

EQC: INSURING THE FUTURE OF PLANNING

DR WENDY SAUNDERS, MNZPI
PRINCIPAL ADVISOR, RISK REDUCTION & RESILIENCE
CHAMPION OF LAND USE PLANNING

Our mission: To reduce the impact on people
and property when natural disasters occur.

WHAT I'M GOING TO COVER

- What is EQC, and why do we care about smarter land use planning?
- The challenges we're seeing
- What we're doing about it ... and we need your help



Our mission: To reduce the impact on people and property when natural disasters occur.

WHAT IS EQC?

The Earthquake Commission is a New Zealand Crown entity investing in natural disaster research, education and providing insurance to residential property owners.

We're not just about earthquakes ...

We provide natural disaster insurance for residential property; residential building is generally insured for a maximum amount \$150,000 (+ GST). Automatic with household insurance.

We administer the Natural Disaster Fund (NDF), including its investments and reinsurance.

We fund research and education on natural disasters and ways of reducing their impact.

Our mission: To reduce the impact on people and property when natural disasters occur.

What is and isn't covered

Click on the highlights below to see what is and what is not covered by EQC.



THE CHALLENGES WE FACE

These challenges are being exacerbated by climate change

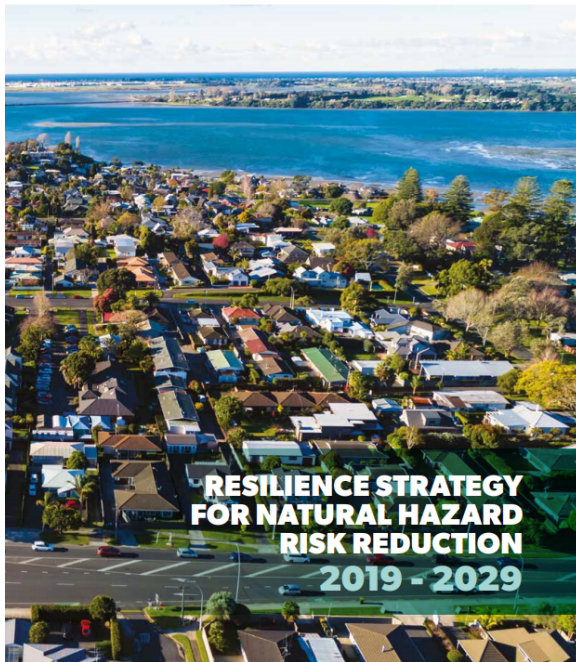


Our mission: To reduce the impact on people and property when natural disasters occur.

KEY DRIVERS



Addressing New Zealand's
current and future disaster
resilience challenges



Public Inquiry into the Earthquake Commission

Uiuinga Tūmatanui ki te Kōmihana Rūwhenua

Report of the Public Inquiry into the Earthquake Commission

March 2020



Our mission: To reduce the impact on people
and property when natural disasters occur.



