BRF 23-424 Tokanui Hospital: Decisions on scope of works

Ki / To: Minister of Finance
Minister for Land Information
Minister for Treaty of Waitangi Negotiations

Rā / Date: 31 August 2023

Ngā mahi e hiahiatia ana / Action Sought

Minita/Minister	Hohenga/Action	Rā Mutunga/Deadline
Minister for Land Information	**Forward** this briefing to the Minister of Finance and the Minister for Treaty of Waitangi Negotiations as other Ministers with Cabinet authority to decide the scope of works for Tokanui Hospital.	4 September 2023
Minister of Finance Minister for Treaty of Waitangi Negotiations	**Agree** that LINZ: a. partially remove horizontal infrastructure, including all underground infrastructure to a depth of 800mm; and manholes to a depth of 1000mm; and, b. dispose of non-recyclable project waste in existing landfills off-site. (Recommended) **OR**	6 October 2023
Minister for Land Information	**Agree** that LINZ: a. partially remove horizontal infrastructure, including all underground infrastructure to a depth of 600mm; and, b. dispose of non-recyclable project waste in existing landfills off-site.	

Toitū Te Whenua LINZ Whakapā / Contacts

Ingoa/Name	Tūnga/Position	Nama waea/ Contact number	Whakapā tuatahi/ First contact
Sonya Wikitera	Head of Crown Property	04 830 2595	☐
Matthew Bradley	Manager Land and Property	029 200 6449	☒

Te Tari o te Minita ki te Whakaoti / Minister's office to complete

Kounga/ Quality	☐ 1 Unsatisfactory	☐ 2 Fell short of expectations	☐ 3 Met expectations	☐ 4 Exceeded expectations	☐ 5 Greatly exceeded expectations

Pūtake/Purpose statement

To seek your decision on the final scope of demolition and remediation of the former Tokanui Hospital site (the site).

Pānui whāinga/Key messages

1 The site is a deferred selection property in the Ngāti Maniapoto Treaty of Waitangi Deed of Settlement (the Deed). The Deed requires the Crown to demolish and remediate the site before offering it to Te Nehenehenui, the Ngāti Maniapoto Post Settlement Governance Entity, for purchase.

2 The Deed grants the Crown discretion to decide two matters which will determine the final scope of project works:

- where to dispose of demolition waste generated by the project, and
- how much above and below ground horizontal infrastructure - such as old roading, pipes and cables - to remove.

3 The Crown must consider the views of Te Nehenehenui in reaching its decision on these matters.

4 Cabinet has authorised the Minister of Finance, Minister for Treaty of Waitangi Negotiations, and the Minister for Land Information (together, the joint Ministers) to decide these matters on behalf of the Crown, and agreed funding of [redacted] for Toitū Te Whenua Land Information New Zealand (LINZ) to manage and undertake the remediation works [MCR-21-MIN-002 and CAB-21-MIN-0037 refer].

5 To support joint Ministerial decision-making, in December 2022, the joint Ministers agreed on criteria and key considerations for the results of detailed investigations to be assessed against [BRF 23-169 refers]. LINZ has used this to complete a multi-criteria analysis (MCA) which had a strong weighting on the key cultural considerations.

6 There are two viable options (see Attachment A for full options analysis):

- Option 1B: Partial removal of horizontal infrastructure, including all underground services to a depth of 600mm and dispose of non-recyclable demolition waste in existing off-site landfills (Total cost [redacted]; or
- Option 1C: Identical to option 1B, except for removing underground services to a greater depth of 800mm, including the removal of manholes to a depth of 1000mm (Total Cost [redacted]) (Te Nehenehenui preferred).

7 Option 1C performed best against assessment criteria, which includes strategic alignment, iwi-Crown relations, social and environmental impact, and value for money.

8 On balance, LINZ recommends Option 1C which is an additional [redacted] over the next preferred option 1B. While this will entail slightly higher social, environmental impacts and financial costs, these can be justified on the basis that it will deliver additional benefit to the iwi-Crown relationship and increase flexibility for future land use.

9 Either option can be managed from existing appropriations.

10 If the joint Ministers agree, LINZ will notify Te Nehenehenui and mana whenua of the outcome and seek the necessary resource consents.

Tohutohu/Recommendations

It is recommended that you:

Actions for the Minister for Land Information

1.	**āmine/agree** to forward this briefing to the Minister of Finance and the Minister for Treaty of Waitangi Negotiations as Ministers with joint authority to determine the scope of demolition and remediation works on the former Tokanui Psychiatric Hospital	*agree/disagree*

Actions for the joint Ministers

2.	**manatu/note** that the Ngāti Maniapoto Deed of Settlement permits the Crown to decide the final scope of works in relation to: a. where demolition waste will be disposed of; and b. how much horizontal infrastructure to remove	*noted* ✓
3.	**manatu/note** Cabinet authorised the Minister of Finance, the Minister for Treaty of Waitangi Negotiations and the Minister for Land Information (together, the joint Ministers) to decide these matters for the Crown and agreed funding of up to [redacted] for Toitū Te Whenua Land Information New Zealand to undertake the works	*noted* ✓
4.	**manatu/note** that in reaching their decision, the joint Ministers must consider the views of the Ngāti Maniapoto Post Settlement Governance Entity, Te Nehenehenui Trust	*noted* ✓
5.	**manatu/note** that the viable options (see Attachment A: Full options analysis) are: a. Option 1B: Partial removal of horizontal infrastructure, including underground infrastructure to a depth of 600mm, and disposing of non-recyclable demolition waste in existing off-site landfills (Total Cost [redacted]), or b. Option 1C: Partial removal of horizontal infrastructure, including underground infrastructure to a depth of 800mm and manholes to a depth of 1000mm, and disposing of non-recyclable demolition waste in existing off-site landfills (Total Cost [redacted]) (Te Nehenehenui preferred)	*noted* ✓

6.	**manatu/note** that on balance, LINZ recommends the Crown pursue Option 1C since the benefit of supporting iwi-Crown relations and increased flexibility for future land use outweighs the estimated additional cost of [redacted] relative to the lower cost option 1B	*noted* ✓
7.	**āmine/agree** that LINZ progress Option 1C: partial removal of horizontal infrastructure, including all underground infrastructure to a depth of 800mm and manholes to a depth of 1000mm, and dispose of project waste in existing landfills off-site (Recommended)	*agree/disagree*
	OR	
8.	**āmine/agree** that LINZ progress Option 1B: partial removal of horizontal infrastructure, including all underground infrastructure to a depth of 600mm and dispose of project waste in existing landfills off-site.	*agree/disagree*

Sonya Wikitera

Head of Crown Property, Toitū Te Whenua LINZ

Rā/date: 31/08/2023

Hon Grant Robertson

Minister of Finance

Rā/date: 30/09/2023

Hon Andrew Little

Minister for Treaty of Waitangi Negotiations

Rā/date: 28/9/23

Hon Damien O'Connor

Minister for Land Information

Rā/date:

Tāpiritanga/Attachments

Attachment A: Full options analysis

Te Horopaki/Background

The demolition and remediation of the site is a priority for Maniapoto

1 The former Tokanui Hospital site (the site) occupies 80 hectares of land and contains considerable built infrastructure, including 74 buildings, significant roading, piping, ducting and utility lines, and two closed landfills. Many of the buildings are dilapidated and contain hazardous materials including asbestos and lead-based paint.

2 The site is part of a large parcel of land taken under the Public Works Act in 1910 for the Tokanui Hospital against the firm objections of Ngāti Maniapoto. The hospital closed in 1998 and was transferred into the Treaty Settlement Landbank in 1999 to be used as redress to settle historical Treaty of Waitangi claims.

3 The site is now a deferred selection property under the Ngāti Maniapoto Treaty of Waitangi Deed of Settlement (the Deed). The Deed requires the Crown to demolish all above ground material and to remediate soil contamination to agreed standards before offering the site to Te Nehenehenui (the Maniapoto Post Settlement Governance Entity) for purchase (Part 9 of the Property Redress Schedule). The Maniapoto Settlement Claims Act 2022 enshrines this Deed in law.

4 LINZ is responsible for demolition and remediation of the site (the project) in accordance with the Deed on the Crown's behalf.

Crown decisions are needed on two matters to confirm the final scope of works

5 Preliminary feasibility studies conducted as part of Treaty of Waitangi negotiations identified several options for the demolition and remediation of the site. However, a preferred approach could not be confirmed prior to the signing of the Deed.

6 The Deed grants the Crown final discretion to decide two matters which will determine the final scope of the project:

- The extent of horizontal infrastructure, including roading and underground services, to be removed; and,
- Whether demolition waste, including hazardous materials, will be transported off-site for disposal or contained within an engineered landfill to be constructed on on-site.

