

# **Canterbury 2021 Flood Recovery Update 9**

Financial Status on 31 May 2024

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## Executive summary

### Purpose:

This report provides a simple financial status update on flood recovery progress by Environment Canterbury (ECan). It reflects the status of work and spending to the end of May 2024 and the projected spending to the end of June 2024.

### Works Status

At the end of May 2024, a total of 410 of the 434 flood recovery jobs (94%) had been completed. Twenty four (24) jobs remain to be completed before the end of June 2024. The remaining jobs relate to tree edge protection planting which was delayed until conditions permitted this work in April-June 2024.

The interactive web interface at [www.ecan.govt.nz/FloodRepairMap](http://www.ecan.govt.nz/FloodRepairMap) provides real time progress on the status of 2021 flood recovery repairs.

### Financial Status:

The total cost of works to the end of May 2024 for flood recovery (including response) is **\$21.7 million**. \$13.3 million of these costs, above the ECan threshold of \$4.1 million, are estimated to be eligible for application to the National Emergency Management Agency (NEMA) for a 60% central government contribution for like-for-like asset replacement.

Environment Canterbury has received payment to a total value of \$7.2 million on the nine claims already approved by NEMA. A final claim will be made to NEMA in August 2024, for eligible costs through to the end of June 2024. The estimated final claim to NEMA will be around \$0.8 million for eligible expenditure from January through June 2024.

The estimated total cost for 2021 flood recovery remains at **\$22.2 million** as estimated in the December 2023 report. The likely overall claim to NEMA is estimated at \$8.0 million. The estimated remaining cost to Environment Canterbury will be \$14.2 million.

### Next Steps:

Flood recovery work at the remaining 24 sites is expected to be completed by the end of June 2024. Final reporting and a final claim to NEMA will follow thereafter.

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## 1 Introduction

This report is the ninth report to be provided to the National Emergency Management Agency (NEMA). It is a brief financial summary report providing a works and financial status update as at 31 May 2024. It doesn't report in detail on progress since the last progress report, as previous reports have done.

## 2 Works Status

2021 flood repair progress is being tracked on the Environment Canterbury flood recovery webpage with an up-to-date flood damage repair status map located at: [ecan.govt.nz/FloodRepairMap](https://ecan.govt.nz/FloodRepairMap). A screen clip of this web site is shown in Figure 3-3.

The total number of flood damage repair jobs now stands at 434 of which 410 are considered complete. This is up from 374 reported as complete at the end of December 2023. Twenty four (24) jobs remain to be completed in June 2024. Flood damage repairs (to 31 May 2024) are summarised for each district in Table 2-1 below. While these numbers match the web site snapshot (shown in Figure 3-3), the website is updated daily with direct links to the ECan job management system, so will always reflect the latest flood repair status.

**Table 2-1: Status of flood damage repairs by District on 31 May 2024.**

District or Description	Draft	Accepted	Open	Completed	Total
Ashley				5	5
Waimakariri-Eyre-Cust				14	14
Little River				1	1
Selwyn			1	21	22
Ashburton Rivers	5	1	6	220	232
Upper Hinds	5	1		35	41
Lower Hinds				5	5
Orari-Waihi-Temuka		1	1	87	89
Opihi		2	1	22	25
<b>Totals</b>	<b>10</b>	<b>5</b>	<b>9</b>	<b>410</b>	<b>434</b>
<b>Remaining</b>	<b>24</b>			<b>Completed %</b>	<b>94%</b>

The location and estimated cost for work still to be undertaken is shown in Table 2-2 below.

**Table 2-2: Current flood damage repair jobs and their estimated cost to complete by June 2024.**

District or Description	Current Jobs	Estimated Cost \$
Selwyn	1	50,000
Ashburton Rivers	12	215,000
Upper Hinds River	6	65,000
Orari-Waihi-Temuka	2	20,000
Opihi	3	50,000
Region Wide Overhead (staff, consultant, contingency)		100,000
<b>Totals</b>	<b>24</b>	<b>500,000</b>

Progress is reflected in the expenditure tracking chart shown in Figure 4-1. The goal for June 2024 is to complete flood damage repairs at the remaining 24 sites. This is well underway and on track for completion on time.

