



Discussion Document; Upper Ruamahanga Scheme Governance and Funding

Alistair J N Allan

For more information, contact the Greater Wellington Regional Council:

April 2016

www.gw.govt.nz
info@gw.govt.nz

Contents

1.	Background	1
1.1	Key Messages for presentation to scheme committee at annual meetings	1
1.2	Existing governance	1
1.3	Existing funding	3
2.	Why Change?	3
3.	Governance model	3
3.1	Stage 1 - Scheme Advisory Committee	6
3.2	Stage 2 - Wairarapa River Management Subcommittee	7
3.3	Stage 3 - Formation of friends groups	8
3.4	Stage 4 - Change of rating scheme	9
3.5	Stage 5 - Wairarapa River Management Advisory Committee	10
4.	Decision making within Scheme Advisory Committee	11
5.	Funding	12
5.1	Background	12
5.2	Proposed Funding Model	12
5.3	Description of the options	12
5.3.1	Update Existing benefit classification	12
5.3.2	Update and refine the existing system to better reflect benefits of scheme	12
5.3.3	Align rating classification based on district plan zones	13
5.3.4	District wide targeted rate	13

1. Background

Greater Wellington Regional Council is developing a floodplain management plan for the Upper Ruamahanga catchment, including the Ruamahanga, Waipoua, Waingawa, Taueru, Kopuaranga, and Whangaehu Rivers. A separate FMP is also being developed for the Waiohine River.

As a part of this process the current governance arrangements are being reviewed, and a recommendation will be made on a future governance arrangement.

1.1 Key Messages for presentation to scheme committee at annual meetings

- (a) Scheme Governance and Funding is being considered as part of the development of the FMP
- (b) We will advise them when the discussions are going to occur as that they can have input
- (c) The FMP Sub Committee will seek their input to their deliberations
- (d) The next scheme chairs may be the next opportunity
- (e) Questions for them
 - What is it about the current structure that really works for them?
 - How much input do they want?

1.2 Existing governance

The existing governance is overseen by GWRC, and GWRC Environment Committee. Nine River Management advisory groups provide advice and can make recommendations to the GWRC, via the Environment committee who make decisions on the management of the schemes. Current reporting format is by way of attachment to the Flood Protection Asset Management Report to the Environment Committee. The attachment advises the Environment Committee of resolutions passed by the Advisory Groups at each of their annual scheme meetings.

The advisory groups are made up of directly affected landowners adjacent to the respective rivers or reach of river in respect of the Ruamahanga River as well as GWRC and TA representatives.



1.3 Existing funding

- The existing funding model is managed by GWRC.
- Funding for the schemes is typically sourced 50% from Regional rates, 25% from local Territorial Authorities, and 25% from targeted rates on adjacent landowners.

2. Why Change?

The drivers for change of the current governance are;

- **Administration costs** for a number of the smaller schemes exceed the value of scheme budgets and are disproportionate to scheme budgets
- **Attendance of scheme members** at annual Scheme Advisory group meetings is low
- Much of what is discussed and recommended by the Scheme Advisory groups is of business as usual type work. This reflects the relatively quiet flooding period. Once the FMP is completed we need a governance model that takes a long-term view and is able to monitor major infrastructure projects.
- **Representation** of the views of iwi, community interest groups, government agencies and the wider community is a resource challenge and they are contributors to 50% of the scheme rates. Groups, where they exist are required to attend 9 separate meetings to ensure that their points of view are presented at Scheme Advisory group meetings. Representation from non-adjacent landowner groups is poor, and attendance is infrequent.
- The advisory group representatives are primarily adjacent landowners who make a direct rating contribution to river management.

3. Governance model

GWRC is proposing a governance model that reflects the needs of both the regional and local communities as well as the individual landowners adjacent to the river. The model addresses the concerns of the directly affected landowners while also ensuring representation of regional ratepayers and stakeholders.

The vision behind this model is to create a governance body that makes recommendations on flood risk and river management that deliver the best outcome for the community as a whole, achieved by the governance body working collaboratively within its terms of reference to achieve that outcome.

It is acknowledged that this is a long term outcome for governance and that there may need to be a number of transitional steps to achieve this. The outcomes and timing of this process will also be influenced by decisions made about the funding model and regional governance.