7 The Deed requires the Crown to consider the views of Te Nehenehenui in reaching its decision on these matters. The Deed records Maniapoto's preference as opposing the creation of any new landfill on-site.

8 The Deed also requires the Crown to enter a Memorandum of Understanding (MoU) with Te Nehenehenui setting out the relationship principles and provides a process for communication in relation to the demolition and remediation works.

Cabinet has authorised joint Ministers to decide these matters for the Crown

9 In 2021, Cabinet authorised the Ministers of Finance, Treaty of Waitangi Negotiations and Land Information (the joint Ministers) to approve the final scope of works. It also allocated

LINZ [redacted] million for the remediation of the site [MCR-21-MIN-0002 and CAB-21-MIN-0037 refer].

Joint Ministers have agreed criteria to assess the options

10 LINZ previously sought agreement from joint Ministers on criteria and key considerations to inform decisions on the scope of project works [BRF 23-169 refers]. These are:

- **Strategic alignment:** This includes consistency with the Crown's commitments under the Deed, taking into account timeframes and delivery risks. It also includes consistency with Government Procurement Rules (specifically, opportunities to create local employment opportunities in the construction sector).
- **Iwi-Crown relationship:** This includes alignment with formal feedback from Te Nehenehenui, representing the views of all Maniapoto iwi, hapū, and whānau.
- **Social and environmental impact:** This considers the condition of horizontal infrastructure, the effect of works on cultural, archaeological, sustainability and other environmental values, and the health and safety of suppliers.
- **Value for money:** This includes cost of delivery, and minimisation of future liabilities.

11 The criteria are listed in order of priority and are unweighted.

Tūranga/Current status

LINZ has sought the advice of specialist consultants and the views of Te Nehenehenui

12 To inform joint Ministers' decisions on scope of works, LINZ commissioned specialist consultants to undertake detailed investigations of the horizontal infrastructure and demolition waste, including a multi-criteria analysis (MCA) of the options and costings. The results are described below.

LINZ recommends that the Crown retain some horizontal infrastructure

13 LINZ consultants assessed the extent, condition, and cost to remove all above and below ground horizontal infrastructure. Asset types assessed included: paved roading, a retaining wall, road embankments, concrete ducting, stormwater, and other services (piping, power cables, telecoms cables).

14 Consultants found significantly more horizontal infrastructure on site than previously identified. Some of this was good condition or otherwise capable of serving a future use. This included sections of internal roading, a small retaining wall and a trunk stormwater pipeline (receiving stormwater from neighbouring properties). Other infrastructure was found to be obsolete or hazardous. This included asbestos piping, obsolete concrete ducting and a redundant road embankment. Removal of the embankment is a particular priority as it creates a flood risk which could compromise the stability of an existing former hospital landfill on the site.

15 This information was then assessed using the MCA to provide recommendations.

16 Based on this analysis, LINZ and its specialist consultants recommend that the Crown removal all horizonal infrastructure from the site with the following exceptions:

- 3.3 kilometres of roading, to be repurposed as farm track;
- A small retaining wall which is in good condition and retains a portion of hillside below the road;
- A trunk stormwater pipeline, which legally cannot be removed and which will be relined to extend its lifespan by 50 years; and
- All non-hazardous underground services (concrete and terracotta pipes) below a depth of 600mm.[1]

LINZ recommends that the Crown pursue off-site disposal of non-recyclable demolition waste

17 LINZ consultants estimated that the demolition would generate 156,000 m^3 (loose measure) of demolition waste and require between approximately 17,333 (two-way total) truck and trailer movements to dispose of all non-recyclable demolition waste off-site. The main issue with this is traffic, vehicle emissions and significant landfill disposal fees for hazardous materials.

18 A key project objective is to maximise material recovery/recycling during the demolition process to reduce material quantities disposed of to landfill. As there are no suitable landfills within proximity to the site, two scenarios were investigated:

- Transporting non-recyclable demolition waste material off-site to an appropriate, modern engineered, consented landfill(s)[2] or refuse facilities; or,
- Constructing a modern engineered and consented landfill[2] on-site. Six locations were identified within the site's boundaries as well as the possibility of extending the closed landfill on the eastern side of the site.

19 These two scenarios were assessed using the MCA to provide recommendations for the off-site landfills and the seven possible locations within the site.

20 Key recommendations are:

- Off-site disposal of non-recyclable demolition waste was the preferred option.
- Creating an on-site landfill is not viable due to the risk this would present to the site's hydrogeology and ecological features, incompatibility with iwi cultural values, and a low likelihood of obtaining a resource consent.

Te Nehenehenui and mana whenua support off-site disposal and retention of some infrastructure

21 Following receipt of the draft reports, LINZ engaged with Te Nehenehenui as per the engagement process set out in the MoU and BRF 23-169. LINZ also engaged directly with

[1] The removal depths were based on doubling industry best practice that no infrastructure would remain within the top 300mm based on the presumed future agricultural use of the site. This will allow for crops which require deep tillage.

[2] In this case, Class 1 or Class 2 landfills, as defined in the WasteMINZ Technical Disposal to Land Guidelines (October 2022).

the hapū who claim mana whenua over the site: Ngāti Paretekawa, Ngāti Rahurahu and Ngāti Paia.

22 LINZ has received formal feedback from Te Nehenehenui on the extent of proposed horizontal infrastructure to be retained and the recommendation for off-site disposal of non-recyclable demolition material.

23 On non-recyclable waste disposal, Te Nehenehenui agree with the LINZ proposal to take non-recyclable demolition waste off-site and have reiterated Maniapoto's firm objection to the creation of any new landfill on-site.

24 On horizontal infrastructure, Te Nehenehenui undertook a peer review of LINZ horizontal infrastructure findings report, given the scale and complexity of the various infrastructure asset groupings and multiple options available for retention. Te Nehenehenui agree with the LINZ recommendations but have requested, on the recommendation of their engineer, that the depth for removal of underground infrastructure be increased from 600mm to 800mm and to 1000mm for manholes. The rationale for this change is to better prepare the site for any future residential or commercial re-development.

25 Mana whenua representatives also support off-site waste disposal and raised no objection to the proposed partial retention of some horizontal infrastructure.

Tūkupu/Comment

There are two viable options for joint Ministers to consider

26 Initially, LINZ identified four possible options for the site. A fifth option (1C) was later added following feedback from Te Nehenehenui. These scenarios are summarised as follows:

- Option 1A: Remove **all** horizontal infrastructure; transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill **off-site**.
- Option 1B: Retain **some** horizontal infrastructure including non-hazardous infrastructure below 600mm; transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill **off-site**.
- Option 1C: Retain **some** horizontal infrastructure, including non-hazardous infrastructure below 800mm and removal of manholes to 1000mm; transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill **off-site** (Te Nehenehenui and LINZ preferred).
- Option 2A: Remove **all** horizontal infrastructure and construct a new Class 1 and/or Class 2 landfill **on-site**.
- Option 2B: Retain **some** horizontal infrastructure, including non-hazardous infrastructure below 600mm; construct a new Class 1 and/or Class 2 landfill **on-site**.

27 A full analysis of these options is included as **Attachment A**.

28 Following consultation with Te Nehenehenui and advice from LINZ specialist consultants, LINZ:

- eliminated Options 2A and 2B due to on-site disposal being found to be unviable; and
- eliminated Option 1A due to the higher environmental, social and cultural impacts, associated financial costs and lack of support from either Te Nehenehenui or LINZ.

29 This leaves Option 1B and Option 1C as the two viable options for joint Ministers to consider. These are described below.

Option 1B: Off-site disposal and non-hazardous infrastructure retained below 600mm

30 This option reflects the results of the findings of LINZ and its specialist consultants. All horizontal infrastructure would be removed, except for:

- 3.3 kilometres of roading to be repurposed as farm track;
- A small retaining wall which retains a portion of hillside below the road;
- A trunk stormwater pipeline, which legally cannot be removed, and which will be relined to extend its lifespan by 50 years; and
- All non-hazardous underground services (concrete and terracotta pipes) below a depth of 600mm.

31 The proposed removal depths are based on industry best-practice as well as additional soil scientist recommendations that no infrastructure within the top 300mm to allow for cropping which requires deep tillage in the case of future agricultural use. This was further increased to 600mm to provide additional "safety factor". Any non-hazardous underground services below 600mm would therefore be left in place.

32 All non-recyclable demolition waste (e.g., hazardous materials such as asbestos) would be transported off-site for disposal in existing modern engineered and consented landfills.