### 3 Financial Status

#### 3.1 Flood response and recovery

Flood response costs to the end of May 2024 are \$21.7 million as summarised in Table 3-1 below. Approximately \$1.7 million has been spent on flood recovery during the period from January to May 2024. Costs are subdivided into the flood affected river rating districts. A summary of the total costs to date separated into estimated non-eligible and eligible costs for claim to NEMA for subsidy is provided in Table 3-2.

**Table 3-1: Canterbury 2021 flood recovery costs on 31 May 2024.**

Description	Costs for Period Jan-May 2024	Total Costs to Date
Flood monitoring costs	0	275,129
Selwyn 2021 Flood Repair	564,281	1,433,457
Ashburton 2021 Flood Repair	652,904	12,134,263
OWT 2021 Flood Repair	253,408	4,991,447
Opihi 2021 Flood Repair	182,402	684,058
Ashley 2021 Flood Repair	0	132,391
WEC 2021 Flood Repair	0	516,036
Upper Hinds 2021 Flood Repair	14,841	462,224
Lower Hinds 2021 Flood Repair	46,644	169,652
Little River 2021 Flood Repair	0	4,427
<b>Subtotal</b>	<b>1,714,481</b>	<b>20,803,084</b>
CDEM Response	0	414,523
Regional Parks Repair	0	63,806
Other Costs	0	439,168
<b>TOTAL</b>	<b>1,714,481</b>	<b>21,720,581</b>

**Table 3-2: Estimated NEMA eligible and non-eligible Canterbury 2021 flood recovery costs on 31 May 2024.**

Description	Estimated Non-Eligible Costs	Estimated Eligible Costs	Total Costs to Date
River Rating Districts	3,854,723	16,944,741	20,799,464
CDEM Response	414,541	0	414,541
Regional Parks Repair	330,511	4,264	334,775
Other Costs	150,059	21,742	171,802
<b>TOTAL</b>	<b>4,749,834</b>	<b>16,970,747</b>	<b>21,720,582</b>

Figures 3-1 and 3-2 below show the 2021 flood recovery expenditure profile to date as well as the forecast expenditure through to the end of the project. Figure 3-2 provides detail of the forecast expenditure over the nine-month period from 30 September 2023 to 30 June 2024.

The estimated of total 2021 flood recovery costs remains \$22.2 million. The goal is to complete all 2021 flood damage repairs by June 2024 as shown in the spend profile.

Figure 3-1: 2021 flood recovery expenditure profile.

