

8 November 2023

Governance and Administration Committee  
Wellington  
Via email [Select.Committees@parliament.govt.nz](mailto:Select.Committees@parliament.govt.nz)

Tēnā koutou katoa

## **Emergency Management Bill Consultation**

Water New Zealand (Water NZ) welcomes the opportunity to provide comment on the Emergency Management Bill consultation.

Water NZ is a national not-for-profit organisation which promotes the sustainable management and development of New Zealand's three waters (drinking water, wastewater and stormwater). Water NZ is the country's largest water industry body, providing leadership and support in the water sector through advocacy, collaboration and professional development. Its ~3,000 members are drawn from all areas of the water management industry including regional councils and territorial authorities, consultants, suppliers, government agencies, academia and scientists.

Given our members' interests, our submission focuses on water and drainage service provision and related areas where they interact with emergency management processes. Water NZ notes that many of our members will be making their own submissions on specific interest, particularly those from local authorities.

## **Introduction**

Water NZ supports the purpose and direction of the Bill. Specifically, the proposal to improve the resilience of New Zealand's infrastructure and infrastructure services before, during, and after an emergency.

Water New Zealand agrees that review of existing civil defence legislation is required, and a consistent, coordinated, and accessible approach is desirable. We welcome that the Bill builds on the 2002 Act and by retaining the existing functions and powers it provides for managing emergencies at local, regional, and national levels. We recognise the change in approach since the 2022 Trifecta discussion document to keep local approach with national guidance and control as necessary.

We also support aligning the emergency management framework with the National Resilience Strategy.

## **Critical Infrastructure involvement in readiness, response and recovery activities**

The Bill requires Areas (formerly CDEM Groups) to engage in readiness activities and prepare response and recovery plans. Currently, across the motu some Areas have developed strong partnership approaches to Critical Infrastructure (formally Lifeline Utilities), but other Area's experience engagement

difficulties and limited support from public and private sector Critical Infrastructure. This negatively affects pre-identifying partners and developing relationships before an event.

The provision of water services, as we saw during Cyclone Gabrielle, has operational dependencies and interdependencies within and between other critical infrastructure providers. This reinforces the need for a common appreciation of the overall resilience objective and proactive planning ahead of an event.

Water New Zealand welcome the clarity provided on roles, responsibilities, and lead agencies for emergency preparation, as well as during activation, between WSEs, Critical Infrastructure, NEMA and Areas. This will help to support strong multi-agency coordination, planning, response, and recovery.

Other Critical Infrastructure sectors have identified roles, responsibilities, and reporting lines, at all levels, from the local teams up to national lead agencies, and vice versa through sector coordinating entities (SCE). This was demonstrated in the speediness of situational understanding of the asset damage encountered, services disrupted, resources needed and estimates of costs and timeframes to restore services.

The Cyclone Gabrielle national declaration and response exposed weaknesses in the water sector's national and local level coordination, involvement, inclusion, systems, tools, leadership and relationships. In some cases, this led to suboptimal intelligence to support situational understanding, public safety messages, works programming and decision making.

Water New Zealand **submits** the water sector (drinking, wastewater and stormwater) must be recognised and gazetted as Critical Infrastructure, and the Water Service Entities (WSEs) established under the Water Services Entities Act 2022 as Critical Infrastructure Entities.

As part of the Affordable Waters work programme, and as a SCE, the water sector is working to improve national co-ordination, representation, and oversight.

Given the importance of strong and reliable emergency management to Aotearoa New Zealand's people, property and places, we **submit** that as a no regrets action the incoming government continue the Department of Internal Affairs work on the 'Incident and Emergency Management Framework' for the water sector continues to address current inefficiencies.

## **Urban stormwater differs from flood protection**

Floods are New Zealand's most frequent and most significant natural hazard. Between them, urban stormwater and flood protection schemes underpin the integrity of public and private assets, provide resilience and security to communities and their investments.

The risk from river flooding is managed by regional councils' flood protection schemes. The replacement cost of 367 flood protection schemes throughout New Zealand are estimated to be \$2.3 billion. These 367 schemes protect around 1.5 million hectares of land or 5% of New Zealand's land area.

