



HERITAGE NEW ZEALAND
POUHERE TAONGA



RISK MANAGEMENT OF HERITAGE PLACES: **GUIDANCE FOR OWNERS**

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SCOPE

This document sets out basic risk management planning for owners of heritage places and sites of significance to Māori. A detailed explanation of each of the steps is found in the technical document *Guidance for preparing risk management plans for heritage places* (the *Guidance*). This guidance for owners should be read in conjunction with the full *Guidance*.

WHAT IS RISK MANAGEMENT?

Risk management is the process of identifying and analysing potential risks from hazards to life and property. Management includes taking precautionary steps to reduce or eliminate those risks if practicable and, if not, reducing the magnitude of their impact and the likelihood of their occurrence to an acceptable level. For places of significance to Māori it is important to incorporate a te ao Māori (Māori worldview) perspective.

HOW CAN RISK MANAGEMENT HELP OWNERS?

As custodians of heritage places, we need to manage risks so we can pass these places on to future generations. Heritage places can be affected by predictable and unexpected potential hazards ranging from disasters, emergencies and other adverse events to cumulative impacts. Risk management helps identify the most significant risks, and plan and budget for managing them.

WHO PREPARES A RISK MANAGEMENT PLAN?

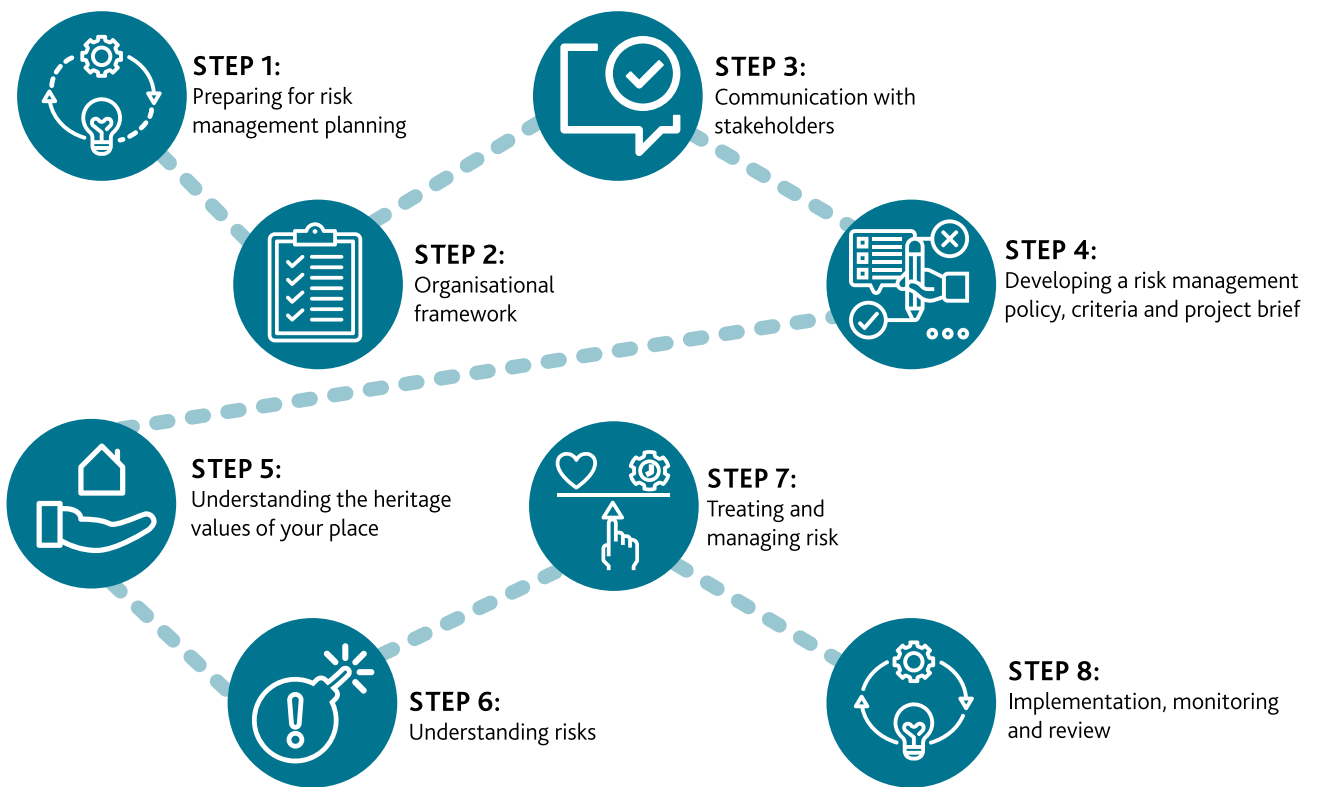
As an owner you will initiate the risk management planning process. You will also need to engage with others with an interest in the place. Only iwi, hapū and hapori Māori can assess heritage values of a place of significance to Māori. They may also have important information on the risks to the place. They should be consulted from the start, and throughout, the risk management planning cycle.

