

### 3. HERITAGE RISK MANAGEMENT

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Corporate Plan Output: Heritage Building Retention	

The purpose of this report is to explain a risk assessment and reporting format for the prioritising of all listed heritage buildings currently at risk.

#### INTRODUCTION

There has been considerable discussion recently about the prioritising of heritage funding, in particular from Councillors, the Outputs and Standards Review and the media. The uncertainty over the monies required for immediate heritage threats may result in the feeling that the issue is being treated in an ad hoc way. However, the Council has recognised this dilemma with the provision of an Emergency Heritage Fund.

To assist in providing better information and advice to the Council an analysis and reporting process has been prepared which helps identify and prioritise heritage buildings at risk. The method is relatively straightforward and prioritises buildings according to levels of risk and the heritage value of the buildings as identified through the City Plan Heritage value process as detailed in Volume 2, Chapter 4, pg 4/16.

The individual building Heritage Value is multiplied by the assessed Risk Factor to provide an Overall Risk Value. A Risk Priority is assigned according to the level of the current Overall Risk Value associated with the heritage item.

The Risk Priority calculation method is therefore-  
Heritage Value x Risk Factor = Overall Risk Value/Risk Priority

#### Risk Factors

- 1 = Sale/Vacant
- 2 = Deterioration/earthquake/fire upgrade requirement
- 3 = Application for significant alteration/alternate uses/Environment Court
- 4 = Application for demolition
- 5 = Demolition Consent approval
- 6 = Imminent demolition

Address	Description	Heritage Value	Risk Factor	Overall Risk	Risk Priority
56 Cathedral Square	Lyttelton Times	29	5	145	1

The following purposes for the risk assessment method are proposed:

- **Environment Committee Reporting**

This simplified format substituting Heritage Group for the specific Heritage Value and not including the calculated Overall Risk can then be used to include Incentive Grant Approvals with an additional column for comments.

Address	Description	Heritage Group	Risk Factor	Risk Priority	Incentive Grant
56 Cathedral Square	Lyttleton Times	2	5	1	
134-140 Gloucester St	Former Star/Lyttelton Times Bldg	2	5	1	
50 Cathedral Square	Warners Hotel	3	5	1	\$150,000
15 Cathedral Square	Former Chief Post Office	1	3	2	
129 Cambridge Tce	Canterbury Club	1	3	2	\$30,000
138-148 Park Terrace	Former McKellar/Wesley	3	4	2	\$100,00
138-148 Park Terrace	Former Fleming/Wesley	3	4	2	\$100,00
343 Colombo Street	Samoan Congregational Church	2	3	2	\$75,000
359 Riccarton Road	Old Saddlery	3	4	2	\$20,000

A full version of the report for July 2000 is attached which shows the monthly report proposed to provide information on all listed heritage buildings currently at risk. The status of some at risk buildings could change on a monthly basis. It is suggested that this information be provided on a monthly basis for the Environment Committee Report.

- **Environmental Monitoring Indicator**

This risk assessment process has been discussed with Information and Monitoring and they have included it as an indicator in the 2000 Update report. A yearly average of numbers of heritage buildings in each Priority Group based on the monthly summaries would provide an annual indicator in addition to the monthly summary.

- **Emergency Heritage Fund Policy**

The Emergency Fund Policy would recognise the Risk Priority ratings of each heritage item as a basis for the use of the Fund.

- **Community Heritage Cost/Benefit Survey**

This contingent value study has been proposed to be undertaken by Massey University. The Risk Priority assessment is an important tool in deriving a realistic yearly heritage cost scenario for this survey. On this basis the current report has been supplied to Massey for consideration with the survey proposal.

- **EPPU Heritage Tracking**

The detailed report forms a viable tool for tracking the status of and the changes to current heritage risks.

## CONCLUSION

There have been criticisms regarding the uncertainty of heritage risks and potential costs. The attempt to calculate the total costs of the strengthening and retention of all central city heritage buildings does not provide a realistic understanding of the potential financial costs for heritage retention at any particular time.

It is therefore proposed that the Risk Assessment procedure be used as a tool to provide a better understanding and management of our financial resources for heritage retention.

- Recommendation:**
1. That the Heritage Risk assessment process and format be used for reporting on Heritage Risk priorities on a monthly basis.
  2. That the Heritage Risk priorities form the principal criterion for the allocation of the Emergency Heritage Fund and where necessary for the Heritage Incentive Fund.

**Chairman's  
Recommendation:** For discussion.