



Meeting of the Hawke's Bay Regional Council Maori Committee

Date: Tuesday 25 October 2011
Time: 10.15am
Venue: Council Chamber
Hawke's Bay Regional Council
159 Dalton Street
NAPIER

Agenda

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1.	Welcome/Notices/Apologies	
2.	Conflict of Interest Declarations	
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4.	Confirmation of Minutes of the Maori Committee held on 20 September 2011	
5.	Matters Arising from Minutes of the Maori Committee held on 20 September 2011	
6.	Consideration of General Business Items	
7.	Action Items From Previous Maori Committee Meetings	5
Information or Performance Monitoring		
8.	Verbal update on Economic Development by Councillor Alan Dick, Mr Michael Bassett Foss, Economic Development Manager and Mr Murray Douglas, President Hawke's Bay Chamber of Commerce. 10.30am	9
9.	Council Policy on "Significance"	35
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HAWKE'S BAY REGIONAL COUNCIL**MAORI COMMITTEE****Tuesday 25 October 2011****SUBJECT: SHORT TERM REPLACEMENTS****REASON FOR REPORT:**

1. Council has made allowance in the terms of reference of the Committee for short term replacements to be appointed to the Committee where the usual member/s cannot stand.

RECOMMENDATION:

That the Maori Committee :

That _____ be appointed as member/s of the Maori Committee of the Hawke's Bay Regional Council for the meeting of Tuesday, 25 October 2011 as short term replacements(s) on the Committee for _____



Viv Moule
HUMAN RESOURCES MANAGER



Andrew Newman
CHIEF EXECUTIVE

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL**MAORI COMMITTEE****Tuesday 25 October 2011****SUBJECT: ACTION ITEMS FROM PREVIOUS MAORI COMMITTEE MEETINGS****INTRODUCTION:**

1. On the list **attached** as **Appendix 1** are items raised at Council meetings that require actions or follow-ups. All action items indicate who is responsible for each action, when it is expected to be completed and a brief status comment for each action. Once the items have been completed and reported to Council they will be removed from the list.

DECISION MAKING PROCESS:

Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that as this report is for information only and no decision is required in terms of the Local Government Act's provisions, the decision making procedures set out in the Act do not apply.

RECOMMENDATION:

1. That the Maori Committee receives the report "Action Items from Previous Meetings".



Viv Moule
HUMAN RESOURCES MANAGER

Attachment/s

- 1 Action items from Maori Committee Meetings

Actions from Maori Committee Meetings

	Agenda Item	Action	Person Responsible	Due Date	Status Comment
1.	Matters arising from Mins	Paper on 'Significance Policy"	VM	Next meeting	Agenda item to be presented to this meeting
2.					
3.					

Item 7**Attachment 1**

HAWKE'S BAY REGIONAL COUNCIL**MAORI COMMITTEE****Tuesday 25 October 2011**

**SUBJECT: VERBAL UPDATE ON ECONOMIC DEVELOPMENT BY
COUNCILLOR ALAN DICK, MR MICHAEL BASSETT FOSS,
ECONOMIC DEVELOPMENT MANAGER AND MR MURRAY
DOUGLAS, PRESIDENT HAWKE'S BAY CHAMBER OF COMMERCE.**

Reason For Report

1. The purpose of this report is to present an update on regional economic development.

DECISION MAKING PROCESS

2. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION

1. That the Maori Committee receives the verbal report on regional economic development.



Viv Moule
HUMAN RESOURCES MANAGER



Andrew Newman
CHIEF EXECUTIVE

Attachment/s

- 1 REDS Development document

Hawke's Bay

Regional Economic Development Strategy

Strategy Development Document

14 July 2011



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Introduction

This document forms Hawke's Bay's Regional Economic Development Strategy and was developed as a refreshed version of the 2007 strategy.

Economic development activity is undertaken by a range of organisations, both public and private. As part of developing this Strategy there was a need to identify what key organisations are doing and what their core competencies are, where the region needs to go, where the gaps are, and how to collaboratively move forward.