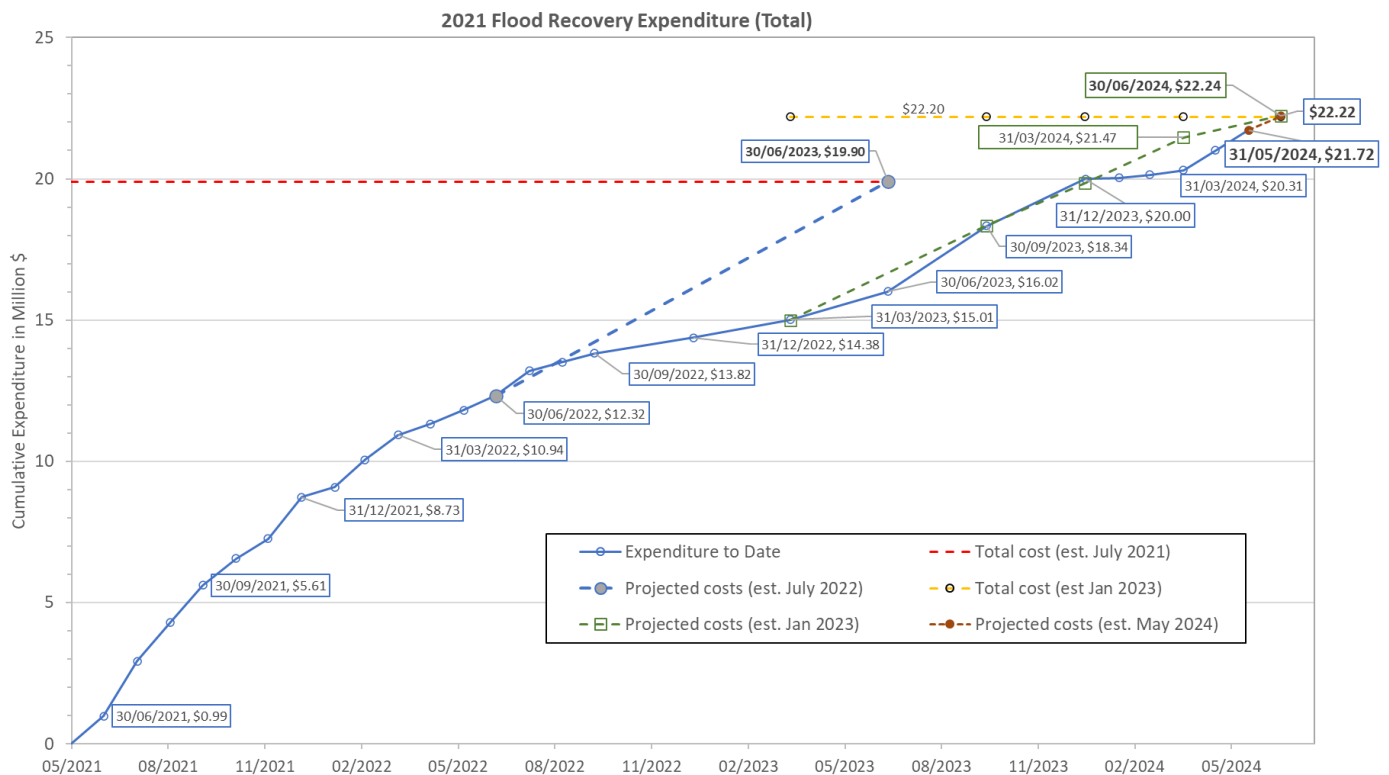
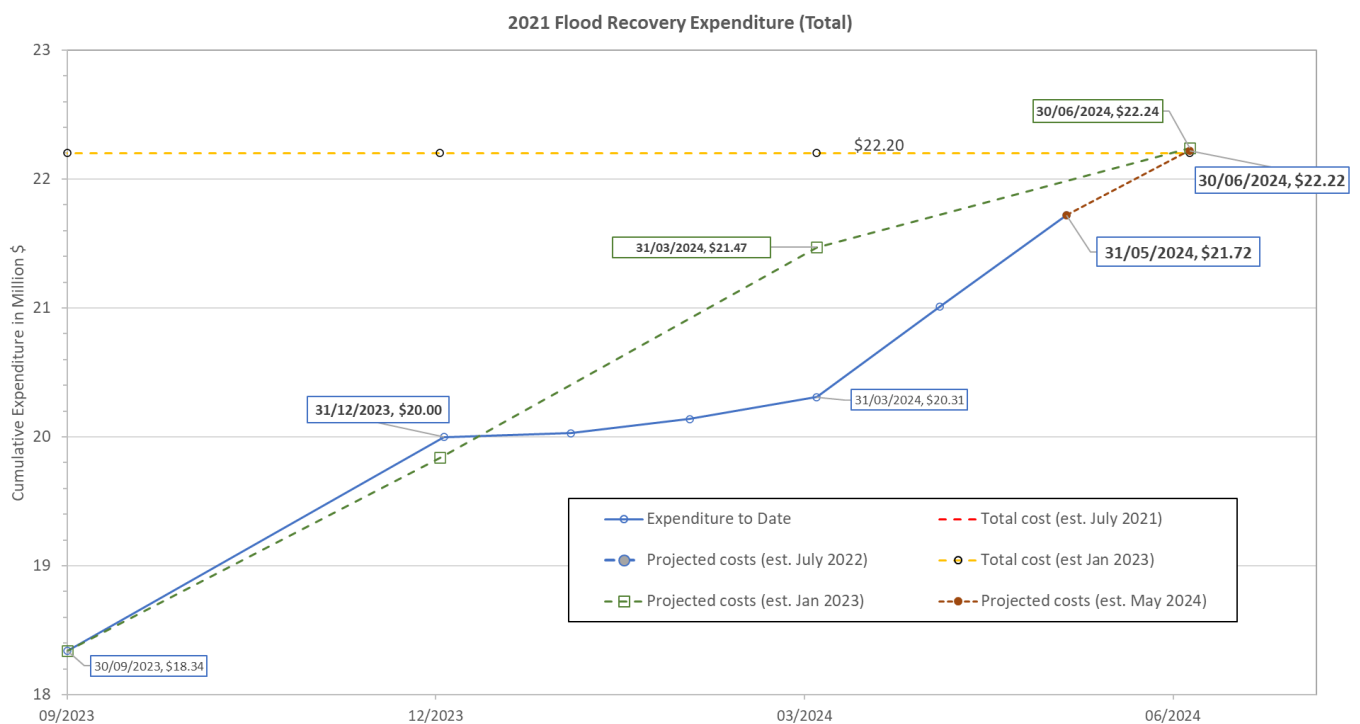


Figure 3-2: 2021 flood recovery expenditure profile since September 2023.