OUR RESILIENCE GOAL



More resilient buildings
and infrastructure
reduces damage and
impacts



Smarter land use
avoids the worst risks



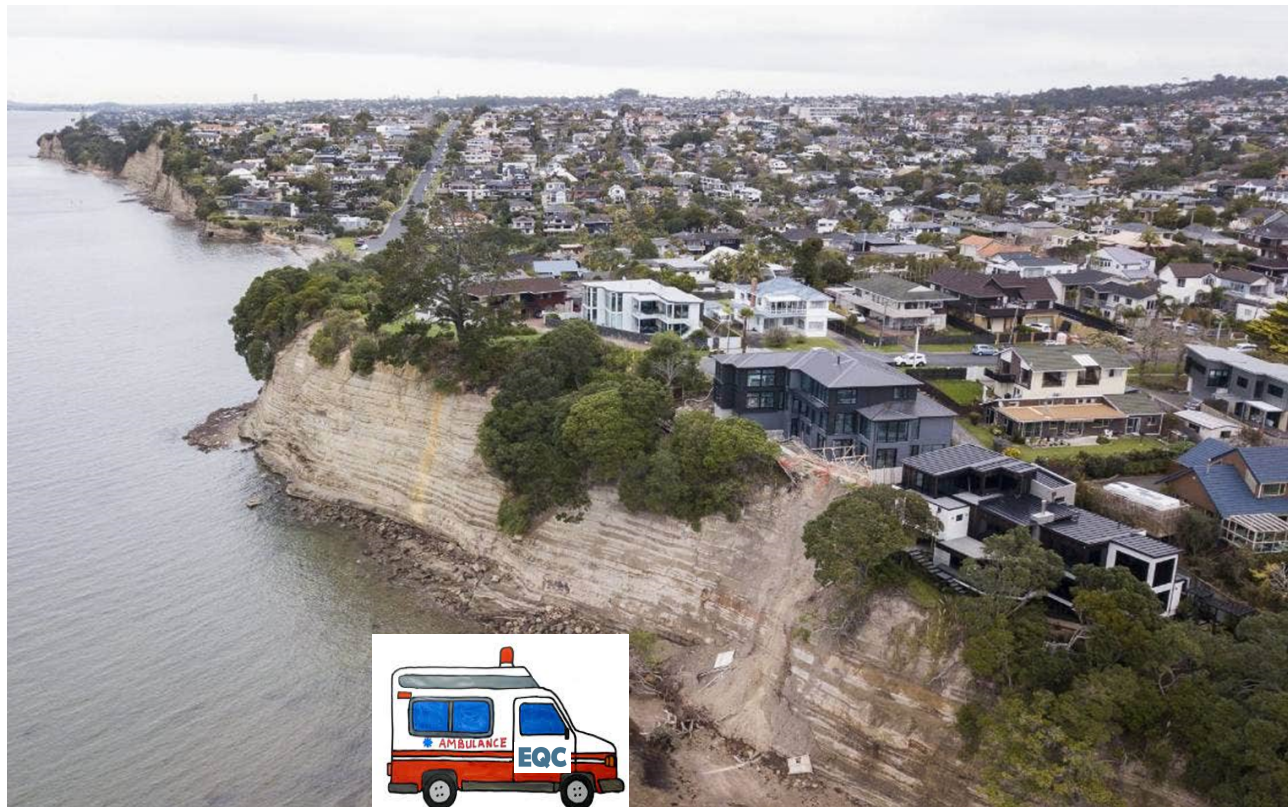
Sustained access to
insurance markets
funds effective
recovery



Reducing New Zealand's
vulnerability and exposure
to natural hazard events

Our mission: To reduce the impact on people and property when natural disasters occur.

EQC'S LIABILITY ...



Our mission: To reduce the impact on people and property when natural disasters occur.