33 The key advantages of this option are:

- It would generate the lowest volume of demolition waste.
- It reduces the number of truck movements required as more material will be retained on-site.
- In addition to any resource consent conditions LINZ will be working under, less ground disturbance would help mitigate potential impact on the cultural, archaeological and environmental values of the site.
- It aligns with the preferences of Te Nehenehenui and mana whenua to not construct a new landfill on-site.
- It would be the slightly cheaper (relative to the other viable option 1C), option to deliver (at approximately [redacted].

34 The main disadvantages of this option are:

- Although it aligns to a significant extent with the views of Te Nehenehenui, it does not meet their preference to remove horizontal infrastructure to a greater depth of 800mm and 1000mm for manholes.

- Despite the reduction in truck movements from site, it will still produce significant carbon emissions by transporting material off-site.

35 This option carries low delivery, relationship environmental, social and financial risk.

Option 1C: Off-site disposal, removing non-hazardous material down to 800mm and 1000mm for manholes

36 This option reflects the stated preferences of Te Nehenehenui. This option is identical to Option 1B, with the following additions:

- Removing all underground services to a depth of 800mm; and
- Removing all manholes to a depth of 1000mm.

37 The removal depths exceed those recommended by soil scientists and LINZ specialist consultants, but would provide additional safety factor, and greater assurance to Te Nehenehenui that should they purchase the site, they would be able to redevelop it without interference from abandoned infrastructure.

38 An additional advantage of this option is that it would fulfil the stated preference of Te Nehenehenui, thereby supporting the spirit of the settlement, and renewed iwi-Crown relationship.

39 This option entails slightly higher financial costs to deliver over Option 1B at [redacted]. It will also increase environmental and social impacts, due to small increases in disturbance of the site and carbon emissions.

LINZ has assessed both options against the agreed decision-making criteria

40 Table 1 provides LINZ assessment of the options against the agreed decision-making criteria:

Table 1: Options analysis

Description	Strategic alignment	Iwi-Crown relationship	Social and environmental impact	Value for money	Cost ($m)
Option 1B: remove some horizontal infrastructure, including: • All underground infrastructure to a depth of 600mm; and • Transport non-recyclable demolition waste to consented landfill(s) off-site.	✓✓✓	✓✓	✓✓	✓✓	[redacted]
Option 1C: remove some horizontal infrastructure, including • all underground infrastructure to a depth of 800mm; • Remove manholes to a depth of 1000mm; and	✓✓✓	✓✓✓	✓✓	✓✓	[redacted]

• Transport non-recyclable demolition waste to consented landfill(s) off-site.					

Rating scale key:

Level to which option meets criteria	Does not Meet	Low	Fair	High
Ticks	-	✓	✓✓	✓✓✓

LINZ recommends Option 1C

41 When the above criteria are applied, Option 1C scores slightly better than Option 1B. Both options offer a large amount of horizontal infrastructure removal which meet or exceed standards of industry practice and can be delivered within the allocated budget. Both options also recognise Te Nehenehenui's position that no new landfill be constructed on-site.

42 On balance, LINZ recommends Option 1C, reflecting Te Nehenehenui's stated preferences. Although it does entail a slight increase in greater social, environmental and financial cost, these are outweighed by the benefit to the iwi-Crown relationship and the increased flexibility which it offers for future land use.

43 Alternatively, Ministers could choose to proceed with Option 1B. This would avoid any perceived over-investment in removal of underground services, and would meet all of Te Nehenehenui's feedback except the depth of removal for non-hazardous underground infrastructure.

Whaiwhakaaro ture/Statutory considerations

44 In accordance with the Maniapoto Settlement Claims Act 2022, which gives effect to the Ngāti Maniapoto Deed of Settlement, the Tokanui Deferred Selection Process (Part 9, Property Redress Schedule) the Crown must:

- Consult Te Nehenehenui prior to determining determine final scope of project works relating to the removal of horizontal infrastructure and creation of any new landfill on the site.
- Provide Te Nehenehenui with copies of all advice or material relied upon to inform the relevant Ministers in reaching their decision.

45 LINZ confirms that these requirements have been met.

Whakatūpato/Risks

46 Pursuing the recommended option (Option 1C) would carry the following risks:

Risk category	Rating	Mitigation
Financial If project delivery costs increase by more than 6% then LINZ may need to seek additional Crown funding.	Low	This can be mitigated by LINZ continuing to look at all options to achieve saving across the life of the project.

Reputational If LINZ implements this option, the Crown may face questions on whether it has over-invested in horizontal infrastructure removal.	Low	This can be mitigated by the Crown communicating these reasons for its decision, including the importance of the iwi-Crown relationship. The additional cost is minimal and still within budget.
Social and Environmental It was noted that there may be increased impacts to the community and the environment through increased truck movements and extent of ground disturbance if LINZ implements this option.	Low	All potential impacts to surrounding community and the environment will be assessed and addressed as part of the resource consent process and managed through conditions of consent.

47 Pursuing Option 1B would entail similar financial, social, and environmental risk, but would present greater reputational risk. This is due to the risk that the Crown appears to prioritise its financial interests over its renewed relationship with Ngāti Maniapoto.

Mātanga kōrero/Consultation

48 LINZ Project and Hazard Management, Strategy Policy and Design, and Finance teams informed the development of this advice.

49 Te Nehenehenui and mana whenua groups Ngāti Paia, Ngāti Paretekawa, and Ngāti Rahurahu (the latter two as represented by Tokanui Action Ropu) were consulted on the outcome of the specialist consultants' investigations and provided feedback on the options.

50 The Treasury and Te Arawhiti have been consulted on this briefing.

Hīraunga ahumoni/Financial Implications

51 LINZ has sufficient appropriation to deliver the recommended option.

Ngā Tāwhaitanga/Next Steps

52 If joint Ministers agree, LINZ will take the following steps:

Date	Milestone
Late 2023	Inform Te Nehenehenui and mana whenua of joint Ministers' decision.
Mid-2024	Apply for Certificate of Compliance to start above ground demolition works.
24 Nov 2024	The Crown must apply for all necessary resource consents to undertake below ground site works no later than 24 November 2024.
2024-2027	Undertake above ground demolition works of the site within agreed final scope.
Mid-2025*	Below-ground demolition and remediation work begin. **Pending resource consent being granted.*
2028	Demolition and remediation works completed and the site is offered to Te Nehenehenui for purchase.

Attachment A: Full analysis of all five options

1 To support decision-making on the scope of demolition and remediation of the site, LINZ analysed five options:

- **Option 1A**: Remove all horizontal infrastructure and transport all non-recyclable demolition waste to an existing Class 1 and/or Class 2 landfill off-site.
- **Option 1B:** Retain some horizontal infrastructure, including all non-hazardous infrastructure below 600mm, and transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill off-site).
- **Option 1C:** Retain some horizontal infrastructure, including all non-hazardous infrastructure below 800mm and manholes below 1000mm, and transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill off-site (Te Nehenehenui preferred).
- **Option 2A:** Remove all horizontal infrastructure and construct a new Class 1 and/or Class 2 landfill on-site to dispose all non-recyclable demolition waste.
- **Option 2B:** Retain some horizontal infrastructure, including non-hazardous infrastructure below 600mm, and construct a new Class 1 and/or Class 2 landfill on-site to dispose all non-recyclable demolition waste.

Option 1A: *Remove all horizontal infrastructure and dispose of all project waste off-site*

2 Under this option, the Crown would remove all horizontal infrastructure and dispose of demolition waste off-site. Trunk stormwater services would be reinstated as a naturalised stream.

3 This option has several benefits:

- Would deliver the highest extent of demolition and horizontal infrastructure removal of the site of all options, providing Te Nehenehenui with maximum flexibility for future use.
- It aligns with Te Nehenehenui and mana whenua position by respecting their preference to avoid construction of a new landfill on site.
- It would avoid additional consenting requirements and costs to construct a new engineered landfill on-site.
- Reinstating an on-site stream would likely increase long term environmental benefits to the area.

4 However, this option also has several notable disadvantages:

- It may unnecessarily remove some horizontal infrastructure, such as roading, that could be utilised by the future owner to manage and maintain the property. Te Nehenehenui have accepted the retention of some of such infrastructure.
- Reinstating the stream would reduce the amount of production land available to Te Nehenehenui and would likely require stream crossings to be constructed. Further, the

main trunk of the stormwater network legally cannot be removed under natural servitude property rights.

- It would require the most extensive ground disturbance works as the greatest depth of the infrastructure is 7m, and therefore has greater risk of damaging cultural and, archaeological features within the site.
- The extensive amount of ground disturbance will also have a greater impact on the site's environmental values when compared to the other options.
- It will generate the greatest amount of demolition material to manage and associated transport emissions.
- It would be the most expensive to deliver (currently estimated to be [redacted]), exceeding the current funding appropriation.

