

maven

**Refreshed flood protection co-  
investment case | [Our proposal](#)**



# Ngā whakaeke haumi, ngā peke mahi kai.

*Ally yourself with those already banded together, and put your shoulders to the task.*

# Introduction

Thank you for the opportunity to present our proposal for the refreshed 'Before the Deluge' co-investment case in river management and flood protection.

Since working with Te Uru Kahika and regional councils on this investment case last year, Aotearoa has experienced several deluges with devastating and lingering impacts on lives, communities, and critical infrastructure. For many in regional New Zealand the path ahead to recovery is slow and undetermined; threatened by the next severe weather event.

Climate change is no longer at our doorstep; it is in our homes. We have a long way to go in building our resiliency against natural hazards such as flooding, and we recognise there is a broader national programme of work aimed at delivering exactly this. The decisions made about how to best respond to these climate-induced challenges will have long-lasting implications now and for the generations that follow, so we need a considered approach in growing our resilience.

Yet, while we carefully construct our path to adaptation and resilience, we urgently need stop-gap solutions that will protect our most vulnerable regions before the next deluge and the ones after that.

In this document we have outlined our understanding of what is required for the refreshed investment case for river management and flood protection in Aotearoa, along with our proposed approach and plan for achieving this to timeframe.

Having worked with Te Uru Kahika and the River Managers Special Interest Group (SIG) in developing the 'Before the Deluge' business case last year, we are confident we can deliver this refreshed investment case to timeframe, in line with Cabinet expectations.



# Whakapapa

## Our company

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We are a values-based company and our culture is one of respect and integrity.

**Maven helps create vibrant and prosperous economies and societies by using our expertise to assist government to innovate, businesses to succeed and communities to flourish.**

Our 20 year old company has evolved from its Wellington-based technology roots to an international professional services company, with a broad and diverse range of capabilities and skills. With a portfolio of successful initiatives delivered across New Zealand, Australasia, the Pacific, Mexico and the Middle East. Maven has a truly local and international professional services team, with the expertise to understand and work across different cultures and societies.

Around 85% of our business is with public sector (or quasi public sector) clients. We work extensively with regional and local government organisations, as well as NGOs and Crown Research Institutes.

Increasingly, our private sector work is growing as the stakeholder and collaboration challenges being experienced by the public sector become more ubiquitous across society.

The name of our company is taken from Malcolm Gladwell's best-selling book, *The Tipping Point*, which popularised the word **maven** the world over. Gladwell used the word to describe people who gather information and impressions, can pick up

on new or emerging trends, and synthesise what they have seen and learned into new knowledge. A maven is a trusted expert who seeks to pass this knowledge onto others. It was an easy name to embrace as it epitomises our people.



# Whakapapa

## Our company

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We are a values-based company and our culture is one of respect and integrity.

We are owned by our people. Fourteen Mavens are invested in our business and its future. Our people are both the kete of our collective knowledge and the engine of our capabilities, and we have been single-minded in building a diverse team with complementary skills and experience, from a wide range of professional, social and cultural backgrounds. Collectively, we believe in Maven and have the drive and attitude to genuinely make a difference to the clients we work with.

Maven takes being a good employer seriously and regularly participates in the IBM Best Workplace Survey, a large annual workplace climate and employee engagement survey.

Maven has been a regular finalist based on employee engagement scores and feedback that have ranked at the top of our sector.

We are a former winner of the Best Small Workplace in New Zealand, and for successive years have been awarded the Five Year League Award for those organisations showing consistently high rankings over a sustained period.

While there are bigger companies in our sector, we believe there are no better companies. We have the size to bring diversity of thought and point of view and experience, but the smallness to bring personal engagement and commitment to everything we do.

We are a small nation and we all know each other. So while we are Mavens, our feet are firmly rooted in the soil of this place Aotearoa and in our whānau and friendships, and our passion is to look beyond the here and now in our work to help make this place better for all of us.

