zone areas until property clearances are completed.
- ✓ **Build effective and responsive community wellbeing and social services in greater Christchurch, by:**
 - implementing the *Recovery Strategy* and recovery programmes
 - meeting residents' information needs and in this way building resilience, confidence and certainty
 - leading the development of the cross-agency *Canterbury Wellbeing Index*
 - leading the *Community Resilience Programme* and integrating the responses of all agencies to support community wellbeing and needs
 - overseeing and integrating the work of government and non-government agencies in providing an effective psychosocial programme
 - engaging directly with greater Christchurch communities, including iwi, to encourage widespread participation in the planning and implementation of recovery, and to enable and support community leadership and governance.

✓ **Remove obstacles to the establishment of spaces and places where people can participate in cultural activities, sports and recreation, by:**

- ensuring that sufficient and appropriately-zoned land is available.

✓ **Assist in restoring creative and cultural activities and providing opportunities to record collective memory and historic legacy, by:**

- monitoring and reporting on the implementation of the *Arts and Culture Recovery Programme* and the *Heritage Collections Recovery Programme*.

How we will demonstrate success:

CERA impact	Measures and standards	Trends
Establishing an environment that fosters a more resilient community, with opportunities for social participation and cultural engagement	✓ Connectedness: the majority of Canterbury residents feel have someone they can turn to for help when faced with a serious injury or illness, or if they need emotional support during a difficult time, as measured through the annual CERA Wellbeing Survey, from December 2012	Baselines to be established by the annual CERA Wellbeing Survey in December 2012
	✓ Life satisfaction: the proportion of Canterbury residents who feel their overall quality of life is good or extremely good, will improve each year, as measured through the annual CERA Wellbeing Survey, from December 2012	
	✓ Health: the proportion of Canterbury residents who experience stress that has a negative effect on them will reduce each year, as measured through the annual CERA Wellbeing Survey, from December 2012	
	✓ Confidence: the majority of Canterbury residents see CERA's overall communication about earthquake recovery decisions as timely, relevant and accurate, as measured through the annual CERA Wellbeing Survey, from December 2012	
	✓ Cultural: the proportion of Canterbury residents who feel they have more opportunities for creative expression will increase each year, as measured through the annual CERA Wellbeing Survey, from December 2012	

Built environment

Our intervention logic:

CERA impacts	<ul style="list-style-type: none">• Overseeing a rebuild of all the components of the built environment to ensure that it is timely and sequenced• Leading the CBD rebuild to ensure that it is timely and focused
CERA interventions	<p>We will ensure that:</p> <ul style="list-style-type: none">• it is possible for people to proceed confidently with their residential rebuilds/repairs• rebuilds of community and public service facilities can proceed• the infrastructure rebuild and recovery are planned to meet the needs of the recovery programmes• the recovery and development of the CBD are facilitated.

What we will do in the next three years:

- ✓ **Make it possible for people to proceed confidently with their rebuild/repairs, and ensure that community, public and infrastructure services are available, by:**
 - providing the Government with the information it needs to make land zoning decisions
 - ensuring that the Building and Resource Management Acts do not hold back a timely rebuild
 - ensuring that the rebuild, both above ground and below ground, is adapted to seismic risk
 - developing and communicating information to affected Christchurch residents about land assessments and the implications for their homes and businesses, which they can use to make decisions
 - implementing the *Residential Red Zone Programme* to ensure eligible property owners in residential red zones can make decisions about taking up the Crown offer to purchase their land
 - using the powers of the CER Act to facilitate the rebuild and remove obstacles to recovery
 - leading, integrating, monitoring and reporting on the Stronger Christchurch Infrastructure Rebuild Team's (SCIRT's) infrastructure rebuild and repair activity (covering roads and the three waters) and other infrastructure networks such as energy and communications
 - implementing the *Recovery Strategy* and recovery programmes, and involving partners and the private sector in our work.

✓ **Facilitate the recovery and development of the CBD, by:**

- monitoring and completing the demolition and deconstruction work in the CBD and restoring safe access
- producing a recovery plan for the CBD, with input from strategic partners, that includes a blueprint for the CBD and identifies the location of anchor projects such as public facilities and buildings, activity areas, and strategic city blocks
- using the powers of the CER Act to collate information, streamline consent processes, amalgamate land, promote development, promote and attract investment, and schedule construction coordination and management, to implement the CBD Recovery Plan.

How we will demonstrate success:

CERA impacts	Measures and standards	Trends
Overseeing a rebuild of all the components of the built environment to ensure that it is timely and sequenced	✓ The number of new dwellings approved in Canterbury remains above 200 per month, according to Statistics New Zealand's Building Consents Survey	New dwelling approvals in Canterbury ranged between 164 and 379 per month between July 2011 and Feb 2012
	✓ Net migration away from Canterbury continues to fall and becomes net inward migration by June 2015 according to Inland Revenue taxpayer data	As at Sept 2011, net migration away from Canterbury was 240 individual taxpayers
Leading the CBD rebuild to ensure that it is timely and focused	✓ The number of 'economically significant enterprises' in Canterbury (defined in Statistics New Zealand's Business Demography Statistics as those with a GST turnover of \$30,000 or more per year) remains above 64,000 per year	Canterbury numbers were: 65,443 in 2009; 64,778 in 2010; 64,047 in 2011
	✓ Canterbury's employee count remains above 250,000 per year, as shown by Statistics New Zealand's Business Demography Statistics	Canterbury numbers were: 258,600 in 2009; 254,410 in 2010; 252,170 in 2011

Operating Environment

CERA is in the unique position of being a central government agency with a local focus. The scale of need in greater Christchurch, to which CERA is responding, is unprecedented in New Zealand.