Option 1B: *Retain some horizontal infrastructure and dispose of all project waste off-site*

5 This option best reflects the recommendations of LINZ's specialist consultants. All horizontal infrastructure would be removed, except for:

- 3.3 kilometres of roading (approx.) to be repurposed as farm track;
- A small retaining wall which is in good condition and retains a portion of hillside below part of the road;
- The trunk stormwater pipeline, which legally cannot be removed, and which will be relined to extend its lifespan by 50 years;
- All non-hazardous underground services below a depth of 600mm[3]; and
- All non-recyclable demolition waste would be disposed off-site to an existing Class 1 and/or Class 2 landfill off-site.

6 This option has similar advantages as Option 1A:

- It would be relatively the quickest option to deliver and would generate the lowest total volume of demolition material.
- It would minimise the amount of site works, in turn minimising the impact on the cultural, archaeological and environmental values of the site.
- It would deliver the second lowest level of future Crown liability for the site as the Crown would not be responsible for maintaining and complying with any resource consents associated to a new landfill.
- It aligns with Te Nehenehenui and mana whenua position by respecting their preference to avoid construction of a new landfill on site.
- It would be the third most expensive option to deliver ([redacted]).

[3] This is double the civil engineering best-practice of removal of abandoned infrastructure to 300mm when remediating land for agricultural, residential or commercial use.

7 The main disadvantage of this option is that it does not meet Te Nehenehenui's preference to removal horizontal infrastructure to a greater depth of 800mm (and 1000mm for manholes. It would also produce the second highest carbon emissions (after Option 1A) due to the need to truck demolition waste from the site.

8 This option carries low delivery, financial and reputational risks.

Option 1C: *Retain some horizontal infrastructure and dispose of all project waste off-site*

9 This option reflects the formal feedback of Te Nehenehenui. It is a variation of Option 1B, with the following amendments:

- Removing all underground services to a depth of 800mm; and
- For underground structures, such as manholes, removal to a depth of 1000mm.

10 The removal depths exceed those recommended by soil scientists for agricultural purposes and LINZ specialist consultants and may be viewed as over-investment, but would provide greater assurance to Te Nehenehenui that they would be able to redevelop the site without encountering the abandoned infrastructure, should they choose to purchase it.

11 This option is the second most expensive of the five options to deliver ([redacted]). However, the marginal additional cost is small. LINZ specialist consultants have estimated the cost of the additional 200 mm of depth [redacted] over the next cheapest option (Option 1B).

12 It will also marginally increase environmental and social impacts, due to greater ground disturbance to remove the additional infrastructure and higher carbon emissions as there is more material to manage.

13 However, the added benefit of this option is that it would fulfil the stated preference of Te Nehenehenui, thereby supporting the spirit of the settlement, and renewed iwi-Crown relationship.

Option 2A: *Remove all horizontal infrastructure and dispose of all project waste in a new landfill on-site*

14 This is a variation on Option 1A, but with non-recyclable demolition waste disposed of in a new engineered Class 1 landfill that would be constructed on-site.

15 The benefits of this option are:

- It would deliver the highest extent of demolition and horizontal infrastructure removal of the site of all options, providing Te Nehenehenui with maximum flexibility for future use, except for where the landfill would be constructed which may have restricted uses.
- It would generate less carbon emissions than the other options, as the need to transport waste off-site would be avoided, however there would still be carbon emissions from machinery used to construct the landfill.
- The trunk stormwater would be reinstated as a naturalised stream which would likely increase environmental benefits to the area.

- It would be the second cheapest option to deliver ([redacted]).

16 However, there are considerable drawbacks to this option:

- It has potential to damage the Crown relationship with Ngāti Maniapoto given their clear and strong opposition to a new landfill being constructed within the site.
- It may unnecessarily remove some horizontal infrastructure, such as roading, that could be utilised by the future owner to manage and maintain the property. Te Nehenehenui have supported retaining some of this.
- Reinstating the stream would reduce the amount of production land available to Te Nehenehenui and would likely require stream crossings to be constructed. Further, the main trunk of the stormwater network legally cannot be removed under natural servitude property rights.
- It would require the most extensive ground disturbance works as the greatest depth of the infrastructure is 7m, and therefore has greater risk of damaging cultural, archaeological features within the site.
- The extensive amount of ground disturbance will also have a greater impact on the site's environmental values when compared to the other options.
- It would increase future Crown liability for the site, as the Crown would maintain responsibility for managing the new landfill in perpetuity. This would include an estimated ongoing management cost of [redacted] over 10 years.

17 Proceeding with this option without both Te Nehenehenui and mana whenua support would carry high delivery and reputational risks. Constructing a landfill is a non-complying activity under the Waipā District Plan and so requires resource consent, likely with full public notification. Due to their opposition, Te Nehenehenui, mana whenua, and the wider community would likely object to any such application. This, in addition to hydrogeological and ecological concerns which a landfill would present, makes it unlikely that this option would receive resource consent.

18 There is an added significant risk that if resource consent to construct a landfill was granted, this decision would likely be appealed. This will mean that all project works would stop while the consent application went through Environment Court hearings. This will result in higher project and holding costs, in addition to the reputational risks.

Option 2B: *Retain some horizontal infrastructure and dispose of all project waste in a new landfill on-site*

19 This option is a variation of Option 1B, but with all non-recyclable demolition waste disposed of in a new engineered landfill constructed on-site.

20 The advantages of this option are that it is the cheapest to deliver ([redacted]) and generate the lowest carbon emissions.

21 However, for the same reasons outlined with Option 2A, constructing an on-site landfill is not viable and is unlikely to receive resource consent.

Ministers have agreed criteria to assess the options

22 Joint Ministers have agreed four criteria to inform joint Ministerial decisions on the proposed options [BRF 23-169 refers]. These are:

- **Strategic alignment**: This includes consistency with the Crown's commitments under the Deed, taking into account timeframes and delivery risks. It also factors consistency with Government Procurement Rules (specifically, opportunities to create local employment opportunities in the construction sector).
- **Iwi-Crown relationship**: This includes alignment with formal feedback from Te Nehenehenui, representing the views of all Maniapoto iwi, hapū and whānau.
- **Social and environmental impact**: This considers the condition of horizontal infrastructure, the effects of works on cultural, archaeological, sustainability and other environmental values, and the health and safety of suppliers.
- **Value for money**: This includes cost of delivery, and minimisation of future liabilities.

23 The criteria are listed in order of priority and are unweighted.

24 Table 1, below, provides LINZ assessment of the options against the criteria.

Options 1B and 1C are best aligned with the assessment criteria

25 When the criteria are applied, options 1B and 1C score highest. Both options offer a high level of infrastructure removal which exceeds industry best-practice and are practicable to deliver within the allocated budget. Both recognise Te Nehenehenui's and mana whenua position that no new landfill be constructed on site.

26 Option 1A is the costliest option, and would provide for the most comprehensive infrastructure removal from the site. However, it does not reflect Te Nehenehenui's agreement to retain some infrastructure for future use and may be perceived as an over-investment of funds. Additional funding would need to be sought as costs exceed the current appropriation by over [redacted].

27 Options 2A and 2B are best aligned with the value for money criteria, but are the least aligned with Te Nehenehenui's preferences and do not meet the Crown's strategic objectives.

Table 1: Options analysis

Description	Strategic alignment	Iwi-Crown relationship	Social and Env. impact	Value for money	Est. Cost
Option 1A Remove all horizonal infrastructure and dispose of non-recyclable demolition waste off-site.	✓✓✓	✓✓	✓	-	[redacted]
Option 1B: Remove some horizontal infrastructure, including: • all underground infrastructure to a depth of 600mm; and, • transport non-recyclable demolition waste to existing landfills off-site.	✓✓✓	✓✓	✓✓	✓✓	[redacted]
Option 1C: Remove some horizontal infrastructure, including: • all underground infrastructure to a depth of 800mm; • Remove manholes to a depth of 1000mm; and, • transport non-recyclable demolition waste to existing landfills off-site.	✓✓✓	✓✓✓	✓✓	✓✓	[redacted]
Option 2A: Remove all horizontal infrastructure and construct a landfill to dispose of non-recyclable demolition waste on-site.	-	-	✓	✓✓✓	[redacted]
Option 2B: Remove some horizontal infrastructure, including • all underground infrastructure to a depth of 600mm; and, • construct a landfill to dispose of non-recyclable demolition waste on-site.	-	-	✓	✓✓✓	[redacted]

Rating scale key:

Level to which option meets criteria	Does not meet	Low	Fair	High
Ticks	-	✓	✓✓	✓✓✓

Priority: High Classification: In Confidence

Toitū Te Whenua Land Information New Zealand

BRF 23-424 Tokanui Hospital: Decisions on scope of works

Ki / To: Minister of Finance
Minister for Land Information
Minister for Treaty of Waitangi Negotiations

Rā / Date: 31 August 2023

Ngā mahi e hiahiatia ana / Action Sought

Minita/Minister	Hohenga/Action	Rā Mutunga/Deadline
Minister for Land Information	**Forward** this briefing to the Minister of Finance and the Minister for Treaty of Waitangi Negotiations as other Ministers with Cabinet authority to decide the scope of works for Tokanui Hospital.	4 September 2023
Minister of Finance Minister for Treaty of Waitangi Negotiations	**Agree** that LINZ: a. partially remove horizontal infrastructure, including all underground infrastructure to a depth of 800mm; and manholes to a depth of 1000mm; and, b. dispose of non-recyclable project waste in existing landfills off-site. (Recommended) **OR**	6 October 2023
Minister for Land Information	**Agree** that LINZ: a. partially remove horizontal infrastructure, including all underground infrastructure to a depth of 600mm; and, b. dispose of non-recyclable project waste in existing landfills off-site.	