The Strategy will help create a unified approach to economic development, assist collaboration and alignment of work programmes, and reduce duplication of resources. While this Strategy focuses on economic development, the key agencies recognise the importance of a strong and sustainable underlying social, infrastructural and natural environment. The Strategy will complement Councils' existing strategic development frameworks.

A Steering Group was assembled to help guide this work comprising representatives from the Hawke's Bay Chamber of Commerce, Councils, and private sector. The core content of the strategy was gathered and shaped at a workshop of a Reference Group, a broader range of private and public sector representatives.

It was important that this Strategy is readable and useable. It aims to be brief and succinct, achievable, gain buy-in from stakeholders, workable so that it can be used by the various agencies, and collaborative in approach. The underlying focus is to leverage the Hawke's Bay's competitive advantage and to diversify the economic base of the region.

An outcome of the Strategy refresh process should be agreement and protocols between agencies as a basis for cooperation to move the Strategy forward.

This Strategy refresh was led by Hawke's Bay Regional Council (HBRC) and funded by HBRC and New Zealand Trade and Enterprise (NZTE) under the Regional Strategy Fund initiative.

It is proposed that this Strategy is reviewed annually by the Steering Group and signed off by Councils.

It is intended that this Strategy be finally approved to after consultation with the Region's Local Authorities.

Key agencies – current economic development related capacity and delivery programmes

In the following table are the key agencies involved in leading economic development in the region with a list of their main activities. The table is in alphabetical order and there is no attempt to quantify the level of activity undertaken by each agency.

Central Hawke's Bay District Council <ul style="list-style-type: none"> • Business support • Tourism and migrant attraction • Land use and infrastructure 	Eastern Institute of technology <ul style="list-style-type: none"> • Trades and industry training and a range of degree courses • Youth education and skill development • Some postgraduate programme delivery in professional and vocational fields of study • Applied research capacity • National provider in viticulture and wine science
Hastings District Council <ul style="list-style-type: none"> • Business support and attraction • Inwards investment • Tourism and migrant attraction • Significant Tourism/Events infrastructure and service provider • Land use and infrastructure • Sister City relationship 	Hawke's Bay Tourism <ul style="list-style-type: none"> • Tourism, Events • Conferences • Rugby World Cup • Cruise ships
Hawke's Bay Chamber of Commerce <ul style="list-style-type: none"> • Business Hawke's Bay – business attraction and growth • Business support, Biz info, networking, advocacy • Business Partner Network – capability/vouchers (NZTE) • Export Hawke's Bay • Maori Business Network partnership 	Hawke's Bay Regional Council <ul style="list-style-type: none"> • Water management and flood protection • Primary sector: infrastructure; productivity development and capacity expansion • Primary sector science, commercialisation, government partnerships (MED, MAF, MSI, MFE, DOC, NZTE, P&F, AgR) • Business Partner Network - R&D support (TechNZ/MSI) • Hawke's Bay Tourism funder • Sister City relationship
Ministry of Social Development <ul style="list-style-type: none"> • Youth development • Skills matching • Work brokerage 	Napier City Council <ul style="list-style-type: none"> • Business support and advisory, Biz Info, Biz Mentors and capability • Business and investment attraction • Tourism and migrant attraction • Major Tourism/Events infrastructure and service provider • Land use and infrastructure • Sister City relationship
Wairoa District Council <ul style="list-style-type: none"> • Business support • Tourism and migrant attraction • Land use and infrastructure 	Port of Napier <ul style="list-style-type: none"> • Business attraction • Transport infrastructure and supply chain solutions

