

MINO-0412 Update on Franz Josef resilience

17 June 2022

The Minister's Office has requested an update on the Franz Josef Waiho River project, including Waka Kotahi involvement and any insights Waka Kotahi has on where the work is currently up to.

- In March 2021, the Government announced funding for part of a flood protection scheme for the Waiho River through the COVID-19 Response and Recovery Fund. This memo provides background on the resilience issues for the Franz Josef township and the related infrastructure issues and approaches.

Background on the long-term approach for Franz Josef resilience

- The response to resilience issues for the Franz Josef township have been under consideration by both local and central government for many years. There are two primary resilience risks for Franz Josef; the risk of earthquake due to the township sitting directly on the Alpine Faultline, and the risk of flooding from the Waiho River. These resilience risks and the proposed responses are related and cut across the responsibilities of multiple local and central government entities.
- The issue of most significance to Waka Kotahi is the location of State Highway 6 (SH6) and the bridge that crosses the Waiho River.
- Waiho River management techniques include stop banks on either side of the Waiho River at Franz Josef. These stop banks cause shingle to build up and the level of the Waiho River to rise over time. If this technique continues, it is expected the level of the riverbed will continue to rise and overall resilience will decline. The bridge over SH6 is a bailey bridge; a specific type of bridge which can be raised over time. Waka Kotahi currently estimates the bridge can be raised relatively easily at least twice more up to a total of around 2.5m above the current level. Beyond that it becomes more difficult from an engineering perspective.
- Following the significant flood damage from the Waiho River in March 2019, Ministers met to discuss the next steps for the long-term solution. Ministers decided to appoint Dave Brash as an independent chair and consultant tasked with reviewing the work undertaken to date on resilience options for Franz Josef and drawing up an action plan. Ministers agreed central government officials would act as the working group and Hon Nanaia Mahuta, Minister of Local Government volunteered to be the lead Minister for the project.
- Waka Kotahi was represented on the Governance Group and Working Group that provided input and advice to inform the work led by Dave Brash.
- In December 2019, Dave Brash presented his recommendations to Ministers. Key aspects for the proposed way forward included government leadership, certainty on the long-term solution and clarity on who pays and affordability. The advice acknowledged the need to migrate the town north incrementally and that defending the state highway and the township using only stop banks is not a long-term practical option. Key elements of the short-term response included agreeing a partnership model between central government, local government and Iwi and announcing the intention to develop a master plan for the Franz Josef township. The proposed long-term response included moving SH6 to a more resilient route and removing the southern stop banks to allow the river to spread out over the Waiho fan.

COVID-19 Response and Recover Fund

- In early 2020 the COVID-19 response diverted the attention of both central and local government officials to the immediate social and economic response required to support our communities. The COVID-19 Response and Recovery Fund (CRRF) was established, overseen by the Infrastructure Reference Group Ministers and administered by Kānoa - Regional Economic Development & Investment Unit (Kānoa - RDU).
- In June 2020, \$211 million from the CRRF was allocated towards 55 flood protection projects across 14 regions. This allocation included a grant of \$18 million for a shovel ready project put forward by the West Coast Regional Council to raise existing, and construct new, flood protection stop banks. However, when officials from the Department of Internal Affairs (DIA) conducted due diligence of the Franz Josef resilience

project they identified that the project was a short-term solution which was inconsistent with the proposal recommended by Dave Brash.

- Officials from DIA, Waka Kotahi and the Provincial Development Unit (now Kanoa – RDU) recommended looking into redirecting the approved allocation of \$18 million for the Franz Josef project towards the long-term approach. Officials initially recommended the level of funding be increased to meet the additional costs of implementing the long-term approach including SH6 realignment costs.
- However, after further consideration PDU advised that the SH6 realignment could not be funded from the CRRF as this would not fit the directive for funding to be allocated to flood protection projects.
- In April 2021, Infrastructure Reference Group Ministers agreed to fund phase 1 of the Franz Josef flood protection work, and Ministers noted that Kanoa – RDU would investigate funding options for a long-term solution. Construction work is under way on phase 1. Waka Kotahi is not aware of the exact works in scope of phase 1 as this is being administered by Kanoa – RDU.
- Without certainty of funding or an established cross government approach, progress on the long-term solution has stalled.
- Minister Nash was provided advice by Kanoa – RDU on 9 June 2022 recommending next steps for the CRRF funding allocation and the long-term approach.

Next steps

- We expect that Minister Nash will convene a Ministerial meeting to discuss the Kanoa – RDU advice and next steps. Waka Kotahi can provide additional supporting advice ahead of any engagement.
- Our understanding is that the next steps will include re-establishing a governance group between central government, local government and Iwi to formally agree the long-term approach and jointly develop a Masterplan with phasing of the steps required to achieve the long-term approach. Waka Kotahi expects to continue to play an active supporting role in this process, including planning for bridge improvements and the realignment of SH6 as part of that long-term approach.

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