Urban stormwater networks are managed by local authorities and will transfer to the new WSEs. Stormwater networks are more complex than drinking water or wastewater systems, with most comprising a reticulated stormwater network as well as above-ground, watercourses, secondary, and overland flow paths.

Urban stormwater, under the Bill, will be considered a Critical Infrastructure. The Bill is silent on flood protection.

Whilst we are pleased to see stormwater be considered a Critical Infrastructure, to truly modernise, provide coordination and improve the resilience of our emergency preparedness and response, Water New Zealand **recommends** that flood protection is included as a Critical Infrastructure sector.

Including flood protection as a Critical Infrastructure sector, will bring all schemes across the motu into the CDEM structure, training, systems, and tools. This will support strong multi-agency relationship building, understanding, and testing of their response arrangements, resulting in a more coordinated responses and recovery.

## **Consistent and relevant Critical Infrastructure definitions**

We are supportive, in principle, of the proposals in respect of Critical Infrastructure.

We note the Department of Prime Minister and Cabinet (DPMC) previously consulted on “Strengthening the resilience of Aotearoa New Zealand’s critical infrastructure system”<sup>1</sup> regulatory changes. The concept of critical infrastructure is introduced in that document. This Bill and the DPMC policy direction must be consistent.

Te Waihanga Infrastructure Commission recommend there is a common definition of what counts as critical infrastructure and a framework for identifying which infrastructures. Water NZ agrees this is critical.

Water NZ also make the following points:

- Nationally, regionally and locally ‘significant infrastructure’ should be required to be identified and listed in relevant resource management plans.
- The Critical Infrastructure proposals in the Bill must align with the approach and existing definitions of significant infrastructure under the Resource Management Act (and the new legislation it will be replaced with). This will help avoid duplication, misalignment, and confusion.
- We disagree there are no criteria for the categorisation of Critical Infrastructure or entities. While there is no criteria in the CDEM Act itself, Critical Infrastructure is well-understood across Lifeline asset managers, whether public or private. The IIMM (International Infrastructure Management Manual) outlines the process for identifying and managing critical assets. This

---

<sup>1</sup> <https://consultation.dPMC.govt.nz/national-security-group/critical-infrastructure-phase-1-public-consultation/>

process is reflected in council, and other entities, asset management plans. The criteria in the proposed Bill should be consistent with the IIMM approach, and consistent with accepted asset management practice.

- We suggest the NEMA and Department of Internal Affairs (DIA) National Transition Unit work together to include a clear statutory definition for water services and flood protection as Critical Infrastructure in the emergency management system, including the National CDEM Plan and latest Lifelines Vulnerability Assessment.
- We note the water regulator, Taumata Arowai are included in the definition of 'emergency services'. We consider this to be a drafting error which will be corrected in the final Act.

## **2-year delayed commencement for water services**

Water NZ **acknowledge and support** the proposed 2-year delayed commencement for some critical infrastructure proposals, including—

- to enable a review of the entities listed in Schedule 1 (Lifelines Utilities) of the 2002 Act to be undertaken
- for planning emergency levels of service and annual compliance reporting.

This extension will allow the ten entities to be established and commence delivering water services, as per the Water Services Entities Act 2022. During this establishment period, water service entities can develop and enable emergency management processes, establish roles and responsibilities, planning, and reporting, whilst giving certainty to staff, Areas, other Critical Infrastructure, businesses, and communities.

We believe this delay will allow for a clear and considered transition across regimes, regulatory frameworks, and other reform programmes to ensure efficiency and minimal confusion. It will also allow for those WSEs who are ready to, to stand up their emergency management teams and processes sooner.

The work of the water SCE and the DIA's Incident and Emergency Management Framework, will support the transition of the water sector and the new entities as Critical Infrastructure Entities. These work programmes could also work with NEMA on reporting and audit requirements.

## **Infrastructure deficit and failure to meet current levels of service**

Levels of service are a statement of outcomes and outputs to be delivered from a service or activities.

Historic under investment in water services assets has manifested as failure to meet existing levels of service. Analysis provided by the Water Industry Commission for Scotland (WICS) has identified that \$185b of investment is required over the next 30 years to improve the New Zealand water system to meet existing standards.