Toitū Te Whenua LINZ Whakapā / Contacts

Ingoa/Name	Tūnga/Position	Nama waea/ Contact number	Whakapā tuatahi/ First contact
Sonya Wikitera	Head of Crown Property	04 830 2595	☐
Matthew Bradley	Manager Land and Property	029 200 6449	☒

Te Tari o te Minita ki te Whakaoti / Minister's office to complete

Kounga/ Quality	☐ 1 Unsatisfactory	☐ 2 Fell short of expectations	☐ 3 Met expectations	☐ 4 Exceeded expectations	☐ 5 Greatly exceeded expectations

Pūtake/Purpose statement

To seek your decision on the final scope of demolition and remediation of the former Tokanui Hospital site (the site).

Pānui whāinga/Key messages

1 The site is a deferred selection property in the Ngāti Maniapoto Treaty of Waitangi Deed of Settlement (the Deed). The Deed requires the Crown to demolish and remediate the site before offering it to Te Nehenehenui, the Ngāti Maniapoto Post Settlement Governance Entity, for purchase.

2 The Deed grants the Crown discretion to decide two matters which will determine the final scope of project works:

- where to dispose of demolition waste generated by the project, and
- how much above and below ground horizontal infrastructure - such as old roading, pipes and cables - to remove.

3 The Crown must consider the views of Te Nehenehenui in reaching its decision on these matters.

4 Cabinet has authorised the Minister of Finance, Minister for Treaty of Waitangi Negotiations, and the Minister for Land Information (together, the joint Ministers) to decide these matters on behalf of the Crown, and agreed funding of [redacted]m for Toitū Te Whenua Land Information New Zealand (LINZ) to manage and undertake the remediation works [MCR-21-MIN-002 and CAB-21-MIN-0037 refer].

5 To support joint Ministerial decision-making, in December 2022, the joint Ministers agreed on criteria and key considerations for the results of detailed investigations to be assessed against [BRF 23-169 refers]. LINZ has used this to complete a multi-criteria analysis (MCA) which had a strong weighting on the key cultural considerations.

6 There are two viable options (see Attachment A for full options analysis):

- Option 1B: Partial removal of horizontal infrastructure, including all underground services to a depth of 600mm and dispose of non-recyclable demolition waste in existing off-site landfills (Total cost [redacted]); or
- Option 1C: Identical to option 1B, except for removing underground services to a greater depth of 800mm, including the removal of manholes to a depth of 1000mm (Total Cost [redacted] (Te Nehenehenui preferred).

7 Option 1C performed best against assessment criteria, which includes strategic alignment, iwi-Crown relations, social and environmental impact, and value for money.

8 On balance, LINZ recommends Option 1C which is an additional [redacted] over the next preferred option 1B. While this will entail slightly higher social, environmental impacts and financial costs, these can be justified on the basis that it will deliver additional benefit to the iwi-Crown relationship and increase flexibility for future land use.

9 Either option can be managed from existing appropriations.

10 If the joint Ministers agree, LINZ will notify Te Nehenehenui and mana whenua of the outcome and seek the necessary resource consents.

Tohutohu/Recommendations

It is recommended that you:

Actions for the Minister for Land Information

1. **āmine/agree** to forward this briefing to the Minister of Finance and the Minister for Treaty of Waitangi Negotiations as Ministers with joint authority to determine the scope of demolition and remediation works on the former Tokanui Psychiatric Hospital — agree/disagree

Actions for the joint Ministers

2. **manatu/note** that the Ngāti Maniapoto Deed of Settlement permits the Crown to decide the final scope of works in relation to: — noted
   a. where demolition waste will be disposed of; and
   b. how much horizontal infrastructure to remove

3. **manatu/note** Cabinet authorised the Minister of Finance, the Minister for Treaty of Waitangi Negotiations and the Minister for Land Information (together, the joint Ministers) to decide these matters for the Crown and agreed funding of up to [redacted] for Toitū Te Whenua Land Information New Zealand to undertake the works — noted

4. **manatu/note** that in reaching their decision, the joint Ministers must consider the views of the Ngāti Maniapoto Post Settlement Governance Entity, Te Nehenehenui Trust — noted

5. **manatu/note** that the viable options (see Attachment A: Full options analysis) are: — noted
   a. Option 1B: Partial removal of horizontal infrastructure, including underground infrastructure to a depth of 600mm, and disposing of non-recyclable demolition waste in existing off-site landfills (Total Cost [redacted], or
   b. Option 1C: Partial removal of horizontal infrastructure, including underground infrastructure to a depth of 800mm and manholes to a depth of 1000mm, and disposing of non-recyclable demolition waste in existing off-site landfills (Total Cost [redacted]) (Te Nehenehenui preferred)

Toitū Te Whenua Land Information New Zealand

6. **manatu/note** that on balance, LINZ recommends the Crown pursue Option 1C since the benefit of supporting iwi-Crown relations and increased flexibility for future land use outweighs the estimated additional cost of [redacted] relative to the lower cost option 1B — noted

7. **āmine/agree** that LINZ progress Option 1C: partial removal of horizontal infrastructure, including all underground infrastructure to a depth of 800mm and manholes to a depth of 1000mm, and dispose of project waste in existing landfills off-site (Recommended) — agree/disagree

OR

8. **āmine/agree** that LINZ progress Option 1B: partial removal of horizontal infrastructure, including all underground infrastructure to a depth of 600mm and dispose of project waste in existing landfills off-site. — agree/disagree

Sonya Wikitera

Head of Crown Property, Toitū Te Whenua LINZ

Rā/date: 31/08/2023

Hon Grant Robertson

Minister of Finance

Rā/date:

Hon Andrew Little

Minister for Treaty of Waitangi Negotiations

Rā/date:

Hon Damien O'Connor

Minister for Land Information

Rā/date: 4/9/23

Tāpiritanga/Attachments

Attachment A: Full options analysis

Te Horopaki/Background

The demolition and remediation of the site is a priority for Maniapoto

1 The former Tokanui Hospital site (the site) occupies 80 hectares of land and contains considerable built infrastructure, including 74 buildings, significant roading, piping, ducting and utility lines, and two closed landfills. Many of the buildings are dilapidated and contain hazardous materials including asbestos and lead-based paint.

2 The site is part of a large parcel of land taken under the Public Works Act in 1910 for the Tokanui Hospital against the firm objections of Ngāti Maniapoto. The hospital closed in 1998 and was transferred into the Treaty Settlement Landbank in 1999 to be used as redress to settle historical Treaty of Waitangi claims.

3 The site is now a deferred selection property under the Ngāti Maniapoto Treaty of Waitangi Deed of Settlement (the Deed). The Deed requires the Crown to demolish all above ground material and to remediate soil contamination to agreed standards before offering the site to Te Nehenehenui (the Maniapoto Post Settlement Governance Entity) for purchase (Part 9 of the Property Redress Schedule). The Maniapoto Settlement Claims Act 2022 enshrines this Deed in law.

4 LINZ is responsible for demolition and remediation of the site (the project) in accordance with the Deed on the Crown's behalf.

Crown decisions are needed on two matters to confirm the final scope of works

5 Preliminary feasibility studies conducted as part of Treaty of Waitangi negotiations identified several options for the demolition and remediation of the site. However, a preferred approach could not be confirmed prior to the signing of the Deed.

6 The Deed grants the Crown final discretion to decide two matters which will determine the final scope of the project:

- The extent of horizontal infrastructure, including roading and underground services, to be removed; and,
- Whether demolition waste, including hazardous materials, will be transported off-site for disposal or contained within an engineered landfill to be constructed on on-site.