# Whakapapa | Ko wai mātou

## Our business case practice

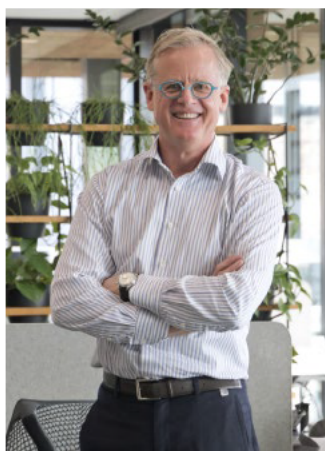


**Darryn Thorn**  
Chief Executive

Darryn is the Chief Executive and an owner of Maven Consulting. Darryn grew up in Nelson and moved to the Wellington region in the mid 80s. He is married to Melissa and lives in Lower Hutt. He has two children - Caitlin who lives in Berlin, Germany, and Elliot who lives at home with him and Melissa.

Darryn has been with Maven for 21 years, joining shortly after its establishment, and has been involved in the leadership of the company for most of that time. He now leads a team of experienced professionals growing the business, doing fantastic work for clients, and making Maven a place where people want to come to work.

Darryn's professional expertise spans strategic analysis, business and commercial management, transformational change and programme and project management.



**Kent Duston**  
Principal Consultant

Kent is Pākehā with heritage from Scotland, Ireland and Uruguay via Melbourne. He grew up in Christchurch, has lived in Sydney, Wellington and the Wairarapa, and these days is based in Tāmaki Makaurau with his partner and stepdaughter.

Kent has decades of experience in investment advisory and business management, for both central and local government and the private sector. Since co-developing the Better Business Case training material for Treasury in 2014, Kent has developed investment proposals covering billions of dollars of investment for more than 50 organisations across New Zealand.

Recent investment cases have included the proposal for the \$100m Ōpōtiki Harbour in the Eastern Bay of Plenty, approved by the Provincial Growth Fund; a large-scale investment in Tairāwhiti's recreational and sporting facilities; and funding application to MPI for significant support alongside industry for the primary production sector in key international markets.

Kent's business cases and investment proposals have resulted in significant new funding being allocated in regional New Zealand, largely via the Provincial Growth Fund and Crown Infrastructure Partners.





**Dr Natalia D'Souza**  
Senior Consultant

Natalia lives in Tāmaki Makaurau with her husband and two dogs. She applies an intersectional feminist lens to her work and is passionate about achieving social justice and improving equity and wellbeing in Aotearoa.

She has developed business cases for several social investments in regional New Zealand; led the development of a strategic roadmap for devolution to iwi; and undertaken benefits realisation assessment for Ōpōtiki Harbour. She was also heavily involved in developing the 'Before the Deluge' business case in collaboration with Te Uru Kahika in 2022.

Her previous background in academia means she has over a decade of experience in qualitative and quantitative research projects and methodologies, and this includes designing and undertaking a \$1.2 million Health Research Council and Worksafe-funded intervention project aimed at improving wellbeing in small and medium enterprises in Aotearoa.

Natalia has also been a Director at Netsafe, an independent non-profit online safety agency, since 2020.

Natalia has a PhD in Management. She is also a member of the Institute of Directors (IoD).



**Ian Dickson**  
Senior Economist

Over the past 30 years Ian's career has spanned a number of roles including economist, public policy adviser, financial adviser and investment banker. In that time, he has developed a range of analytical skills and capabilities and deep familiarity with both private and public sector economic priorities and iwi investment principles.

Within Maven's business case team, Ian has developed the economic and financial models that underpin large-scale investments. His models are based in solid economic theory, using the latest thinking and overseas experience as a starting point for Aotearoa-centric analysis. This has included social return on investment (SROI) analysis, wellbeing valuation, and alignment of traditional cost-benefit approaches such as CBAX with the Living Standards Framework. Ian's work is increasingly focused on developing wellbeing valuation into an effective tool to support the Government's wellbeing decision making.

# Tikanga mahi

## Our understanding of your requirements

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Collectively representing regional and unitary councils across Aotearoa, Te Uru Kahika – through its River Managers SIG – has led a significant programme of work over the last five years to support large-scale, ongoing co-investment from central government in building our nation's flood protection and resilience.

