Media Release

Government focuses on long term quake recovery

Release Date: 02 September 2014

Canterbury Earthquake Recovery Minister Gerry Brownlee has today announced a programme of change to how the government delivers its support for recovery in Christchurch and the surrounding area.

"Greater Christchurch's recovery from the earthquakes remains a top priority for the Government," Mr Brownlee says.

"But as the recovery evolves, so too will the role of the Canterbury Earthquake Recovery Authority (CERA), and we need to plan for transition and longer term governance.

"A programme of review and adjustment with four elements to support the long term recovery will soon get underway."

These are:

CERA will move to become a Departmental Agency within the Department of Prime Minister and Cabinet (similar to the move recently made by the Ministry of Civil Defence and Emergency Management), to maintain momentum in the rebuild and place natural disaster recovery work at the core of central government planning;

A transition plan will be put in place to hand over responsibility and powers from CERA to local government, other government agencies or other delivery vehicles;

A stocktake of the Canterbury Earthquake Recovery Act 2011 (CER Act) will result in the removal or scaling back of some of the legislation's no-longer required powers, and an extension of any likely to be required for longer;

An advisory group of local government and other stakeholders will be appointed to help guide the development of the transition plan and review of CER Act powers, and give Christchurch a strong voice in this work.

Mr Brownlee says the Government has confidence in Canterbury and its institutions, and will work with partner agencies and local government to ensure there are effective arrangements in place for earthquake recovery as long as support is needed.

"This is most certainly not a winding down of the Government's commitment to the recovery.

"It's recognition that with large parts of the recovery programme well underway, and with some, such as the EQC-managed repair programme almost complete, we need to ensure we're focusing our efforts appropriately, and working on how and when some governance arrangements will transition to longer term oversight."

Both CERA and the CER Act were established in 2011 with a limited lifespan. The CER Act expires in April 2016 and CERA was always intended to be an agency that wound down as its tasks were completed.

"Major pieces of work, such as the central city's anchor projects and city-wide horizontal infrastructure repairs, will still be underway in 2016," Mr Brownlee says.

"This is important work, which central government has invested heavily in, that will be maintained and effectively overseen by CERA."

The CER Act sets out a range of powers that were considered necessary in the early stages of the earthquake response. Some of these powers didn't end up being used and others may no longer be necessary. However, some powers will be needed beyond 2016 to ensure long term recovery work is effective and maintains momentum, while other powers may need to be transferred to more permanent agencies.

"This transfer will be made in a sensible and phased way so that capacity and capability is in place to ensure the recovery's momentum is maintained," Mr Brownlee says.

From February next year CERA will become New Zealand's first Departmental Agency under the Department of Prime Minister and Cabinet. This is the first formal step in CERA's transition. The advisory group, which will help guide the CER Act transition, will also be established early next year.

This new phase for CERA takes effect from 1 February 2015. There will be no immediate changes for staff.

Questions and Answers

Will CERA still have its own chief executive?

Yes. The CERA chief executive will remain in place and continue to be employed by the State Services Commissioner, as per the current arrangement.

What will change for people who engage with CERA in greater

Christchurch?

This change is being made to position CERA for the eventual transfer of responsibility for the recovery to more permanent agencies.

There will be no immediate change in CERA's day-to-day role and people will continue to interact with the same staff in the same way as before.

Does the new administration arrangement through DPMC mean

central government is winding down its contribution to the recovery?

No. Greater Christchurch's recovery remains a top priority and long-term focus for the Government. We have confidence in Canterbury and its institutions and will work with partner agencies and local government to ensure there are effective arrangements in place as long as support is needed.

Does this mean the Prime Minister is in charge of CERA now?

No. The Department of the Prime Minister and Cabinet is a Public Service Department with its own chief executive. CERA will continue to have its own chief executive as well.

The Minister for Canterbury Earthquake Recovery will retain his current role and responsibilities.

Will CERA's budget be reduced?

There are no changes to CERA's budget as a result of today's announcement.

As has been well signalled, over time CERA will wind down and its remaining responsibilities will transfer to other agencies. As this happens its budget will reflect that change.

What will the advisory group do?

The group will review draft plans and proposals, and give input and advice directly into the transition process.

What examples can you provide of CER Act powers that haven't been used, and those which might need to be extended?

Section 28, which provided the chief executive with the power to approve local authority contracts, has not been used, and sections 35 to 37 which related to the chief executive directing new cadastral surveys have also not been used.

Others sections, such as sections 33 and 34 authorising powers of enter premises and taking samples, and sections 89 and 90 dealing with matters under the Canterbury Earthquake Response and Recovery Act 2010 may no longer be necessary.

Many provisions of the CER Act are still used on a regular basis and are required to ensure recovery work is effective.

For example, the law currently underpins Recovery Plans, workers' indemnities, and compensation for land acquisitions, all of which will be required for some time.

The whole Act will be reviewed and amended where necessary, to reflect the changing nature of earthquake recovery in Canterbury.