	Actions	Notes	Risk
Stage	Form Scheme Advisory Committee from	Reporting structure amended to	Acceptance of proposal and

1	<p>amalgamation of existing schemes</p> <p>Form Scheme Chairs Committee</p>	<p>amalgamate decision making for all schemes to the scheme chairs committee</p> <p>Reports still circulated to the existing scheme committees</p> <p>Scheme chairs report to GWRC Environment committee</p>	<p>involvement in decision making of the targeted ratepayers.</p>
Stage 2	<p>Establish a GWRC Wairarapa River Management Subcommittee (of the Environment committee)</p>	<p>Modelled on HVFMSc</p> <p>Membership to come from 2 GWRC, 2 MDC, 2CDC, 2 SWDC elected representatives and 2 iwi appointees.</p>	<p>Regional governance debate</p> <p>Local government elections 2016</p> <p>Acceptance of role of Iwi by Wairarapa ratepayers</p>
Stage 3	<p>GWRC to support establishment of Friends groups to create focal point for community interest in rivers. (It is anticipated that these will in general be driven by urban populations)</p> <p>GWRC continues to support Scheme Advisory Committee as advocates for Landowner interests in rivers representing the views of those who pay targeted scheme rates</p>	<p>Groups formed are formally recognised by the GWRC Wairarapa River Management Subcommittee</p> <p>Groups are encouraged to attend subcommittee meetings and to speak in public participation section of agenda.</p>	<p>Urban focus of friends groups</p> <p>Disengagement of targeted rate landowners</p>
Stage 4	<p>Rating scheme is adjusted to a district wide approach, removing targeted rates on adjoining landowners</p>		<p>Rating scheme being accepted</p>

<p>Stage 5</p>	<p>Establish Wairarapa River Management Advisory Committee drawing together the landowner and friends groups. 10 positions are created on this group that any community member can apply for, and selected by GWRC.</p> <p>Existing Scheme Advisory Committee is disestablished</p>		<p>Member selection process</p> <p>Establishment of a Wairarapa Committee of GWRC</p>
---------------------------	---	--	---

3.1 Stage 1 - Scheme Advisory Committee

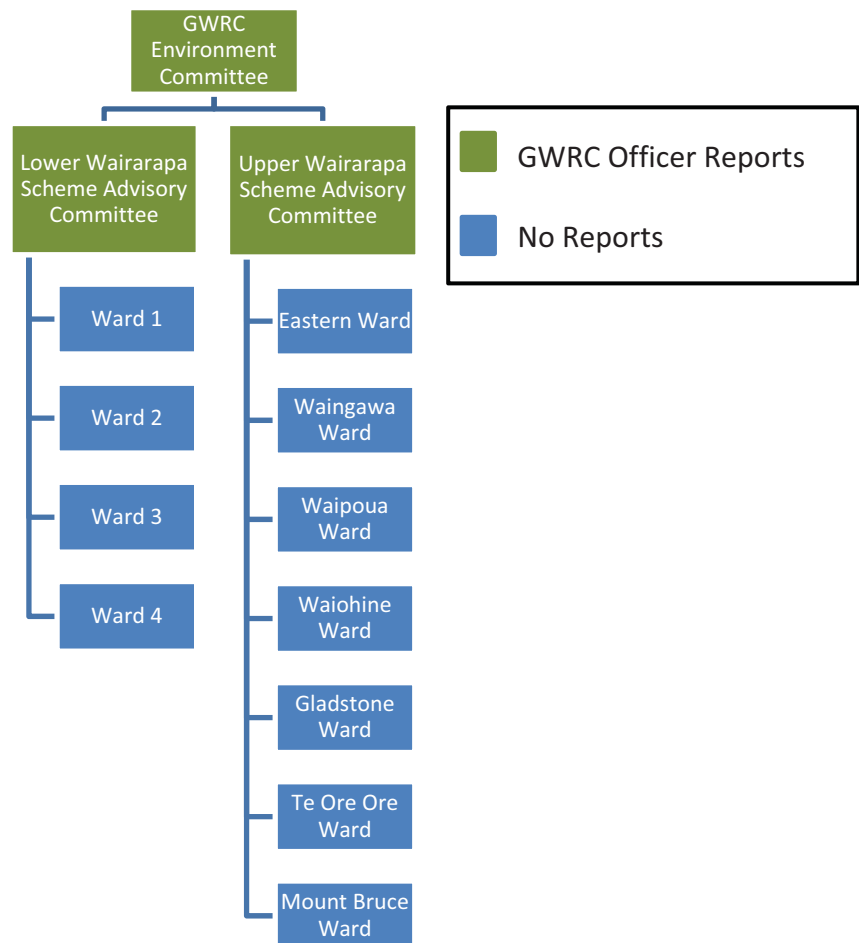
The existing schemes are converted to wards;