This includes identifying flood protection projects and investment required, prioritised using a national-level framework, as part of a recent co-investment case 'Before the Deluge' submitted to Cabinet in December 2022. Maven Consulting Ltd. worked with the River Managers SIG to prepare this case.

Cabinet has since considered this investment case and deemed it to be eligible for funding under the \$6 billion National Resilience Plan to protect New Zealanders from increasingly severe and unpredictable weather events.

The fund has an initial focus on "building back better" while future proofing critical infrastructure such as our roading, rail, telecommunications and electricity transmission networks. This is precisely the purpose of flood protection schemes, and there is strong alignment with our investment case and the nature of central government's investment.

The task as we now see it, is to refresh and tighten elements of the previous 'Before the Deluge' case, in line with a number of Treasury specifications.

It is essential that we get our argument and our political tone right so that the refreshed document makes a compelling case for co-investment over the next three years, while laying down the groundwork for the SIG's longer decade-long pipeline of work. It is important that this does not become a one-off Crown investment in flood protection.

While the timeframes are short to enable a timely decision from Cabinet, the response received from Treasury thus far is promising and sets the trajectory for the direction of our co-investment case.

The refreshed document will have an essential role to play in 'sealing the deal' with Cabinet, and securing the long-awaited and much needed investment in flood protection across Aotearoa.

The rest of this proposal outlines Maven's approach to achieving this for Te Uru Kahika River Managers SIG.



# Tikanga mahi

## Our approach to the work

Maven's involvement in developing the previous co-investment case means we are intimately familiar with both the technical details and the big-picture thinking required for the updated case.

In the first instance, there is a substantial amount of ground covered in the previous co-investment case that does not require re-litigation. Our approach to this current investment case will work to strengthen arguments already constructed, cross-referencing to the original case where relevant.

We are also aware there have been numerous reports prepared by Te Uru Kahika in recent months that update the current state of flood risk and resilience. We will leverage existing work and use these materials to inform the direction, pitch, and underlying logic of the refreshed case.

Our primary objectives in preparing the current document are to:

1. Refresh the document in response to Treasury's criteria (see box below),
2. Strengthen the underlying logic structure, drawing on updated evidence and case studies, and
3. Frame our co-investment ask within a broader decade-long pipeline of investment, with an immediate focus on the next three years.

### What Treasury require

- » Remove projects that may already be funded
- » Update current costings
- » Remonstrates thorough consideration of the PARA framework
- » Considers and applies draft Treasury Funding and Finance Guidance including:
  - Cost benefit analysis (CBAX)
  - Management case elements (progress reporting and post-investment review)

### How we will meet this

- ▶ Integrate updated information on project list (including any changes in investment required) provided by Te Uru Kahika River Managers team
- ▶ Adjust costings of projects and overall proposal for inflation using Consumer Price Index (CPI)
- ▶ Provide assurance on how projects meet PARA framework and facilitate achieving longer-term community flood resilience. We think there is strong alignment with central government's increasing focus on just transitions that may be helpful in illustrating our argument
- ▶ Detail the logic on the costs and benefits of investing in the proposed projects, against the counterfactual (i.e., 'do nothing' option), drawing on a selection of case studies from across the country
- ▶ Propose governance structures and an evaluation model similar to what has been implemented with Kānoa-funded projects (currently underway).

# Tikanga mahi

## Our project plan

The flow of activity for this project is shown below, beginning with developing and agreeing a document outline within the first few days of the project start date. This will be the priority.

A scheduled weekly check-in with our point of contact – to be agreed with the Project Manager – will mean communications can be streamlined with the wider River Managers SIG / representatives.

We will liaise with the Project Manager to seek feedback

on the document content and structure throughout the process, so that we are managing expectations and timelines most efficiently.