You may need to prepare a project brief and engage specialists to advise on the technical aspects of heritage risk management (see below). Experts can help objectively evaluate the risks to the place and develop an achievable, practical and fit-for-purpose risk management plan.

THE STEPS TO RISK MANAGEMENT FOR HERITAGE PLACES

The risk management methodology is set out below (see **Step 1** in the *Guidance*). It involves preparing, consulting, identifying and analysing risks, and developing action plans. It focuses on addressing risk at the stages of:

1. REDUCTION
2. READINESS
3. RESPONSE
4. RECOVERY.



STEP 1: PREPARING FOR RISK MANAGEMENT PLANNING

As an owner, you can start risk management planning by becoming familiar with risk concepts:

- risk is a function of hazard, exposure and vulnerability (see [Step 6](#))
- risk management is a process to identify, assess, manage and prepare for any risk that could affect your place, taking account of the likelihood and consequence of the hazard
- risk management is applied to the stages of readiness, response, reduction and recovery (see [Step 7](#)).

The process described in the *Guidance* is summarised below.

STEP 2: ORGANISATIONAL FRAMEWORK

The next step is to develop a framework and define the scope of the project.

For a place managed by an organisation or body corporate, you will need to involve the governance or management team, as set out in [Step 3](#), set up a risk management group, and establish roles and responsibilities.

STEP 3: COMMUNICATION WITH STAKEHOLDERS – WHO NEEDS TO BE INVOLVED?

Identify which iwi, hapū and hapori Māori, stakeholders and communities you will need to engage with during the preparation and implementation of the plan:

- iwi, hapū and hapori Māori can help you to identify any kaitiaki communities for the place in question. They have partnership status through the Treaty and the heritage place may have a particular group recognised as kaitiaki. They will be able to provide mātauranga, traditional Māori knowledge, or local knowledge about existing resilience strategies and the appropriateness of any new risk management practices proposed for ongoing sustainable development.
- custodian communities, who have an association with the place and feel some responsibility towards its care.
- stakeholders will have a direct interest in the place and may also have relevant local knowledge.

When consulting, start early in the process, provide adequate information, seek views and local knowledge, allow sufficient time for responses, and allow for face-to-face meetings at appropriate venues.

You may also need to involve and get buy-in from your governance or management team, or body corporate (see [Step 2](#)) and others with an interest in the property or relevant knowledge.

STEP 4: DEVELOPING A RISK MANAGEMENT POLICY, CRITERIA AND PROJECT BRIEF

POLICY

A risk management policy outlines strategic objectives for the heritage place (**Step 4** of the *Guidance*). It may set out the organisational support needed, if appropriate. You may need to update the policy as risk and organisational factors change. Consider any legislative requirements, such as consents needed under the Building Act 2004 or Resource Management Act 1991.

RISK CRITERIA

A risk management policy must include risk criteria to be used to evaluate the significance of the risk to your place and inform decision-making. Criteria may include how you will measure risk, determine likelihood, and how you will assess the level of risk and what level is acceptable.

DEVELOPING A PROJECT BRIEF

Once you have developed your risk management policy and criteria, you can determine the additional expertise needed and prepare a project brief for engaging specialists. A specialist can work through the steps below with you to produce a risk management plan for your place.

STEP 5: UNDERSTANDING THE HERITAGE VALUES OF YOUR PLACE

Identifying the heritage values of the place, and the most important features to protect, will help prioritise your response. For example, protecting a modern addition is less critical than original heritage fabric and features. A conservation plan is a useful start. If you don't have one, you may need to do research or ensure your project brief includes identifying key heritage features.

If the place is on the New Zealand Heritage List Rārangī Kōrero, or a district plan schedule, there may be information available on the heritage values. As stated above in **Step 3**, only iwi, hapū and hapori Māori can assess heritage values of a place of significance to Māori.

STEP 6: UNDERSTANDING RISKS

Risk is a function of four interlinked components:

- **Hazard** is a process, phenomenon or human activity that may cause loss of life, injury or other health impacts, property damage, social and economic disruption, environmental degradation or impact cultural heritage values. Primary hazards may lead to secondary hazards.
- **Exposure** refers to what is exposed to a hazard. It may include people, infrastructure, buildings, cultural heritage values, the economy and other assets.
- **Vulnerability** is the set of conditions determined by physical, social, economic and environmental factors, or processes which increase the susceptibility of a historic place to the impact of a hazard.
- **Likelihood** refers to the probability of an event occurring or the chance of something happening.

Your ability to manage risks depends on your *capacity*: your strengths, attributes and resources available to treat or manage the risks.

IDENTIFYING RISKS

The first step in understanding risk is to develop a list of potential hazards to your place. Risks to your place will depend on location, the type of construction and the condition of the place:

- **Regional risk:** some regions have a higher risk of earthquakes, while other regions are vulnerable to intense storms or flooding. Is the place in a fire risk region? Information on regional risk factors can be found in the regional Civil Defence Emergency Management (CDEM) Group Plan.
- **Local and site risks:** is your place situated in a place exposed to high winds, flooding or land instability? Is it at risk from coastal erosion and storms?
- **Type of site or building:** Does the construction method exacerbate some types of risk? For example, wooden buildings are at greater risk of fire and unreinforced masonry from earthquakes.
- **Building or site condition:** Is the building or site in good condition? Deferred maintenance can contribute to risk, e.g. if a building is not weathertight or the site is poorly drained.

