

MAYORS REPORT TO COUNCIL 27 MARCH 2025 - ADDITIONAL TABLED REPORT

Good Morning

I apologise that this is tabled rather than being part of the Order Paper.

Council has been exceptionally busy over the last month with many national level meetings for Mayors and Councillors and we continue to grapple with the relationship building around Local Water Done Well. In my earlier report I had said that the turnout for LWDW public meetings was incredibly low and at the time of writing that was the case. The meetings in Bulls and Taihape attracted less than 10 people combined. I thank that handful of people. However the meeting in Marton subsequent to me writing my report was the exception, turnout was huge possibly also boosted by the street collection of rubbish issues.

Recently Council has made the decision to partially fund the pick-up of rubbish i.e. wheelibins and bags across the district following a local company ceasing trading. The Deputy Mayor and I met with senior staff essentially saying we were not prepared for this rubbish to be left to be scattered around our streets or potentially dumped wherever. That did come at a cost and it was a short term fix. Wheelibins and bag collection are a private matter between the property and private contractors and I urge everyone to either take up current contractors' offers that are available now or to use the Transfer Stations directly. Information on this is available on our websites. My thoughts also go to the owners and staff of the company that is in liquidation. They have provided a service for a large number of years, are huge contributors to our district and I feel for them.

Equally for Marton residents, Council has provided a water tanker at the Memorial Hall over the last few weeks to assist with the seasonal odour/taste issues. That has come to an end but the filter station on site will continue to still be available. This will be the last summer when these issues exist, with the transition to bore water happening this winter. This decades old issue of poor tasting water in Marton will soon be behind us.

There are a number of other issues I wish to further comment on.

1. On 18 March I attended an Infrastructure Resilience Symposium in Auckland chaired by Angela Young from Tonkin + Taylor. I will try and make available the presentations but I add these comments now.
 - i) The conference opening comments were from Nick Leggett CE Infrastructure New Zealand and also Chair of Wellington Water. He said this conference is about the need for a national resilience structure to support New Zealand. He stated that "as defined by Lloyds of London we are second to Bangladesh in countries susceptible to national disasters". Think here of Gabrielle, Christchurch etc.
 - ii) The next speaker was Reid Basher a specialist in National Disaster Risk Management. He qualified the scale of the issue in regards to costs for recent events -
 - Canterbury earthquake - \$40b estimate
 - Leaky homes - \$47b estimate
 - Covid - \$58b estimate
 - Gabrielle - \$10b estimate

- New Zealand's debt now sits at \$192b whereas in 2015 it was \$60b.
- He also noted that you can have significant events such as a 7.8 earthquake shake in Fiordland that caused very little collateral damage – imagine the effect when this happens off the East Coast of the North Island.
- He then moved onto how you would reduce these disaster risks which are by way of –
 - a) Knowledge/data
 - b) Best practices in construction etc
 - c) Policy/Bylaws, i.e. politics – this is about not building in high risk (flood prone) areas and learning the lessons from the past.
- He commented that at the time of the event there is always significant interest but post-disaster lessons are forgotten and the invisibility of risks sits there for decades.
- We as a sector are scared of policy positions because they then threat property values.
- He finished by saying that New Zealand has 33 national risks identified.

iii) Chris Bishop Minister of Infrastructure - his comments were –

- There is a need for a transparent model in New Zealand for who pays for risk management.
- Risk management is about safeguarding our economy.
- We have two options – invest to protect; or to insure.
- 4% of our national GDP is tied to natural hazards.
- We need to deal with these issues and to highlight to overseas investors that New Zealand is a good place to invest.
- Our asset management risk processes are poor, partly because of our ageing infrastructure.
- He gave the example of a \$40m pipe in Wellington buried but not connected and not listed on any asset management plan.
- His message was clear – work out what we own and how we should look after it and replace it.
- We have an adhoc response to disaster crises i.e. bespoke political solutions. It leaves councils/districts thinking why should we invest to mitigate if Government will just turn up. This is, I think, partially unfair – think of our roading partnerships with Government and our Local Government share of GDP and our ability to fund.
- He also criticised Government “We have too many Government people across risk management/civil defence, there is a spaghetti junction of linkages that needs to be sorted”.
- Government is looking to co-invest with councils using Shayne Jones' fund to protect communities and for relatively small sums of money the payback is huge. (Think of stopbank funding here for Horizons in our region).
- Minister Bishop talked enthusiastically about PPP (Private Public Partnerships) where there is the ability to lock in processes and costs over a long time. Where buildings etc are maintained by companies who have an interest in them. These build/design/maintain contracts are becoming more widely used in New Zealand.