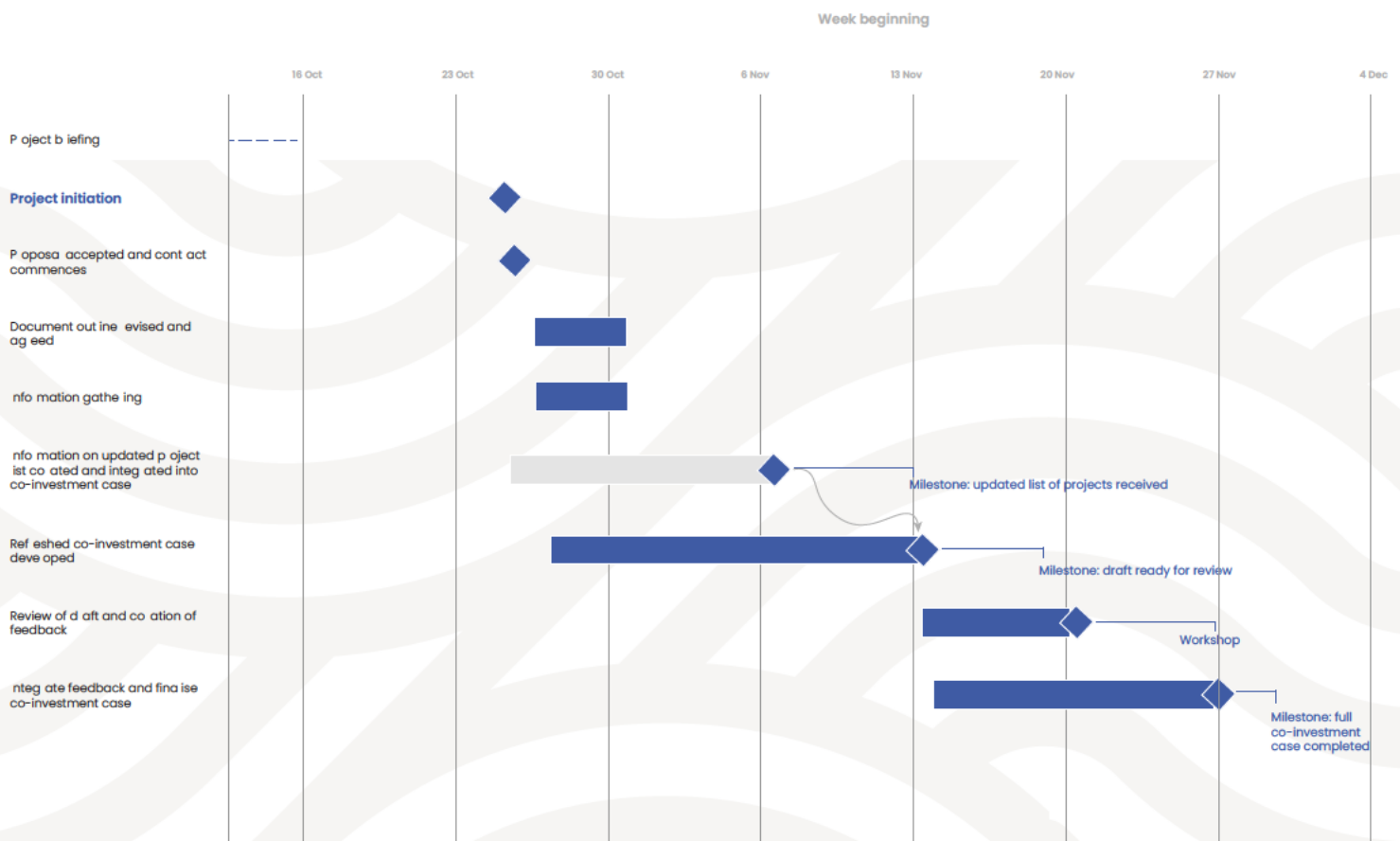
A critical dependency is receiving updated information on the projects to be funded by the end of October 2023.

Our approach allows us to deliver an initial draft within the first five weeks of the project, at which point a workshop is scheduled.

Following the workshop, we will circulate a spreadsheet

for collating feedback. We have found this structured approach most useful in collecting relevant and actionable feedback in projects with compressed timeframes.

In the final week, we will integrate feedback into a revised and final version of our draft prepared for the client. Alongside this, we will prepare any additional briefing and supplementary materials to support the document being accepted and the co-investment being approved.