- Eastern River Ward (Taueru, Kopuaranga, Whangaehu)
- Waingawa Ward
- Waipoua Ward
- Gladstone Ward
- Te Ore Ore Ward
- Mt Bruce Ward

Each ward elects a member to the scheme chair advisory committee. GWRC officers report management programmes to the scheme advisory committee quarterly, the scheme advisory committee reports to the environment committee of GWRC.

GWRC continues to support the ward meetings by providing reports and venue for the members to meet if required. The ward representatives chair these meetings and use them as a forum for canvassing membership views to report to the Scheme Advisory Committee.

Model is similar to existing LWVDS structure

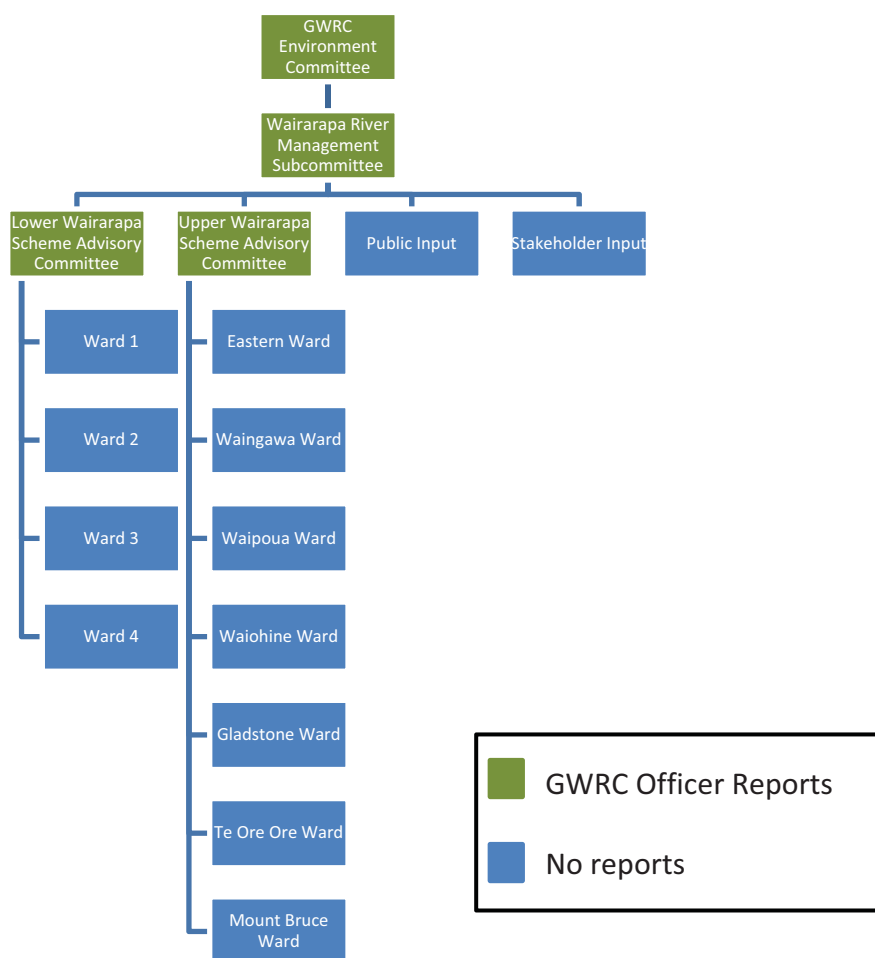


3.2 Stage 2 - Wairarapa River Management Subcommittee

GWRC establishes as a subcommittee of the environment committee a Wairarapa River Management Subcommittee. This committee makes decisions on river management and is responsible for the implementation of the outcomes of the floodplain management plan. The committee is comprised of elected representatives of the councils within the Wairarapa. GWRC, MDC, CDC, SWDC. In addition representatives of Rangitane and Kahungunu are appointed to the subcommittee recognising the partnership agreement between GWRC and mana whenua.

