

Water New Zealand

NEW ZEALAND WATER & WASTES ASSOCIATION INCORPORATED

ANNUAL GENERAL MEETING

President's Report

**Wednesday, 23 September 2009 at 5:30pm
Rotorua Energy Events Centre, Rotorua**

It is my pleasure to present the President's Report for the year ending 30 June 2009.

This is the first President's Report under the Water New Zealand brand. The new name has been received with universal acclaim and has made a very real and positive difference to the Association's recognition externally on all matters relating to Water in New Zealand. Thank you for your support with the rebranding exercise.

The second significant event in the past year has been our new Chief Executive, Murray Gibb, settling into the role. Murray has quickly come up to speed with our sector, aided by his scrutiny of the science that underpins our work and his willingness to engage personally in the national affairs of the Association and in particular within the corridors of central government.

Over the past year the Association has taken policy positions on a variety of matters: *Central Leadership, Flood Risk Management, Integrated Water Management, and Water Metering and Volumetric Charging on Domestic Dwellings*. With 1400 members there had been some trepidation in taking policy positions, however for the Association to step into the leadership void in the New Zealand water sector, Board ratified policy positions had to be determined. Thank you all for your engagement in the process of developing these policies. With such a large membership it is inevitable that we will not all agree with the positions taken. The constructive discussions we have around these differences of opinion are what take our collective thinking forward as we demonstrate leadership.

Our Special Interest Groups (SIGs), Water Services Managers' Group (WSMG) and Senior Executives' Forum have continued to meet and function satisfactorily during the year. This is, however, an area where I feel the Association can be doing better to leverage the value from sharing experiences between the groups by assisting with clearer expectations of

frameworks and guidelines to work within, and the outputs expected. The Board has allocated SIG portfolio responsibilities and members should make contact on any issue either through the SIGs or directly to the relevant Board members.

I met with all the group chairs and the Conference Technical Committee chair at the end of July. This SIG chair group, including myself and assisted by the Association staff, has committed to lifting-the-game going forward.

The Turnbull Forum, facilitated by the Association, was set up as an independent, multi-sector body committed to a solutions-based approach to improved water management; taking a leadership role in the development of commonly agreed principles and structures through which competing interests in water resources can be reconciled. The work that this group has completed in the last year, facilitated by Peter Whitehouse and lead by Peter, Terry Heiler and Guy Salmon, has been focussed on the Resource Management Act reforms and how an Environmental Protection Agency can be integrated within a proposed national governance structure for water in New Zealand. This work is presented in the *Governance for Water* document.

This past year has not been easy for the Association financially. In spite of the recession, revenue from conferences has held up, as have membership subscriptions. Publication and advertising sales have been down, as has the contribution from NZWETA where short courses, in particular, have been regularly cancelled due to low enrolment numbers. There has also been a change in accounting policy from cash accounting to accrual accounting for Association subscriptions during the year which has had a one-off \$70,663 detrimental affect on our results. Overall we budgeted for a loss of \$15,904 and the final year end result is a loss for the Parent of \$32,394k. Cashflow has however remained strong. The 2009/10 budget has a \$15,826 profit.

When we consider the actions developed from the Board's strategic planning exercise and reflected in the Business Plan the Association remains resource constrained. The Board is continuing to assess ways in which the Association can broaden its income without compromising our public-good purpose. These options include increasing subscriptions by more than annual inflation adjustments. My motion today, to increase subscriptions, is solely to increase subscription revenue in pace with inflation increases to our costs of current business.

It has been a pleasure to work with my Board colleagues over the past year; Sioban Hartwell, Clive Rundle, David Ward, Steve Carne, Margaret Devlin, David Hill and Richard Lauder. To the departing Board members, my thanks to Richard Lauder, who presented a compelling case for the Association's brand name change. Sioban Hartwell has been on the Board for five years;

with her stepping down from the Board there is a parting of the ways in terms of things past in the Association. Sioban has had a constant guiding hand and focus on the Association's finances and her contributions have left the Association in a healthier state.

The Water New Zealand staff deserve specific mention. The support they give to our members, the SIGs, the researching and development of policy, the networking with associated organisations, their commitment to delivering conferences and functions, and their commitment to using our scarce resources wisely, all combine to give a positively energised Water New Zealand staff complement.

Looking forward to the next year, we need better connections between our SIGs whilst keeping up our national water policy advocacy and leadership work. We also need to be in-tune with our New Zealand-wide membership and are planning at least annual regional meetings in the main centres in the next year. By this time next year we need to have developed a simple and compelling story for the necessity for water and wastewater demand management.

This may include determining New Zealand's water footprint so that we can get clarity on the extent to which New Zealand relies on our water resources as a net exporter of virtual water. New Zealand is blessed with plenty of freshwater; we just have to get it to the right place at the right time without diminishing our superb natural environment in which we live and play.

Martin Smith
President