# Tikanga mahi

## Key information required

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We have identified the following information that will be required from Te Uru Kahika / the River Managers Project Steering Group in the first instance:

1. Updated information on the projects for consideration in the co-investment case. This includes: numbers and prioritisation of projects, revised costings, and broader information on how projects act as enablers for adaptation and resilience against flood risks, within the broader context of the multi-tool PARA framework.
2. Updated information and thinking on the decade-long programme of work being proposed. Documents received to date such as the Letter to Minister (dated August 2023) will provide an initial steer on this.
3. Relevant case studies of flood protection schemes and projects (in place or underway) that demonstrate the benefits of investing in this type of infrastructure.
4. Relevant communications, briefing papers, and reports assembled by Te Uru Kahika that will inform the direction and consistency of our refreshed co-investment case.

We also understand elements of this invitation from Treasury to submit a refreshed co-investment case to Cabinet remain uncertain: for instance, which Crown agency will have oversight. We will work with the Project Manager and River Managers SIG representatives to adapt our language, tone, and messaging as we gain further certainty on these details.

Where further input may be required, we will work collaboratively with the Project Manager to identify and obtain this information, if not readily available.



# Tikanga mahi

## Key deliverable

The key deliverable is a refreshed co-investment case, although further collateral may be also required to support this (e.g., briefing papers). An initial document outline is set-out below, providing a high-level overview of proposed structure and contents. This follows Treasury's preferred '5 case' Better Business Case structure. To keep this document succinct, where relevant we will refer to material in 'Before the Deluge' for detailed and technical explanations. Our priority will be agreeing this outline with the client within the first few days of the project commencing.

### Document outline

Section title	Description
Cover letter	On behalf of Te Uru Kahika: outlines the ask and the need for co-investment in flood protection
Executive summary	High level summary that can act as a standalone briefing paper
Strategic case	This section sets the context for our revised co-investment case, updating strategic alignment and emphasising the urgent need for 'protect' infrastructure as a stop-gap interim solution.
	<ul style="list-style-type: none"> <li>Overview of Te Uru Kahika, pipeline of work to date, and the sector's multi-tool approach</li> <li>Visual: timeline of severe weather events and costs of damage/ impacts on four wellbeings (in \$ terms where available)</li> <li>What's changed since our last co-investment proposal: (i) regulatory landscape; (ii) insurance sector response and implications for central government and reserve bank; (iii) political response; (iv) public sentiment</li> <li>What hasn't improved or has worsened since our last co-investment proposal: (i) climate change; (ii) affordability (ratepayers in different regions); (iii) equity</li> <li>Strategic landscape (e.g., RMA reforms, Managed Retreat document) and fit with National Resilience Plan fund (\$6B) objectives</li> <li>Introduce PARA framework; the role of 'protect' and why need to invest in 'protect' right now; situate within broader programme of work. There are parallels to be drawn here with Just Transitions.</li> </ul>
Economic case	This section is about our options and an evaluation of the likely costs and benefits of investment
	<ul style="list-style-type: none"> <li>Assessing our options and the counterfactual: do nothing / invest in 'protect' / proceed to resilience options (ARA) straight away</li> <li>Discuss benefits of co-investing in protect measures, and lay out logic of cost-benefits illustrated with select case studies and in wellbeing terms [*alternatively, we develop full model based on Treasury's requirements – this is priced separately]</li> <li>Overview of our preferred option and on how we arrived at the revised list, our methodology for collating and prioritising projects</li> <li>Updated investment amount (and our approach for deriving this)</li> </ul>
Commercial case	This section is about the sector's capacity to deliver the projects
	<ul style="list-style-type: none"> <li>Staging of projects and alignment with broader PARA framework, informed by FMPs where needed</li> <li>Sector's capability and capacity to deliver projects, referring back to Kānoa Climate Resilience &amp; Flood Protection Programme funding success and case studies</li> </ul>
Financial case	This section breaks down the investment summary and cashflow over the next 3 years.
	<ul style="list-style-type: none"> <li>Summary of co-investment (regional sector and central government contribution), situated within longer term flood resilience programme</li> <li>Staging of cap-ex investment over financial years</li> </ul>
Management case	This section puts in place the implementation plan, proposed governance structures, and reporting mechanisms needed to deliver assurances.
	<ul style="list-style-type: none"> <li>Project delivery methodology, delivery roadmap, risk management approach</li> <li>Governance arrangements (similar to current arrangements with Kānoa funded projects)</li> <li>Proposed reporting structures (i.e., monthly) and suggested approach to post-investment evaluation (this will be based on how we frame the cost-benefits within the economic case)</li> </ul>
Recommendation	Summary and re-iterating our co-investment ask, within longer term pipeline of work, and recommendation (i.e., approval of the co-investment case).
Appendix	Project descriptions, staging, case studies, and Before the Deluge co-investment case.