The Scheme Advisory Committee reports to the Wairarapa River Management Subcommittee that meets in the Wairarapa on a rotating venue basis.

Public and stakeholder groups are able to attend Wairarapa River Management Subcommittee under the existing GWRC standing order provisions.

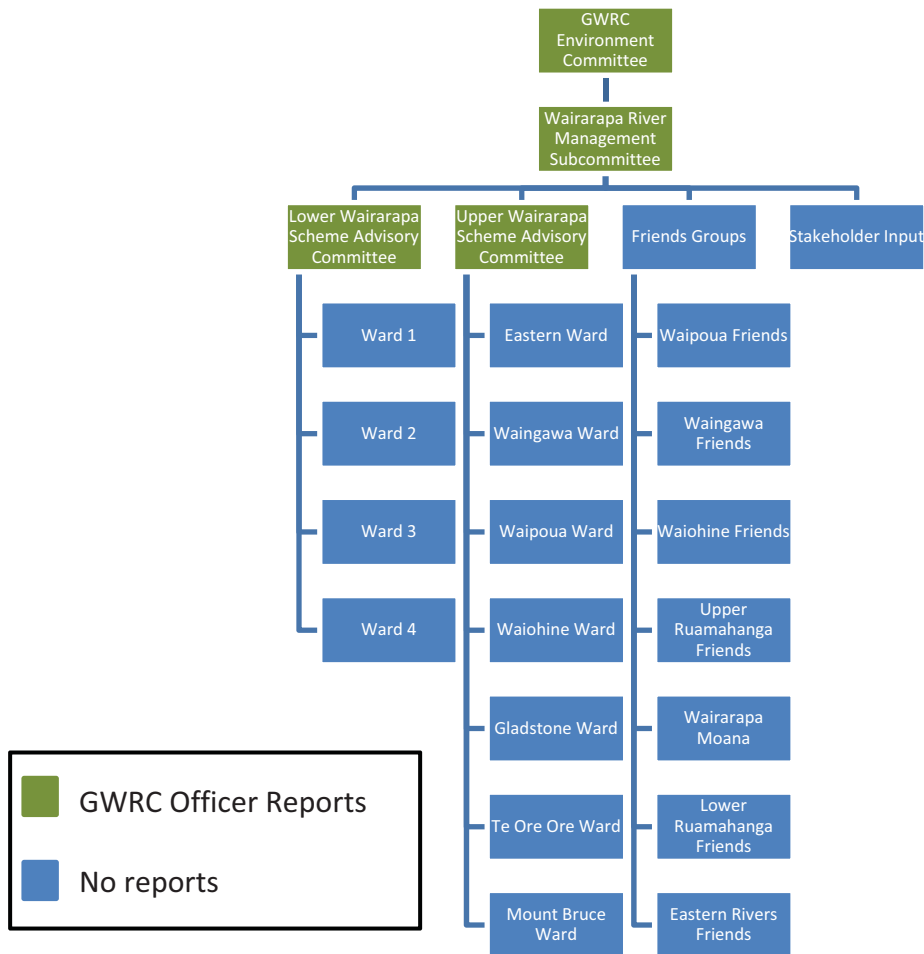


3.3 Stage 3 - Formation of friends groups

GWRC facilitates the formation of friends groups within the Wairarapa. It is anticipated that these groups will have a recreation and environmental outcome focus, and that their membership will primarily be focused around the urban centres in the Wairarapa.

GWRC will formally recognise the groups existence

The groups will act as a focus point for community aspirations and encouraged to participate in the implementation of FMP outcomes by presenting to the Wairarapa River Management Subcommittee during public participation under standing order provisions.



3.4 Stage 4 - Change of rating scheme

The rating scheme in the Wairarapa is simplified to a district wide rating approach and the current targeted benefit assessment approach is removed. This will mean that every property owner in the Wairarapa will pay a portion of river management costs.

This is likely to reduce rates for adjacent landowners and increase rates for other property owners in the Wairarapa. Rating base will be greater than those rated by the targeted approach.

Adjacent landowner contribution to river management will include recognition of them making available land for erosion within the buffer management approach to river management. This method is currently in development within the FMP and intends to on an annual basis recognise the financial equivalence of contribution.