7 The Deed requires the Crown to consider the views of Te Nehenehenui in reaching its decision on these matters. The Deed records Maniapoto's preference as opposing the creation of any new landfill on-site.

8 The Deed also requires the Crown to enter a Memorandum of Understanding (MoU) with Te Nehenehenui setting out the relationship principles and provides a process for communication in relation to the demolition and remediation works.

Cabinet has authorised joint Ministers to decide these matters for the Crown

9 In 2021, Cabinet authorised the Ministers of Finance, Treaty of Waitangi Negotiations and Land Information (the joint Ministers) to approve the final scope of works. It also allocated

LINZ [redacted] for the remediation of the site [MCR-21-MIN-0002 and CAB-21-MIN-0037 refer].

Joint Ministers have agreed criteria to assess the options

10 LINZ previously sought agreement from joint Ministers on criteria and key considerations to inform decisions on the scope of project works [BRF 23-169 refers]. These are:

- **Strategic alignment:** This includes consistency with the Crown's commitments under the Deed, taking into account timeframes and delivery risks. It also includes consistency with Government Procurement Rules (specifically, opportunities to create local employment opportunities in the construction sector).
- **Iwi-Crown relationship:** This includes alignment with formal feedback from Te Nehenehenui, representing the views of all Maniapoto iwi, hapū, and whānau.
- **Social and environmental impact:** This considers the condition of horizontal infrastructure, the effect of works on cultural, archaeological, sustainability and other environmental values, and the health and safety of suppliers.
- **Value for money:** This includes cost of delivery, and minimisation of future liabilities.

11 The criteria are listed in order of priority and are unweighted.

Tūranga/Current status

LINZ has sought the advice of specialist consultants and the views of Te Nehenehenui

12 To inform joint Ministers' decisions on scope of works, LINZ commissioned specialist consultants to undertake detailed investigations of the horizontal infrastructure and demolition waste, including a multi-criteria analysis (MCA) of the options and costings. The results are described below.

LINZ recommends that the Crown retain some horizontal infrastructure

13 LINZ consultants assessed the extent, condition, and cost to remove all above and below ground horizontal infrastructure. Asset types assessed included: paved roading, a retaining wall, road embankments, concrete ducting, stormwater, and other services (piping, power cables, telecoms cables).

14 Consultants found significantly more horizontal infrastructure on site than previously identified. Some of this was good condition or otherwise capable of serving a future use. This included sections of internal roading, a small retaining wall and a trunk stormwater pipeline (receiving stormwater from neighbouring properties). Other infrastructure was found to be obsolete or hazardous. This included asbestos piping, obsolete concrete ducting and a redundant road embankment. Removal of the embankment is a particular priority as it creates a flood risk which could compromise the stability of an existing former hospital landfill on the site.

15 This information was then assessed using the MCA to provide recommendations.

16 Based on this analysis, LINZ and its specialist consultants recommend that the Crown removal all horizonal infrastructure from the site with the following exceptions:

- 3.3 kilometres of roading, to be repurposed as farm track;
- A small retaining wall which is in good condition and retains a portion of hillside below the road;
- A trunk stormwater pipeline, which legally cannot be removed and which will be relined to extend its lifespan by 50 years; and
- All non-hazardous underground services (concrete and terracotta pipes) below a depth of 600mm.[1]

LINZ recommends that the Crown pursue off-site disposal of non-recyclable demolition waste

17 LINZ consultants estimated that the demolition would generate 156,000 m^3 (loose measure) of demolition waste and require between approximately 17,333 (two-way total) truck and trailer movements to dispose of all non-recyclable demolition waste off-site. The main issue with this is traffic, vehicle emissions and significant landfill disposal fees for hazardous materials.

18 A key project objective is to maximise material recovery/recycling during the demolition process to reduce material quantities disposed of to landfill. As there are no suitable landfills within proximity to the site, two scenarios were investigated:

- Transporting non-recyclable demolition waste material off-site to an appropriate, modern engineered, consented landfill(s)[2] or refuse facilities; or,
- Constructing a modern engineered and consented landfill[2] on-site. Six locations were identified within the site's boundaries as well as the possibility of extending the closed landfill on the eastern side of the site.

19 These two scenarios were assessed using the MCA to provide recommendations for the off-site landfills and the seven possible locations within the site.

20 Key recommendations are:

- Off-site disposal of non-recyclable demolition waste was the preferred option.
- Creating an on-site landfill is not viable due to the risk this would present to the site's hydrogeology and ecological features, incompatibility with iwi cultural values, and a low likelihood of obtaining a resource consent.

Te Nehenehenui and mana whenua support off-site disposal and retention of some infrastructure

21 Following receipt of the draft reports, LINZ engaged with Te Nehenehenui as per the engagement process set out in the MoU and BRF 23-169. LINZ also engaged directly with

[1] The removal depths were based on doubling industry best practice that no infrastructure would remain within the top 300mm based on the presumed future agricultural use of the site. This will allow for crops which require deep tillage.
[2] In this case, Class 1 or Class 2 landfills, as defined in the WasteMINZ Technical Disposal to Land Guidelines (October 2022).

the hapū who claim mana whenua over the site: Ngāti Paretekawa, Ngāti Rahurahu and Ngāti Paia.

22 LINZ has received formal feedback from Te Nehenehenui on the extent of proposed horizontal infrastructure to be retained and the recommendation for off-site disposal of non-recyclable demolition material.

23 On non-recyclable waste disposal, Te Nehenehenui agree with the LINZ proposal to take non-recyclable demolition waste off-site and have reiterated Maniapoto's firm objection to the creation of any new landfill on-site.

24 On horizontal infrastructure, Te Nehenehenui undertook a peer review of LINZ horizontal infrastructure findings report, given the scale and complexity of the various infrastructure asset groupings and multiple options available for retention. Te Nehenehenui agree with the LINZ recommendations but have requested, on the recommendation of their engineer, that the depth for removal of underground infrastructure be increased from 600mm to 800mm and to 1000mm for manholes. The rationale for this change is to better prepare the site for any future residential or commercial re-development.

25 Mana whenua representatives also support off-site waste disposal and raised no objection to the proposed partial retention of some horizontal infrastructure.

Tūkupu/Comment

There are two viable options for joint Ministers to consider

26 Initially, LINZ identified four possible options for the site. A fifth option (1C) was later added following feedback from Te Nehenehenui. These scenarios are summarised as follows:

- Option 1A: Remove **all** horizontal infrastructure; transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill **off-site**.
- Option 1B: Retain **some** horizontal infrastructure including non-hazardous infrastructure below 600mm; transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill **off-site**.
- Option 1C: Retain **some** horizontal infrastructure, including non-hazardous infrastructure below 800mm and removal of manholes to 1000mm; transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill **off-site** (Te Nehenehenui and LINZ preferred).
- Option 2A: Remove **all** horizontal infrastructure and construct a new Class 1 and/or Class 2 landfill **on-site**.
- Option 2B: Retain **some** horizontal infrastructure, including non-hazardous infrastructure below 600mm; construct a new Class 1 and/or Class 2 landfill **on-site**.

27 A full analysis of these options is included as **Attachment A**.

28 Following consultation with Te Nehenehenui and advice from LINZ specialist consultants, LINZ:

- eliminated Options 2A and 2B due to on-site disposal being found to be unviable; and
- eliminated Option 1A due to the higher environmental, social and cultural impacts, associated financial costs and lack of support from either Te Nehenehenui or LINZ.

29 This leaves Option 1B and Option 1C as the two viable options for joint Ministers to consider. These are described below.

Option 1B: Off-site disposal and non-hazardous infrastructure retained below 600mm

30 This option reflects the results of the findings of LINZ and its specialist consultants. All horizontal infrastructure would be removed, except for:

- 3.3 kilometres of roading to be repurposed as farm track;
- A small retaining wall which retains a portion of hillside below the road;
- A trunk stormwater pipeline, which legally cannot be removed, and which will be relined to extend its lifespan by 50 years; and
- All non-hazardous underground services (concrete and terracotta pipes) below a depth of 600mm.

31 The proposed removal depths are based on industry best-practice as well as additional soil scientist recommendations that no infrastructure within the top 300mm to allow for cropping which requires deep tillage in the case of future agricultural use. This was further increased to 600mm to provide additional "safety factor". Any non-hazardous underground services below 600mm would therefore be left in place.

32 All non-recyclable demolition waste (e.g., hazardous materials such as asbestos) would be transported off-site for disposal in existing modern engineered and consented landfills.