- He ended with a couple of one-off notes “the RMA should be suspended in times of national disaster” and “that water decisions (LWDW) have been made in New Zealand by politicians rather than by good decision makers, i.e. people with professional expertise”.
- iv) Simon Watts – Minister of Climate Change/Local Government/Minister of Energy
- Speech was on party lines i.e. New Zealand is open to investment and we need to encourage GDP growth.
 - Simon built further on the cost of natural disasters to New Zealand.
 - He is looking to build a national policy on climate change resilience in conjunction with the opposition parties.
 - Adopting to climate change is a long term challenge and there is a desperate need for data.
 - He touched on city/regional deals as a partnership between local/central Government which are 10 year deal structures.
 - He talked about the success of Auckland Water dispelling the myths that are out there in the country.
- v) Panel Discussion – Stuart Smith MP Kaikōura / Simon Court working on RMA reform as a Minister / Kieran McAnulty Opposition Minister of Infrastructure / Chloe Swarbrick Green Party Co-leader
- Cyclone Gabrielle involved many neighbouring districts and in the past the Civil Defence model relied on support from your neighbours. I recognised this as a very good point.
 - Unfortunately this session became tit-for-tat between the relevant political parties i.e. Greens/Labour -vs- Government which was a real pity because it had the potential to be a very very good session.
 - The blame was levelled on Local Government for rate increases -vs- the ability for Local Government to be able to fund itself.
 - A disappointing session but one where Chloe spoke very well compared to the others.
- vi) Jo Hendy – CE Climate Change Commission
- Highlighted the effects of climate change and talked about businesses closing when power goes down (mill closures etc).
 - People will look to migrate to New Zealand under international climate change effects.
 - Food will become more expensive.
 - Climatic events leverage off previous events i.e. a severe drought makes you far more susceptible to floods.
 - Cited the advantages of councils restoring wetlands/solar farms noting that for every dollar spent now it saves \$10 later.
- vii) Aotearoa Futures – Social Cultural Adaption for Resilience – speakers Dr Alanga Rā, Director for Social Investment WSP and Dr Rowan Dixon WSP
- Mana Whenua is often better placed to lead discussions on Climate Change, they are more aligned to the value for the dollar, they are more versatile and react faster in times of disaster.

- Governments will come and go but Iwi will always be there.
- The Maori population percentage will continue to rise in New Zealand and they have a patient mindset to investment.

viii) Panel discussion regarding Roothing Transport - Vanessa Brown NZTA as lead -

- A limited supply of Government funding and Local Government funding is under pressure.
- The conversations here were about roads that should not be replaced noting that people elect to live in remote areas and then expect connection.

ix) The symposium continued with presentations on telecommunication resilience and energy security

- A takeout was that technology is the fourth strand of infrastructure i.e. very similar to the need for having roads.
- The energy security looked at 90% of New Zealand electricity being from renewable sources, demand is dramatically increasing with electric cars and companies wanting to convert boilers to electricity for national political reasons. The winter storage lakes levels in 2024 were publicly realised to be very low, in 2025 they are potentially worse.

x) This was a session on who pays for climate change lead by Jonathan Boston from the Wellington School of Business

- The biggest single issue is sea level rise
- National disasters in 2024 cost an estimated \$320b USD worldwide
- Talked about the sea level rises in New Zealand - by 2100 it will probably be about 70cm.
- An example cited was the potential need for the relocation of Westport a town of 4000 residents which would come at a current cost of \$2b.
- It is seen that the assistance for business owners is less than that of residents.
- Rental units and second homes should not get as much assistance?? / effectively this is means testing.
- Those that need relocation see themselves as victims not beneficiaries.

xi) Final speaker Chris Faafoi CE of Insurance Council

- There is a 75% chance of a magnitude 8 earthquake occurring over the next 50 years.
- Collectively the Insurance Council covers \$2 trillion of New Zealand assets.
- There are 8400 FTEs working in the industry.
- Last year the industry paid out 78% of its income.
- Insurance in the future will not be available on flood plains.
- Banks will not lend without insurance so why would council zone flood plains for urban.