BLUFF HILL, NAPIER

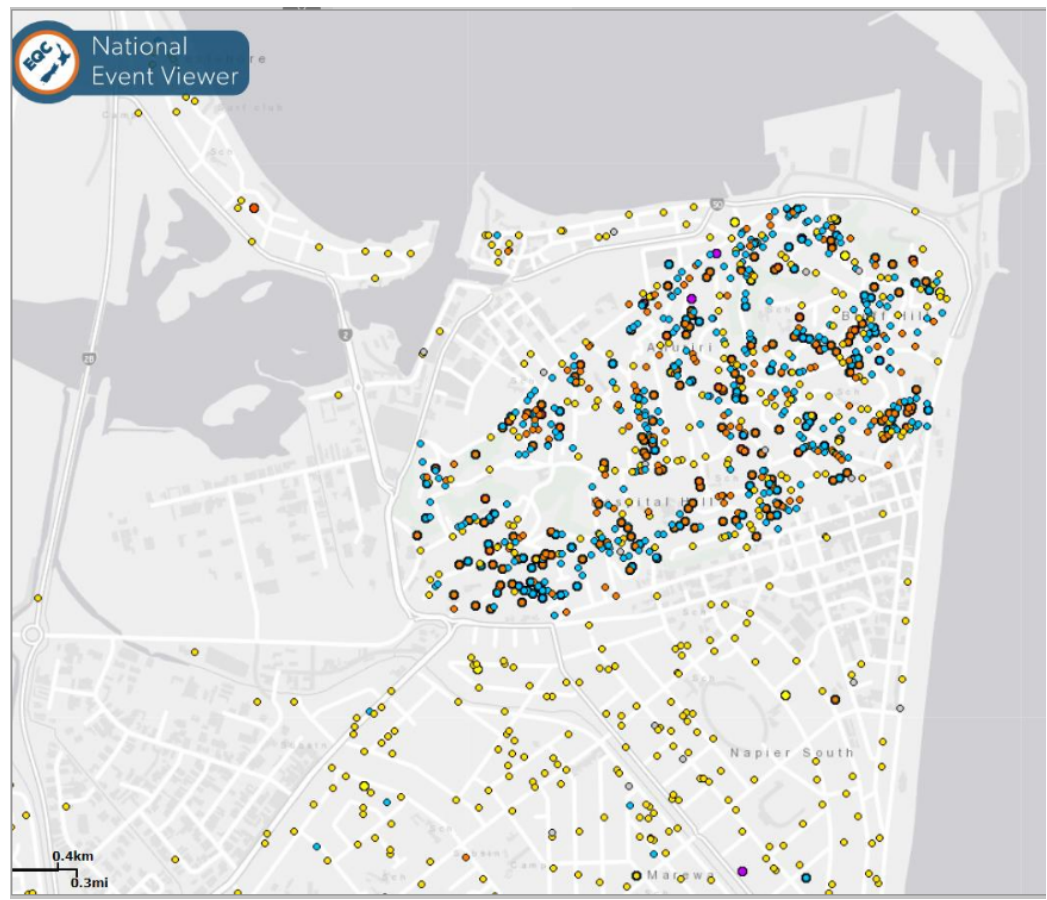
Historic and current claims

Yellow = building only

Blue = land and building

Orange = land only

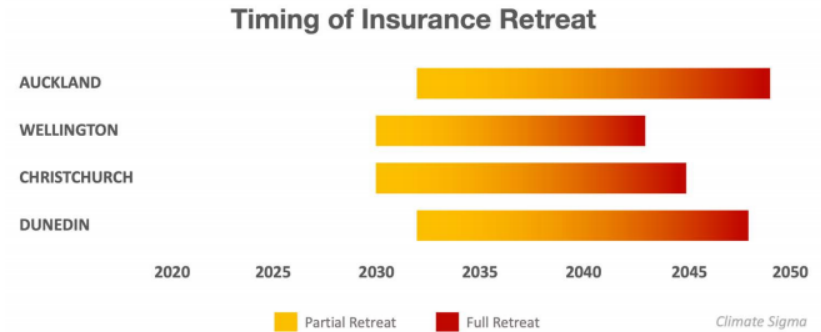
Purple = under assessment



Our mission: To reduce the impact on people and property when natural disasters occur.

INSURERS ARE LOOKING AT PLANNING OUTCOMES

- NZ has one of the highest rates of insurance internationally
- Mortgage typically 30 years, but insurance renewed annually
- EQC comes with your insurance, but what if no insurance?
- Future threat of insurance retreat
- Insurers becoming more involved in land use planning decisions