33 The key advantages of this option are:

- It would generate the lowest volume of demolition waste.
- It reduces the number of truck movements required as more material will be retained on-site.
- In addition to any resource consent conditions LINZ will be working under, less ground disturbance would help mitigate potential impact on the cultural, archaeological and environmental values of the site.
- It aligns with the preferences of Te Nehenehenui and mana whenua to not construct a new landfill on-site.
- It would be the slightly cheaper (relative to the other viable option 1C), option to deliver (at approximately [redacted].

34 The main disadvantages of this option are:

- Although it aligns to a significant extent with the views of Te Nehenehenui, it does not meet their preference to remove horizontal infrastructure to a greater depth of 800mm and 1000mm for manholes.

- Despite the reduction in truck movements from site, it will still produce significant carbon emissions by transporting material off-site.

35 This option carries low delivery, relationship environmental, social and financial risk.

Option 1C: Off-site disposal, removing non-hazardous material down to 800mm and 1000mm for manholes

36 This option reflects the stated preferences of Te Nehenehenui. This option is identical to Option 1B, with the following additions:

- Removing all underground services to a depth of 800mm; and
- Removing all manholes to a depth of 1000mm.

37 The removal depths exceed those recommended by soil scientists and LINZ specialist consultants, but would provide additional safety factor, and greater assurance to Te Nehenehenui that should they purchase the site, they would be able to redevelop it without interference from abandoned infrastructure.

38 An additional advantage of this option is that it would fulfil the stated preference of Te Nehenehenui, thereby supporting the spirit of the settlement, and renewed iwi-Crown relationship.

39 This option entails slightly higher financial costs to deliver over Option 1B at [redacted] It will also increase environmental and social impacts, due to small increases in disturbance of the site and carbon emissions.

LINZ has assessed both options against the agreed decision-making criteria

40 Table 1 provides LINZ assessment of the options against the agreed decision-making criteria:

Table 1: Options analysis

Description	Strategic alignment	Iwi-Crown relationship	Social and environmental impact	Value for money	Cost ($m)
Option 1B: remove some horizontal infrastructure, including: • All underground infrastructure to a depth of 600mm; and • Transport non-recyclable demolition waste to consented landfill(s) off-site.	✓✓✓	✓✓	✓✓	✓✓	[redacted]
Option 1C: remove some horizontal infrastructure, including • all underground infrastructure to a depth of 800mm; • Remove manholes to a depth of 1000mm; and	✓✓✓	✓✓✓	✓✓	✓✓	[redacted]

• Transport non-recyclable demolition waste to consented landfill(s) off-site.					

Rating scale key:

Level to which option meets criteria	Does not Meet	Low	Fair	High
Ticks	-	✓	✓✓	✓✓✓

LINZ recommends Option 1C

41 When the above criteria are applied, Option 1C scores slightly better than Option 1B. Both options offer a large amount of horizontal infrastructure removal which meet or exceed standards of industry practice and can be delivered within the allocated budget. Both options also recognise Te Nehenehenui's position that no new landfill be constructed on-site.

42 On balance, LINZ recommends Option 1C, reflecting Te Nehenehenui's stated preferences. Although it does entail a slight increase in greater social, environmental and financial cost, these are outweighed by the benefit to the iwi-Crown relationship and the increased flexibility which it offers for future land use.

43 Alternatively, Ministers could choose to proceed with Option 1B. This would avoid any perceived over-investment in removal of underground services, and would meet all of Te Nehenehenui's feedback except the depth of removal for non-hazardous underground infrastructure.

Whaiwhakaaro ture/Statutory considerations

44 In accordance with the Maniapoto Settlement Claims Act 2022, which gives effect to the Ngāti Maniapoto Deed of Settlement, the Tokanui Deferred Selection Process (Part 9, Property Redress Schedule) the Crown must:

- Consult Te Nehenehenui prior to determining determine final scope of project works relating to the removal of horizontal infrastructure and creation of any new landfill on the site.
- Provide Te Nehenehenui with copies of all advice or material relied upon to inform the relevant Ministers in reaching their decision.

45 LINZ confirms that these requirements have been met.

Whakatūpato/Risks

46 Pursuing the recommended option (Option 1C) would carry the following risks:

Risk category	Rating	Mitigation
Financial If project delivery costs increase by more than 6% then LINZ may need to seek additional Crown funding.	Low	This can be mitigated by LINZ continuing to look at all options to achieve saving across the life of the project.

Reputational If LINZ implements this option, the Crown may face questions on whether it has over-invested in horizontal infrastructure removal.	Low	This can be mitigated by the Crown communicating these reasons for its decision, including the importance of the iwi-Crown relationship. The additional cost is minimal and still within budget.
Social and Environmental It was noted that there may be increased impacts to the community and the environment through increased truck movements and extent of ground disturbance if LINZ implements this option.	Low	All potential impacts to surrounding community and the environment will be assessed and addressed as part of the resource consent process and managed through conditions of consent.

47 Pursuing Option 1B would entail similar financial, social, and environmental risk, but would present greater reputational risk. This is due to the risk that the Crown appears to prioritise its financial interests over its renewed relationship with Ngāti Maniapoto.

Mātanga kōrero/Consultation

48 LINZ Project and Hazard Management, Strategy Policy and Design, and Finance teams informed the development of this advice.

49 Te Nehenehenui and mana whenua groups Ngāti Paia, Ngāti Paretekawa, and Ngāti Rahurahu (the latter two as represented by Tokanui Action Ropu) were consulted on the outcome of the specialist consultants' investigations and provided feedback on the options.

50 The Treasury and Te Arawhiti have been consulted on this briefing.

Hīraunga ahumoni/Financial Implications

51 LINZ has sufficient appropriation to deliver the recommended option.

Ngā Tāwhaitanga/Next Steps

52 If joint Ministers agree, LINZ will take the following steps:

Date	Milestone
Late 2023	Inform Te Nehenehenui and mana whenua of joint Ministers' decision.
Mid-2024	Apply for Certificate of Compliance to start above ground demolition works.
24 Nov 2024	The Crown must apply for all necessary resource consents to undertake below ground site works no later than 24 November 2024.
2024-2027	Undertake above ground demolition works of the site within agreed final scope.
Mid-2025*	Below-ground demolition and remediation work begin. **Pending resource consent being granted.*
2028	Demolition and remediation works completed and the site is offered to Te Nehenehenui for purchase.

Attachment A: Full analysis of all five options

1 To support decision-making on the scope of demolition and remediation of the site, LINZ analysed five options:

- **Option 1A**: Remove all horizontal infrastructure and transport all non-recyclable demolition waste to an existing Class 1 and/or Class 2 landfill off-site.
- **Option 1B:** Retain some horizontal infrastructure, including all non-hazardous infrastructure below 600mm, and transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill off-site).
- **Option 1C:** Retain some horizontal infrastructure, including all non-hazardous infrastructure below 800mm and manholes below 1000mm, and transport all non-recyclable demolition materials to an existing Class 1 and/or Class 2 landfill off-site (Te Nehenehenui preferred).
- **Option 2A:** Remove all horizontal infrastructure and construct a new Class 1 and/or Class 2 landfill on-site to dispose all non-recyclable demolition waste.
- **Option 2B:** Retain some horizontal infrastructure, including non-hazardous infrastructure below 600mm, and construct a new Class 1 and/or Class 2 landfill on-site to dispose all non-recyclable demolition waste.

Option 1A: *Remove all horizontal infrastructure and dispose of all project waste off-site*

2 Under this option, the Crown would remove all horizontal infrastructure and dispose of demolition waste off-site. Trunk stormwater services would be reinstated as a naturalised stream.

3 This option has several benefits:

- Would deliver the highest extent of demolition and horizontal infrastructure removal of the site of all options, providing Te Nehenehenui with maximum flexibility for future use.
- It aligns with Te Nehenehenui and mana whenua position by respecting their preference to avoid construction of a new landfill on site.
- It would avoid additional consenting requirements and costs to construct a new engineered landfill on-site.
- Reinstating an on-site stream would likely increase long term environmental benefits to the area.

4 However, this option also has several notable disadvantages:

- It may unnecessarily remove some horizontal infrastructure, such as roading, that could be utilised by the future owner to manage and maintain the property. Te Nehenehenui have accepted the retention of some of such infrastructure.
- Reinstating the stream would reduce the amount of production land available to Te Nehenehenui and would likely require stream crossings to be constructed. Further, the

main trunk of the stormwater network legally cannot be removed under natural servitude property rights.

- It would require the most extensive ground disturbance works as the greatest depth of the infrastructure is 7m, and therefore has greater risk of damaging cultural and, archaeological features within the site.
- The extensive amount of ground disturbance will also have a greater impact on the site's environmental values when compared to the other options.
- It will generate the greatest amount of demolition material to manage and associated transport emissions.
- It would be the most expensive to deliver (currently estimated to be [redacted]), exceeding the current funding appropriation.

