Office of Hon Nanaia Mahuta

MP for Hauraki-Waikato
Minister of Foreign Affairs
Minister of Local Government
Associate Minister for Māori Development



26 April 2022

Regional and Unitary Councils Aotearoa doug.leeder@boprc.govt.nz

Tēnā koutou

Thank you for your letter to the Prime Minister, Minister of Finance, Minister of Climate Change, Minister of Emergency Management, and me. I am responding as local government funding falls within my responsibilities as Minister of Local Government.

As you know, Aotearoa New Zealand is vulnerable to flooding, the number and value of potentially vulnerable assets is increasing over time, and on top of this climate change will exacerbate flood risk. Recognising this, the Government contributed over \$210 million to councils for flood protection and climate resilience initiatives in 2020. More needs to be done and so I thank you for the report and the contribution it makes to policy development in this area.

Priorities for climate change investment

Climate change is one of the most pressing long-term challenges facing New Zealand. To respond effectively to the challenge, we will need to make significant investments across multiple Budgets.

That is why the Government is establishing the Climate Emergency Response Fund (CERF), which will be allocated towards initiatives that support our climate change objectives. The initial focus for the CERF is delivering the emissions reductions that will be outlined in the Government's first Emissions Reduction Plan.

For future Budgets we will look to extend the scope of the CERF to fund measures to support adaptation to the changing climate, which could include flood protection schemes. This means your proposal will not be considered for Budget 2022 funding.

A comprehensive solution is needed

Investing in flood protection needs to be considered as part of an integrated suite of solutions. That's why:

- I've set up the Future for Local Government Review. This will look at how we can
 make sure councils have the funding tools they need to meet their communities'
 aspirations and build their wellbeing into the future.
- The Minister for the Environment is leading fundamental reforms to our resource management system this will ensure we avoid building in the highest risk areas and do not end up with developments exposed to natural hazards in the future.

The Minister of Climate Change is looking at how we can adapt to a changing climate

 including how we can best enable individuals, businesses, and communities to
 manage climate risk.

In addition, my officials are continuing to work closely with the Regional Sector through the River Managers' Special Interest Group on flood risk management issues. The work being undertaken to develop a co-investment proposal for Buller flood resilience will also provide an important opportunity to develop and test a framework for enabling a collaborative effort to reduce flood risk.

Thank you for taking the time to write and thank you for your important contribution to policy development in this complex area.

Nāku noa

Hon Nanaia Mahuta

Minister of Local Government

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