RISK MATRIX

		CONSEQUENCE				
		1 INSIGNIFICANT	2 MINOR	3 MODERATE	4 MAJOR	5 CATASTROPHIC
LIKELIHOOD	A: ALMOST CERTAIN OR CUMULATIVE	Medium	High	Very High	Extreme	Extreme
	B: LIKELY	Low	Medium	High	Very High	Extreme
	C: POSSIBLE	Low	Medium	Medium	High	Very High
	D: UNLIKELY	Very Low	Low	Medium	High	Very High
	E: EXTREMELY UNLIKELY	Very Low	Very Low	Low	Medium	High

ANALYSING RISKS

Risk analysis uses the information collated above to provide a detailed understanding of key risks, the likelihood, exposure and vulnerability to the hazard, and the underlying causes.

Look at:

- the key risks identified above, based on local and regional information
- exposure of your place to the hazard and the vulnerability, based on the site factors identified above, and
- from this information, assess the likelihood of the event or situation occurring, and the potential consequences
- use the risk matrix above to assess the severity of each type of risk by reading the value off the table where the likelihood row intersects with the consequence column
- For example, if the likelihood is possible and the consequence is major, the risk will be high.

EVALUATING RISKS

In this step you produce a hazardscape of the key risks, based on your analysis above. The result for a small coastal wooden building in Northland might look like this:

HAZARD	LIKELIHOOD	CONSEQUENCE	RISK
Climatic change	A	4	E
Storm	A	4	E
Flood	A	3	VH
Fire (accidental and arson)	C	5	VH
Weathering	A	3	VH
Human actions: Intentional damage	C	5	VH
Human actions: Unintentional damage	B	3	H
Pandemic	C	4	H
Loss of traditional knowledge	C	4	H
Insufficient environmental controls	C	4	H
Financial	B	3	H
Tsunami distant	B	3	H
Tsunami local	E	4	M
Earthquake	E	2	VL

Key

Likelihood – A (Almost certain or cumulative), B (Likely), C (Possible), D (Unlikely), E (Extremely unlikely)

Consequence – 1 (Insignificant), 2 (Minor), 3 (Moderate), 4 (Major), 5 (Catastrophic)

Risk – VL (Very Low), L (Low), M (Medium), H (High), VH (Very High), E (Extreme)

STEP 7: TREATING AND MANAGING RISK

The output of this step is a set of action plans setting out priorities, actions, cost and timeframe and who is responsible (see section 8 of the *Guidance*). Consider, for each risk, the stages in the risk management cycle set out below. The emphasis should be on *risk reduction* and *readiness*.

Iwi, hapū and hapori Māori, in particular kaitiaki communities, are likely to have existing methods of dealing with risk, whether traditional or modern. These include the use of traditional materials and construction techniques and rituals, land management systems and understanding the environment. These need to be integrated, where appropriate, into the design of the risk management plan.

Strengthening the association and participation of these kaitiaki communities is a positive long-term outcome for the future survival of the heritage in question.

RISK REDUCTION

Can a risk be eliminated or reduced by reducing the vulnerability or exposure of the place? Reducing the likelihood of an event is seldom an option. Relocation affects heritage values, but may be necessary where a place is at risk as a result of climate change. Risks from progressive deterioration can be reduced by fixing the problem, such as old wiring posing a fire risk. Risk reduction focuses on reducing the magnitude of the impacts, e.g. by seismic strengthening. Sometimes the only option is to transfer the risk via insurance or accept the risk and plan for recovery and response.

READINESS

Readiness is the need to prepare for and be able to respond efficiently and effectively in an emergency event. This requires thorough planning to have resources and processes in place before an event occurs.

RESPONSE

The ability to respond effectively and efficiently during an event that threatens human life or heritage values depends on preparedness and the procedures developed in the Reduction and Readiness phases. For example, the readiness phase for flood risk may include securing a supply of sand bags for use in the response phase.

RECOVERY

Recovery following an event includes the processes to achieve the immediate, medium and long-term recovery of the heritage place. These processes will need to address the immediate operational needs of the place, assess exactly what 'recovered' will look like and put in place plans to achieve this, and look to minimise risk from hazards in future.

STEP 8: IMPLEMENTATION, MONITORING AND REVIEW

Implementation of the action plans requires ensuring resources are available for priority actions: funding, personnel, contractors, materials and project managing the work.

Monitoring the implementation of the risk management plan against the criteria in the risk policy (**Step 4**) assesses whether the objectives for protecting the place have been achieved.

Plans should be revised periodically, incorporating lessons learnt from monitoring and any new information on risks. Action plans are revised to accommodate new risks or actions completed.

COVER: Re-roofing of Wesley Church, Wellington as part of a major conservation and seismic strengthening project.

PHOTO CREDIT: Wesley Church, Paul Cummack, 22 July 2020

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