# Tikanga mahi

## Pricing for this work

The timeframes for this work mean we will need to allocate sufficient resources to this work over a relatively short amount of time. Our proposed team is as follows:

- **Dr Natalia D'Souza, Senior Consultant**, will lead the document refresh; gathering and integrating information from the River Managers SIG (through Graeme Carroll) into a polished draft in line with Treasury requirements.
- **Kent Duston, Principal Consultant**, will provide input into the document as needed and prepare any briefing materials and collateral for Ministerial Advisors. Kent will also peer review the full document (draft and final) and act in an advisory capacity.

Our pricing structure for this work is shown in the table below. This is based on our all-of-government panel rates, the scope of the work, and the duration of the engagement.

These estimates include end-to-end development of a refreshed business case, concluding on **27 November 2023**. Should additional revisions or materials be required past the completion date, or support be needed to navigate further Budget processes, we will be happy to assist on a standard time and materials basis.

This pricing structure also assumes a 'light touch' approach to the evaluation of cost-benefits of investing in the projects; wherein the logic of cost-benefits are outlined in relation to existing information on flood protection projects.

Undertaking a full CBAX, or alternatively, the development of a custom-built benefits model, will require additional resourcing and is priced as an add-on to the above. We will take a steer on the preferred approach from the client here.

### Pricing for the engagement

Resource			Total
Kent Duston, Principal Consultant			\$11,500
Dr Natalia D'Souza, Senior Consultant			\$45,000
<b>Engagement total</b>			<b>\$56,500</b>
<b>Optional: Full CBAX or custom-developed benefits model (not included in the above pricing structure)</b>			<b>\$30,000</b>
<b>Payment schedule</b>			
End of November 2023			\$37,855
End of December 2023			\$18,645
<b>Total</b>			<b>\$56,500</b>

# Tikanga mahi

## The assumptions we're making

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We always work on the basis that a highly collaborative process generates a better result for our clients. We always prefer to work interactively, so we've made a number of assumptions about how our teams will work together:

- We assume that we will work with the Project Manager in the first instance to refine and agree the timelines, milestones, document outline, and deliverables, and that this will form the core of the project plan for the work.
- As noted earlier, we think a completion date of **Monday 27 November 2023** is achievable. The key assumption, however, is that all the required information on the updated projects will be provided by 30 October 2023 to allow sufficient time for design of visuals and incorporation of this material into the refreshed co-investment case. There is a significant risk to delivery on time if this key input is delayed.
- No contingency has been allowed in the overall duration and we assume that all components can readily proceed; however, we will be guided by you on whether further contingency is required.
- We assume you will provide administrative resource as needed for setting up the November workshop, and that this workshop will be in Wellington. As most of our business case team is based in Tāmaki Makaurau, travel will be charged at cost, but will be discussed with you first.
- We have assumed the River Managers SIG representatives will bring together key information and input from the sector. This means we have made no allowance for one-on-one meetings with individuals / groups of river managers; if these are required to address particular issues or concerns, there are likely to be impacts on the proposed delivery dates, along with the possibility of additional costs.
- We have assumed that all formal stakeholder feedback occurs as part of a single document revision for the key components of the business case and the final integrated version. Should there be further document versions required as a result of subsequent feedback, there is likely to be additional cost and time required, which will be charged on a time and materials basis based on our advertised All-of-Government consulting panel rates.



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**Maven Consulting  
Limited**

Level 2, Grant Thornton House  
215 Lambton Quay, Wellington  
6011,  
New Zealand

Phone: +64 4 801 6026  
Email: [info@consultmaven.co.nz](mailto:info@consultmaven.co.nz)