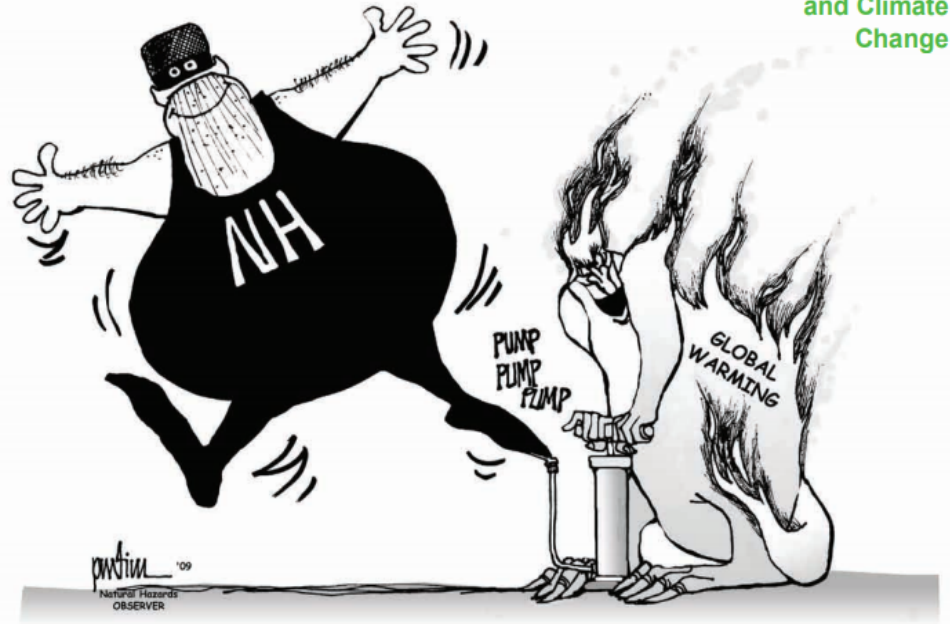


Our mission: To reduce the impact on people and property when natural disasters occur.

THE CHALLENGES WE SEE (1) – NATIONAL POLICY

- Climate change is a phenomena, not a natural hazard – the effects exacerbate natural hazards
- Silo-ing of climate change and natural hazards
 - Clear direction in the Randerson report
 - Unclear direction in the NAP, CAA, SPA, NBA
- Tension and priorities between development pressure and smarter planning
 - Inconsistent national policy e.g. NPS-UD

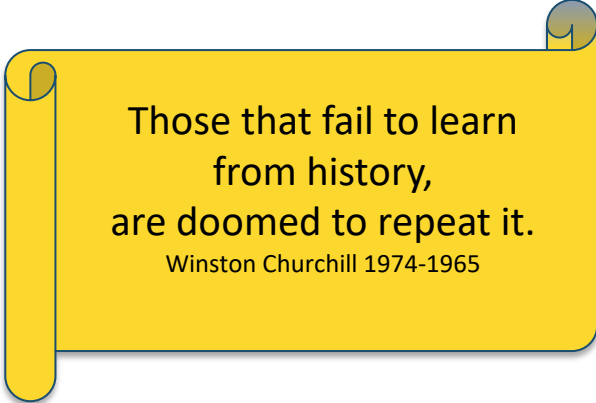
Focus on Hazards
and Climate
Change



Our mission: To reduce the impact on people and property when natural disasters occur.

THE CHALLENGES WE SEE (2) – COUNCILS

- Councils unable (or not wanting) to say no
- Fear of litigation
- Learning from the past
 - 10 years on from the Canterbury earthquakes, how have councils outside of the region changed their planning? What national policies or guidance has changed or been created that has made a difference?
- Understanding and engaging on levels of risk
- Translation of science to policy ... in a timely way ...



Those that fail to learn
from history,
are doomed to repeat it.

Winston Churchill 1974-1965

Our mission: To reduce the impact on people and property when natural disasters occur.

THE CHALLENGES WE SEE (3) - POOR PLANNING OUTCOMES

- Legacy planning issues
 - Managing poor planning outcomes when we didn't know better ...
- Existing and future planning issues
 - Managing poor planning outcomes when we did know better ...
- Reliance on insurance for 'residual risk'
 - Still need to manage the residual risk – is it OK when things fail?
 - Will poor land use planning be the residual risk of the future?