Refer [section 5](#) of this document

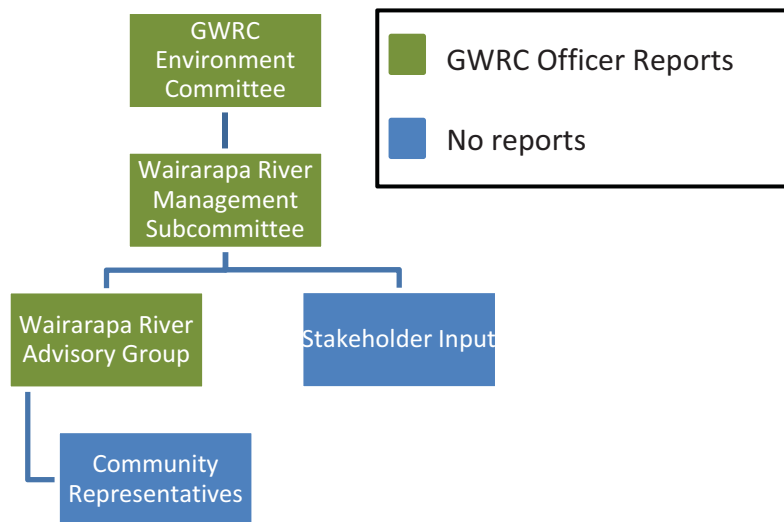
3.5 Stage 5 - Wairarapa River Management Advisory Committee

The application of a district wide rate has the following benefits:

- Remove the need for direct influence over targeted rate expenditure
- each landowner in the Wairarapa is an equal contributor to the management of rivers,
- Opportunity for discussion on wider issues.

A single River Management Advisory group is established to advise the Wairarapa River Management Subcommittee on matters of concern to the community. This will pull together membership of the Friends groups and the wards into a single body to debate and discuss river management in the Wairarapa.

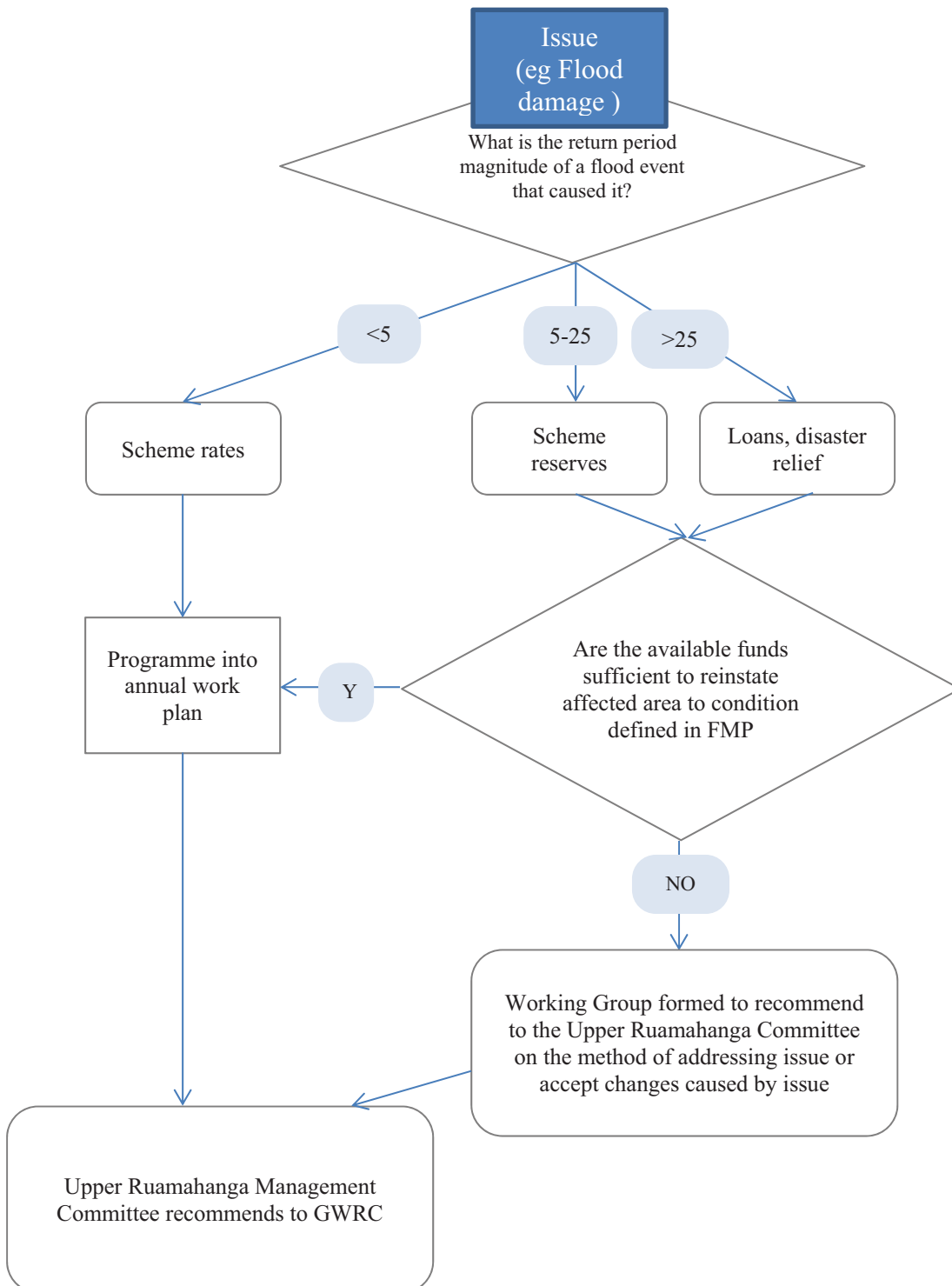
The committee may comprise of around 10 nominated members, with application for a position open to any community member.