Option 1B: *Retain some horizontal infrastructure and dispose of all project waste off-site*

5 This option best reflects the recommendations of LINZ's specialist consultants. All horizontal infrastructure would be removed, except for:

- 3.3 kilometres of roading (approx.) to be repurposed as farm track;
- A small retaining wall which is in good condition and retains a portion of hillside below part of the road;
- The trunk stormwater pipeline, which legally cannot be removed, and which will be relined to extend its lifespan by 50 years;
- All non-hazardous underground services below a depth of 600mm[3]; and
- All non-recyclable demolition waste would be disposed off-site to an existing Class 1 and/or Class 2 landfill off-site.

6 This option has similar advantages as Option 1A:

- It would be relatively the quickest option to deliver and would generate the lowest total volume of demolition material.
- It would minimise the amount of site works, in turn minimising the impact on the cultural, archaeological and environmental values of the site.
- It would deliver the second lowest level of future Crown liability for the site as the Crown would not be responsible for maintaining and complying with any resource consents associated to a new landfill.
- It aligns with Te Nehenehenui and mana whenua position by respecting their preference to avoid construction of a new landfill on site.
- It would be the third most expensive option to deliver ([redacted].

[3] This is double the civil engineering best-practice of removal of abandoned infrastructure to 300mm when remediating land for agricultural, residential or commercial use.

7 The main disadvantage of this option is that it does not meet Te Nehenehenui's preference to removal horizontal infrastructure to a greater depth of 800mm (and 1000mm for manholes. It would also produce the second highest carbon emissions (after Option 1A) due to the need to truck demolition waste from the site.

8 This option carries low delivery, financial and reputational risks.

Option 1C: *Retain some horizontal infrastructure and dispose of all project waste off-site*

9 This option reflects the formal feedback of Te Nehenehenui. It is a variation of Option 1B, with the following amendments:

- Removing all underground services to a depth of 800mm; and
- For underground structures, such as manholes, removal to a depth of 1000mm.

10 The removal depths exceed those recommended by soil scientists for agricultural purposes and LINZ specialist consultants and may be viewed as over-investment, but would provide greater assurance to Te Nehenehenui that they would be able to redevelop the site without encountering the abandoned infrastructure, should they choose to purchase it.

11 This option is the second most expensive of the five options to deliver ([redacted]. However, the marginal additional cost is small. LINZ specialist consultants have estimated the cost of the additional 200 mm of depth [redacted] over the next cheapest option (Option 1B).

12 It will also marginally increase environmental and social impacts, due to greater ground disturbance to remove the additional infrastructure and higher carbon emissions as there is more material to manage.

13 However, the added benefit of this option is that it would fulfil the stated preference of Te Nehenehenui, thereby supporting the spirit of the settlement, and renewed iwi-Crown relationship.

Option 2A: *Remove all horizontal infrastructure and dispose of all project waste in a new landfill on-site*

14 This is a variation on Option 1A, but with non-recyclable demolition waste disposed of in a new engineered Class 1 landfill that would be constructed on-site.

15 The benefits of this option are:

- It would deliver the highest extent of demolition and horizontal infrastructure removal of the site of all options, providing Te Nehenehenui with maximum flexibility for future use, except for where the landfill would be constructed which may have restricted uses.
- It would generate less carbon emissions than the other options, as the need to transport waste off-site would be avoided, however there would still be carbon emissions from machinery used to construct the landfill.
- The trunk stormwater would be reinstated as a naturalised stream which would likely increase environmental benefits to the area.

- It would be the second cheapest option to deliver ([redacted]).

16 However, there are considerable drawbacks to this option:

- It has potential to damage the Crown relationship with Ngāti Maniapoto given their clear and strong opposition to a new landfill being constructed within the site.
- It may unnecessarily remove some horizontal infrastructure, such as roading, that could be utilised by the future owner to manage and maintain the property. Te Nehenehenui have supported retaining some of this.
- Reinstating the stream would reduce the amount of production land available to Te Nehenehenui and would likely require stream crossings to be constructed. Further, the main trunk of the stormwater network legally cannot be removed under natural servitude property rights.
- It would require the most extensive ground disturbance works as the greatest depth of the infrastructure is 7m, and therefore has greater risk of damaging cultural, archaeological features within the site.
- The extensive amount of ground disturbance will also have a greater impact on the site's environmental values when compared to the other options.
- It would increase future Crown liability for the site, as the Crown would maintain responsibility for managing the new landfill in perpetuity. This would include an estimated ongoing management cost of [redacted] over 10 years.

17 Proceeding with this option without both Te Nehenehenui and mana whenua support would carry high delivery and reputational risks. Constructing a landfill is a non-complying activity under the Waipā District Plan and so requires resource consent, likely with full public notification. Due to their opposition, Te Nehenehenui, mana whenua, and the wider community would likely object to any such application. This, in addition to hydrogeological and ecological concerns which a landfill would present, makes it unlikely that this option would receive resource consent.

18 There is an added significant risk that if resource consent to construct a landfill was granted, this decision would likely be appealed. This will mean that all project works would stop while the consent application went through Environment Court hearings. This will result in higher project and holding costs, in addition to the reputational risks.

Option 2B: *Retain some horizontal infrastructure and dispose of all project waste in a new landfill on-site*

19 This option is a variation of Option 1B, but with all non-recyclable demolition waste disposed of in a new engineered landfill constructed on-site.

20 The advantages of this option are that it is the cheapest to deliver ([redacted]) and generate the lowest carbon emissions.

21 However, for the same reasons outlined with Option 2A, constructing an on-site landfill is not viable and is unlikely to receive resource consent.

Ministers have agreed criteria to assess the options

22 Joint Ministers have agreed four criteria to inform joint Ministerial decisions on the proposed options [BRF 23-169 refers]. These are:

- **Strategic alignment**: This includes consistency with the Crown's commitments under the Deed, taking into account timeframes and delivery risks. It also factors consistency with Government Procurement Rules (specifically, opportunities to create local employment opportunities in the construction sector).
- **Iwi-Crown relationship**: This includes alignment with formal feedback from Te Nehenehenui, representing the views of all Maniapoto iwi, hapū and whānau.
- **Social and environmental impact**: This considers the condition of horizontal infrastructure, the effects of works on cultural, archaeological, sustainability and other environmental values, and the health and safety of suppliers.
- **Value for money**: This includes cost of delivery, and minimisation of future liabilities.

23 The criteria are listed in order of priority and are unweighted.

24 Table 1, below, provides LINZ assessment of the options against the criteria.

Options 1B and 1C are best aligned with the assessment criteria.

25 When the criteria are applied, options 1B and 1C score highest. Both options offer a high level of infrastructure removal which exceeds industry best-practice and are practicable to deliver within the allocated budget. Both recognise Te Nehenehenui's and mana whenua position that no new landfill be constructed on site.

26 Option 1A is the costliest option, and would provide for the most comprehensive infrastructure removal from the site. However, it does not reflect Te Nehenehenui's agreement to retain some infrastructure for future use and may be perceived as an over-investment of funds. Additional funding would need to be sought as costs exceed the current appropriation by over [redacted]

27 Options 2A and 2B are best aligned with the value for money criteria, but are the least aligned with Te Nehenehenui's preferences and do not meet the Crown's strategic objectives.

Table 1: Options analysis

Description	Strategic alignment	Iwi-Crown relationship	Social and Env. impact	Value for money	Est. Cost
Option 1A Remove all horizonal infrastructure and dispose of non-recyclable demolition waste off-site.	✓✓✓	✓✓	✓	-	[redacted]
Option 1B: Remove some horizontal infrastructure, including: • all underground infrastructure to a depth of 600mm; and, • transport non-recyclable demolition waste to existing landfills off-site.	✓✓✓	✓✓	✓✓	✓✓	[redacted]
Option 1C: Remove some horizontal infrastructure, including: • all underground infrastructure to a depth of 800mm; • Remove manholes to a depth of 1000mm; and, • transport non-recyclable demolition waste to existing landfills off-site.	✓✓✓	✓✓✓	✓✓	✓✓	[redacted]
Option 2A: Remove all horizontal infrastructure and construct a landfill to dispose of non-recyclable demolition waste on-site.	-	-	✓	✓✓✓	[redacted]
Option 2B: Remove some horizontal infrastructure, including • all underground infrastructure to a depth of 600mm; and, • construct a landfill to dispose of non-recyclable demolition waste on-site.	-	-	✓	✓✓✓	[redacted]

Rating scale key:

Level to which option meets criteria	Does not meet	Low	Fair	High
Ticks	-	✓	✓✓	✓✓✓