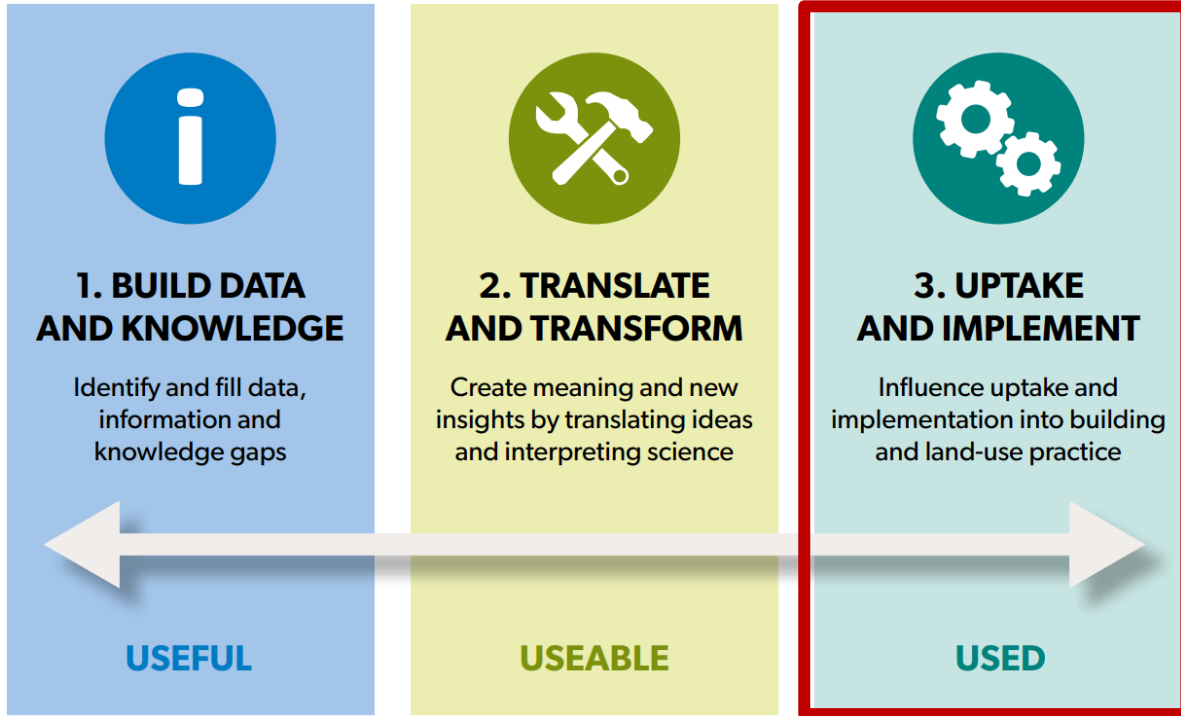
SKY VIEW PHOTOGRAPHY NZ/STUFF



Geoengineer.org

Our mission: To reduce the impact on people and property when natural disasters occur.

WE WANT TO HELP!



Our mission: To reduce the impact on people and property when natural disasters occur.