4. Decision making within Scheme Advisory Committee

One of the key functions of the scheme advisory committee will be the ongoing management of the rivers in the Upper Ruamahanga catchment. It is anticipated that from time to time the management needs will deal with local issues or exceed the expertise of the committee and that in response to this the committee would establish a working group to address the issue and present a recommendation to the committee.

The flow chart below illustrates a process that could be used by the committee to provide assurance to landowners who are part of the existing River Scheme Advisory groups. To be included in its terms of reference



5. Funding

5.1 Background

The existing funding model is based on a regional rate component (50%), rated from across the region, a targeted rate (50%). A contribution from local authorities in relation to the work required to protect their assets and select portions of their communities is also sought as well as a portion of the gravel management fees collected annually. The targeted rate component classifies the rate payers based on the benefit classification of the land protected, and this incorporates aspects of flooding and erosion benefit. The maintenance of the targeted rate component is complex, and is, as a result, susceptible to error. Errors have occurred within this rating system due to land use change subdivision and building development, and incorrect reporting on changes to the rating database and cadastral boundaries, as well as change in owner and estate management.

5.2 Proposed Funding Model

As part of the Te Kauru FMP development we are reviewing the rating scheme which is used to apportion the targeted rate of the scheme funding.

There are a range of options that are being considered:

1. Update the existing benefit classification
2. Update and refine the existing benefit classification to better reflect the types of benefits provided by the scheme.
3. Simplify the classification scheme to align with the District Plan Zones
4. A district wide targeted rate.

It is considered that the rating structure that categorises rates based on benefit classification is un-necessarily complex and does not reflect the benefit of the river management and flood protection works to the wider community and creates challenges with river management expectations and governance when adjoining landowners are contributing a greater proportion of the river management rates than the wider community.

5.3 Description of the options

5.3.1 Update Existing benefit classification

This proposal would see the existing benefit classification tidied up and update with any new property information. This would essentially be a continuation of the existing rating arrangement, retaining the same issues with complexity and decision making.

5.3.2 Update and refine the existing system to better reflect benefits of scheme

This proposal would be a continuation of the existing rating classification with an update to include outcomes of the floodplain management plan. This would remain a targeted rate on adjacent landowners but bring in recognition of FMP outcomes and rebalance rating classifications.

5.3.3 Align rating classification based on district plan zones

This would create a rating system based on the existing zones within the district plan. This would mean that rates would be based on capital value (CV) taking into account the type of landuse allowed for on the property. This would differentiate between residential, industrial, commercial, rural, lifestyle etc.

5.3.4 District wide targeted rate

This would apply a single category rate for river management across the whole of each TA area, managed by the TA. This would most likely be based on CV.