### 3.2 NEMA eligible costs

Government policy<sup>1</sup> is to reimburse 60 percent of the combined eligible costs. These include response and essential infrastructure costs above 0.002 percent of the net capital value in the case of regional councils. For ECan, this threshold has been determined to be \$4.1 million.

ECan has submitted nine claims to NEMA covering costs through the end of December 2023. Table 3-3 shows the value of each of these claims. Reimbursement of \$7.2 million has been received for these nine claims.

Based on costs through the end of May 2024 and estimated costs for June 2024, ECan estimates that \$17.4 million of the flood recovery expenditure to the end of June 2024, will be eligible for NEMA contribution (subject to NEMA confirmation).

The total estimated reimbursement from NEMA will be \$8.0 million following the final claim to be submitted in August 2024.

**Table 3-3: Estimated flood recovery costs with portion estimated as claimable from NEMA.**

Claim	Period	Eligible Cost (\$)	Threshold (\$)	Claimable from NEMA (60%)	Cumulative Value Received (\$)
Claim 1	June - Sep 2021	4,930,462	4,113,817	489,987	489,987
Claim 2	Oct 2021-Feb 2022	3,075,412		1,845,247	2,335,234
Claim 3	Mar-May 2022	1,650,540		990,324	3,325,558
Claim 4	June 2022	334,772		200,863	3,526,421
Claim 5	July-Sep 2022	1,306,367		783,820	4,310,241
Claim 6	Oct 2022-Mar 2023	1,056,651		633,991	4,944,232
Claim 7	Apr-Jun 2023	761,455		456,873	5,401,105
Claim 8	Jul-Sep 2023	1,748,158		1,048,895	6,450,000
Claim 9	Oct - Dec 2023	1,194,446		716,667	<b>7,166,667</b>
<b>TOTAL eligible costs to Date</b>		<b>16,058,262</b>		<b>7,166,667</b>	
Claim 10	Jan-June 2024 (estimate)	1,312,485		787,491	7,954,158
<b>Estimated total eligible costs</b>		<b>17,370,747</b>		<b>7,954,158</b>	

### 3.3 Estimated flood recovery costs and their apportionment.

The estimated total cost for 2021 flood recovery on 31 May 2024 remains at \$22.2 million. A summary of the latest estimate of cost at the end of May 2024 is provided in Table 3-4 below. For comparison purposes the original estimate and the March and December 2023 estimates are included in the table.

Based on these estimates and what we have learnt through processing NEMA claims to date, the overall cost for 2021 flood recovery to ECan is estimated to be \$14.2 million with an expected central government contribution of \$8.0 million through claims to NEMA.

<sup>1</sup> Section 33 of the Guide to the National CDEM Plan, 2015.



Table 3-4: Estimated 2021 flood recovery costs.

Estimated Costs	Original est. 31 July 2021 (Million \$)	At 31 March 2023 (Million \$)	At 31 Dec 2023 (Million \$)	At 31 May 2024 (Million \$)
Flood Recovery costs (to date)	2.9	15.0	20.0	21.7
Estimated Future Flood Recovery Costs	16.8	7.2	2.2	0.5
<b>Total Flood Response &amp; Recovery Estimate</b>	<b>19.7</b>	<b>22.2</b>	<b>22.2</b>	<b>22.2</b>
Estimated non-Eligible Recovery Costs	-3.1	-5.0	-4.6	-4.9
ECan Threshold for NEMA claim	-4.1	-4.1	-4.1	-4.1
<b>Eligible for 60% government subsidy (NEMA)</b>	<b>\$12.50</b>	<b>\$13.10</b>	<b>\$13.50</b>	<b>\$13.25</b>
<b>Estimated Funding Mix</b>	<b>Million \$</b>	<b>Million \$</b>	<b>Million \$</b>	<b>Million \$</b>
ECan initial threshold	4.1	4.1	4.1	4.1
ECan – Non Eligible Costs	3.1	5.0	4.6	4.9
ECan – 40% of Eligible Costs	5.0	5.2	5.4	5.3
<b>Total ECan Estimated Cost</b>	<b>12.2</b>	<b>14.3</b>	<b>14.1</b>	<b>14.2</b>
NEMA – 60% of Eligible Costs	7.5	7.9	8.1	8.0
<b>Total</b>	<b>19.7</b>	<b>22.2</b>	<b>22.2</b>	<b>22.2</b>