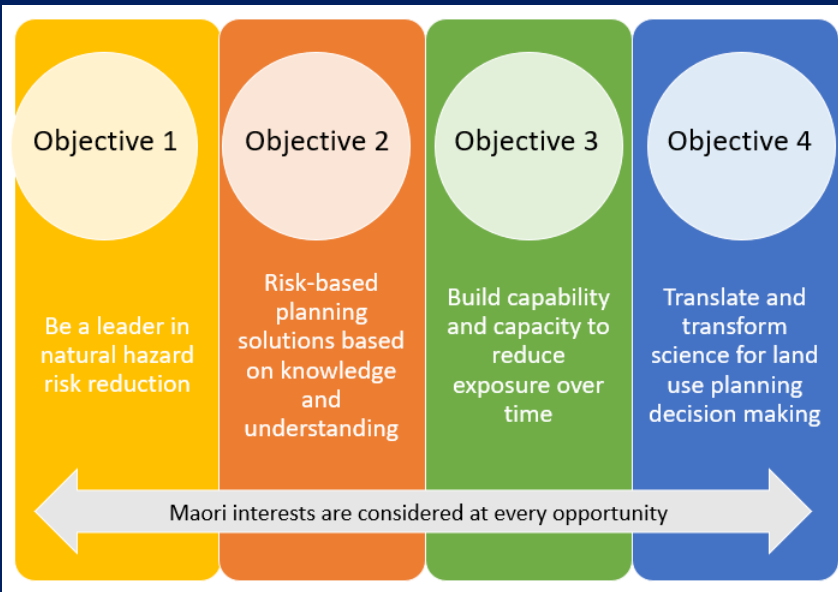
SMARTER LAND USE ACTION PLAN FOR RISK REDUCTION 2021-2026

Taking a proactive approach to reduce our current and future risks through risk informed land use planning: stronger homes, built on better land, served by resilient infrastructure, supported by affordable risk capital



To be read in conjunction with the EQC Resilience Strategy 2019-2029 & Public Inquiry Recommendations

HOW WILL THIS BE ACHIEVED?

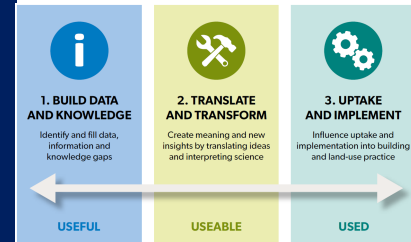
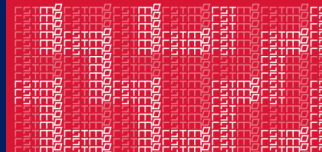