Meeting existing flooding levels of service is beyond [local and regional] council's current budgets. Te Uru Kahika- Regional and Unitary Councils Aotearoa has sought central government commitment to co-invest approximately \$150m per annum in the upgrade and resilience of flood protection schemes. Water NZ supports this the need for this investment.

Considerable investment is required to meet existing levels of service. We highlight there is a need for funding to help water service entities/ councils meet current, future and emergency levels of service.

## **Levels of service during and after an event**

Greater transparency of Critical Infrastructure's preparation, planning, and activity is desirable. However, Water New Zealand have suggestions regards the proposal of establishing emergency service levels for during and after an event.

All Critical Infrastructure have service levels and performance measures which describe the service customers can expect in peacetime. In the case of water, few Councils have statements for levels for service expected during and/or after an emergency event. A table of possible levels of service for three waters and flood control expected is provided as an appendix.

### **Water NZ recommends:**

- a co-designed national framework to guide Critical Infrastructure entities level of service and performance measures is developed. Whilst allowing for local flexibility, in assessing and managing risks to produce a set of levels of service and performance measures appropriate to individual local networks;
- NEMA continues to work with the NZ Lifelines Council and Critical Infrastructure sectors to progress mutually acceptable emergency service level drafting and reporting requirements; and
- These levels of service statements are reflected in Group Plans.

## **Request once, use thrice**

Holistic monitoring and reporting is paramount for providing assurance to the public and emergency management partners. In terms of water, Water NZ see opportunities to consolidate or rationalise Critical Infrastructure regulatory planning, monitoring and reporting, and that these requirements can apply across legislative regimes.

We **recommend** the regulatory reporting requirements under the Bill, must support, be consistent with, and not duplicate, the approach taken by other industry regulators (e.g. Taumata Arowai and the Commission).

We also **recommend** that the 'responsible agency' be an existing industry regulator and/or Audit New Zealand.

## **Iwi/Māori participation**

Water NZ **strongly agree** that mana whenua are brought into the emergency management framework, given the critical role that many mana whenua and maraes play in supporting emergency management responses.

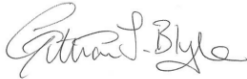
## **Conclusion**

Water NZ thank the committee for the opportunity to provide feedback on the bill.

We look forward to continuing to work with the Government to refine and contribute to critical infrastructure emergency management policy and delivery.

If you have any queries in relation to this submission, please contact [Nicci.Wood@waternz.org.nz](mailto:Nicci.Wood@waternz.org.nz)

Ngā mihi nui



Gillian Blythe  
Chief Executive

## Appendix -possible water sector levels of service or standards during and after an event

Critical Infrastructure	During level of service	Post level of service
Water supply system, including bulk water supply network, treatment plants storage lakes, reservoirs, pump stations and reticulation	Community to store enough water to provide 20 litres per person per day, to last seven days.	Eight days following a major event community water stations are activated.  Provide 80 per cent of customers, within 30 days of a reasonable seismic event, with 80 per cent of their normal water needs.
Wastewater / sewage collection, treatment and disposal system, including the sewer network, pump stations and treatment works	“For at least 30 days following an earthquake, you’ll need to self-sufficient for sanitation.”	“For at least 30 days following an earthquake, self-sufficient for sanitation.”
Stormwater (land drainage system, including the stormwater pipe network, waterways, and retention areas	Asset condition data for all stormwater assets will assessed annually, follows the process defined in the AMP and is consistent with the NAMS International Infrastructure Management Manual (IIMM, 2015).	Emergency Action Plans (EAP) have been developed and implemented (to limit the effects of an asset failure on people, property and the environment.)
Flood protection assets on a region’s major waterways, including stopbanks, barrage gates, control works	Meets the criteria and standards prescribed for an earthquake or a flood of a particular intensity or flow rate in the dam safety prescribed by regulations 10 to 18 of the Building (Dam Safety) Regulations 2022	Emergency Action Plans (EAP) have been developed and implemented (to limit the effects of an asset failure on people, property and the environment.)