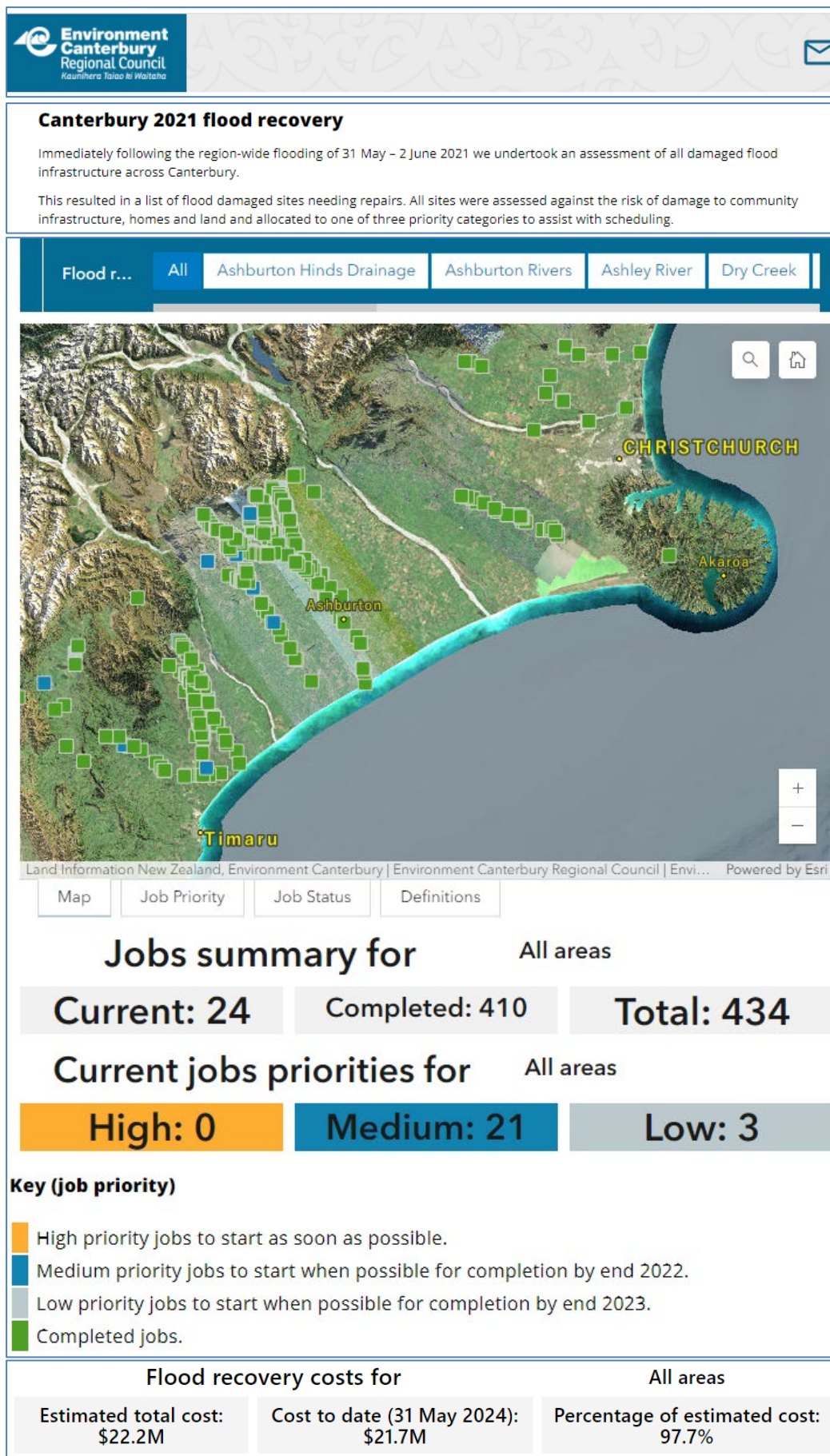


Figure 3-3: Screen clip of flood recovery interactive job status web page to 31 May 2024