Managing in a changing environment

CERA operates in an environment of ongoing seismic activity, and is involved in complex work on a large scale as it makes decisions about land zoning as well as the location and timing of rebuilding. Notable characteristics of this environment are the need for:

- flexibility
- swift action
- cognisance of recovery roles and responsibilities to minimise overlaps, focus on efficiency, and ensure local ownership
- significant consultation and relationship building.

Departmental Health and Capability

CERA has a distinctive set of organisational concerns that arise from its unique status as a central government agency located in a region, with the potential for its functions to change over time, and with a fixed end date. It will regularly monitor its dynamic requirements for organisational health and capability and will respond to them over the next four years.

Good employer

Because of its fixed end date, and because it needs the right mix of skills to respond to issues and roles as and when required, CERA is comprised of staff recruited under a variety of conditions: some are on fixed-term contracts, while others are seconded from other agencies or are contracted in. That mix also includes both Christchurch-based staff and staff from other cities with central and local government expertise.

Key human resource goals are to:

- establish a strong culture that has the CERA purpose, vision and values at its heart
- achieve our health and safety vision of being a great and safe place to work
- attract and retain the best people
- provide support to all staff and be aware of their personal earthquake experiences
- support professional development so staff are well prepared for other opportunities when CERA is disestablished
- recognise and reward contributions to this vital recovery work.

Credible and effective leadership

CERA is a new government department with a new senior leadership team. It will focus on developing the senior leadership team and organisational communication to ensure cohesive programme management within the department. Our senior leadership team will exemplify our purpose, vision and values in their work with each other and their counterparts in other organisations in pursuit of recovery goals.

Business practices

Core corporate services are successfully delivered through a shared services model. We will continue to use this arrangement, and enhance it where possible, in order to maintain low capital investment while still delivering quality services that meet our business needs.

We are establishing an independent Audit and Risk Committee to provide independent advice to assist the Chief Executive discharge his responsibilities for the maintenance of systems of internal control, responsible resource management, and the management of risk.

New information management system

As CERA is supporting a range of organisations in making well-coordinated and timely decisions, the information we manage, store and track is diverse and multidisciplinary. The information that we hold is of high value and significant interest to the public currently and is likely to become of historic interest in later years.

To meet the demand for information and to improve its information management, CERA has made a Request for Information seeking a document and records management solution. The desired solution will allow staff to effectively and efficiently make full use of information we already have, and to contribute new information easily, quickly and to the standards of the Public Records Act 2005.

How will we assess Departmental capacity?

Two tools CERA will use to assess organisational capacity are:

- the employee engagement index – with the goal of achieving the agreement or strong agreement of over 85 percent of staff across all categories in the annual culture and engagement survey
- the performance management system – we will manage and evaluate individual performance and behaviours against roles and expected standards of the department. With this information, we can assess the department's collective performance capability against departmental outcomes and government priorities.

It is also proposed to measure CERA's **cost-effectiveness** with reference to:

- the total administrative and support services costs as a proportion of departmental operating costs for CERA, which will be no more than 20 to 25 percent.

Capital and Asset Management Intentions

Asset management capability

CERA is developing an asset management strategy that encompasses a specific motor vehicle policy and a general plan that covers assets within the shared service agreement.

Performance of physical assets

CERA's three main asset categories are leasehold improvements, motor vehicles and information technology-related assets. The performance of these assets is managed centrally following departmental policies and externally through the shared services agreements to maintain assets at an acceptable performance level.

The following table records the performance criteria set for particular asset categories or identified assets.

Asset	Performance criteria	Assessment
Leasehold improvements	Occupancy rates	All locations are fully used; Managed as part of shared service agreement
Motor vehicles	Business mileage used	Annual mileage is monitored and those with low or high mileage are investigated
Information technology equipment and software	Life of asset	Managed as part of shared service agreement

Internal capital expenditure intentions

CERA undertakes a five-year planning process for annual capital expenditure. Its purpose is to ensure CERA invests in capital items that are of the highest priority for meeting the needs of the Department and replaces assets at the optimum time.

CERA's forecasts for capital expenditure over a five-year period are shown in the following table. For 2012/13 to 2015/16 the forecast is for replacement items only and does not represent approved capital spend or new capital projects.

CERA will consider the 2012/13 capital expenditure (including new assets) for approval as part of its annual planning process.

Capital expenditure forecasts 2011/12 – 2015/16

Asset Forecast (\$m)	Financial Year				
	2011/12	2012/13	2013/14	2014/15	2015/16
Leasehold improvements	-	-	-	-	-
Motor vehicles	0.100	-	0.050	0.100	-
Information technology equipment and software	-	-	-	-	-
Other	-	-	-	-	-
Total	0.100	-	0.050	0.100	-

Included in the 2012/13 forecast are the following capital expenditure projects: Motor vehicles – CERA’s motor vehicle replacement programme.