TARGET AUDIENCE



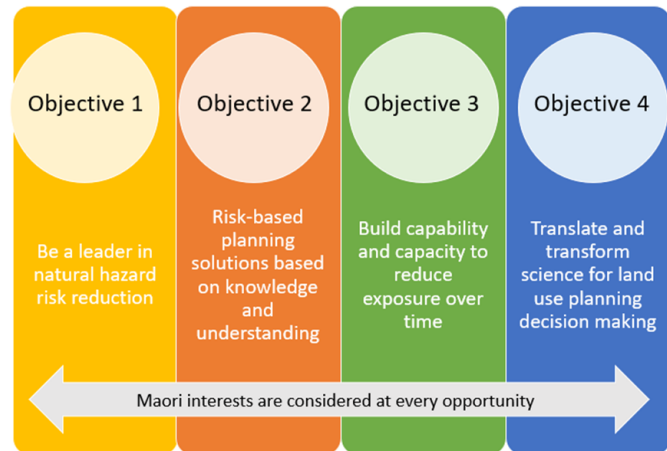
Vision Mātauranga

Unlocking the Innovation Potential of Māori Knowledge, Resources and People



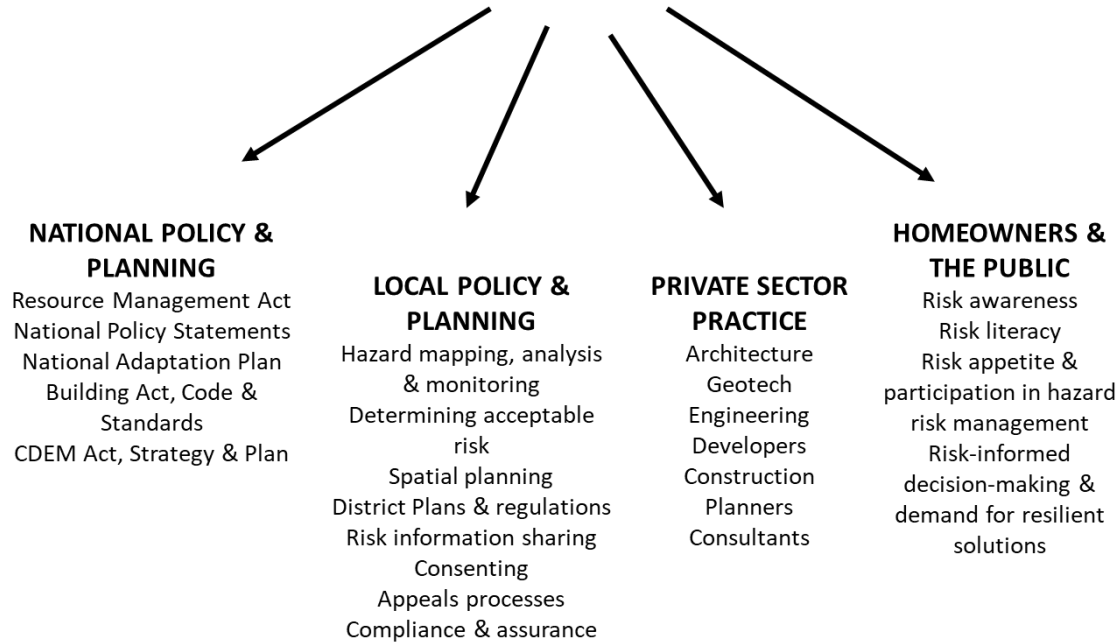
KEY ACTIONS FROM THE PLAN

- EQC Statement of Expectations on land use planning for natural hazards
- Informing NAP, NBA, SPA and Climate Adaptation Act
- Working with NZPI to develop a CPD programme
- We will submit on regional policy statements and district plans of interest (or as requested)
- Funding for the translation of science for iwi and councils
- Sharing of claims data



Our mission: To reduce the impact on people and property when natural disasters occur.

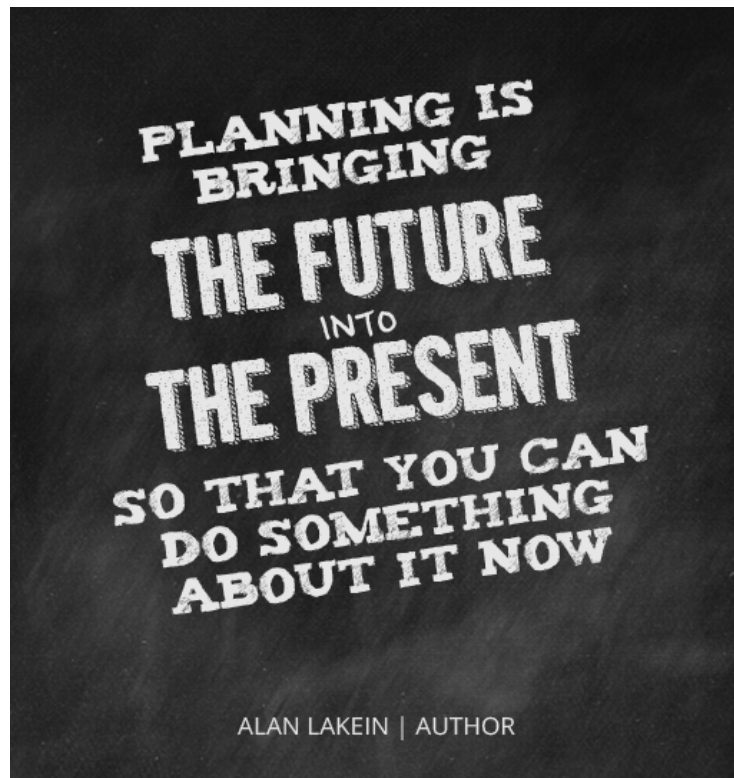
BUT WE CAN'T DO THIS ALONE ...



Our mission: To reduce the impact on people and property when natural disasters occur.

AND FINALLY ...

- Consider climate change and natural hazards - together
- We want to support you in making good decisions
- We have data we can share
- Don't let planning become the residual risk of the future
- Please contact me for planning support:
wsaunders@eqc.govt.nz



Our mission: To reduce the impact on people and property when natural disasters occur.