Situation Analysis

Hawke's Bay Regional Position

<u>Strengths</u>	<u>Opportunities</u>
<ul style="list-style-type: none"> • Hawke's Bay contains one of New Zealand's major urban areas with Napier/Hastings in the 4th rank of urban populations. • Hawke's Bay is a sunbelt region with an attractive climate. • Excellent natural resources and natural environment underpin regional economic growth. • Agriculture and food processing – existing infrastructure and knowledge base offer a comparative advantage. • The region has additional capacity across many attributes including core infrastructure and labour in which to support growth. • Excellent transportation and distribution infrastructure in terms of rail, road, and importantly a competitive export port. • The region offers excellent lifestyle and quality amenities upon which to build a compelling story for migration, business attraction, investment and growth. • The region possesses excellent pre-school, primary and secondary school infrastructure, and perceived as a 'great place to bring up kids'. • EIT is a robust and credible education centre for skills development, applied research capacity and national provider in viticulture and wine science. • Iwi have well developed and functional relationships within the region. 	<ul style="list-style-type: none"> • Water irrigation potential has the ability to raise the cap on primary sector production and trigger productivity improvement outcomes. • Falling land and capital values, lower energy costs and higher sunshine hours relative to other regions. • Capitalising on the economic value of the region's living environment for attracting new migrants and businesses. • Ability to partner with CRIs, central government agencies and universities to inject science and better commercialisation around the primary sector. • Biomass and bio agriculture opportunities. • Green growth – environmentally sustainable products and services offer trade and business opportunities. • Climate change – the opportunity for new land use. • Create a better Hawke's Bay identity around attributes such as art deco and earthquake heritage. • Better branding and marketing of the region around the concept of quality, to improve business attraction and sales margins of products. • The roll out of broadband, in both urban and rural areas. • Settlements and investment opportunities arising from Treaty of Waitangi claims. • Iwi has an appetite to be involved in economic development related initiatives. • Business hub for service and manufacturing sectors. • Better linkage between youth skills and work. • Ability to increase tourism and compete in other markets through a more cohesive approach. • Build upon the perception that HB is a 'great place to bring up kids' by creating further infrastructure around good sporting and cultural expertise and facilities – critical for attracting skilled and entrepreneurial people. • Market the region as a desirable location for expatriates to return to. • Market the region as an attractive relocation destination for the 50-65 age bracket.

<u>Weaknesses</u>	<u>Threats</u>
<ul style="list-style-type: none"> • Low population growth relative to other some regions and decreasing ratio of working age demographic. • Population composition in terms of a higher proportion without formal qualifications and fewer with post school qualifications than nationally averages. • Some labour shortages across unskilled, semi-skilled, skilled and professional categories, particularly during the peak of the growing season. • Difficulty in attracting and retaining key staff and entrepreneurs. • High unemployment, lower incomes and high rates of benefit dependency. • A low wage economy (which impacts business attraction). • Lack of scale and the lack of right people with experience and knowhow to achieve this. • Qualifications of school leavers are below national averages. • Loss of talented, well educated young people overseas and to larger metropolitan centres. • Fragmentation of delivery of services by agencies, and historical patch protection. • Unlike competitors such as Tauranga and Nelson, Hawke's Bay lacks proximity to large population centres as a source of inward migration (particularly retirement). • Hawke's Bay is one of the few large population centres in New Zealand without a University. • Little external interest in Hawke's Bay as other than a great place to holiday, raise kids or retire. 	<ul style="list-style-type: none"> • Population projections indicate slow/low growth for the region, which makes the region less attractive and harder to gain the economies of scale needed for service provision. • Working age population is forecast to reduce 10% between 2011 and 2031, with an increase in the proportion of unskilled Maori population. • No crown research institute or university with intellectual capacity to leverage commercial opportunities. • Doing nothing increases the probability that the region falls further behind other regions. • With nearly one third of the region's GDP tied up with primary production, disease outbreaks and/or extremes of weather have the capacity to seriously impact the economy. • Risk of earthquake, tsunami, flood or other natural disaster. • Lack of centralized urban hub and cohesive leadership means that the region may not be as well positioned to drive progress, such as with central government initiatives. • Climate change – likelihood of drying and more extreme weather events. • Rising energy costs. • Perception of high crime rates and personal security risk as a barrier to migration attraction. • Businesses often fail to take responsibility for quality improvement, e.g. in customer service.

Key Regional Themes

The following themes provide a summary of the environmental scan captured in the preceding SWOT analysis.

- The region possesses strengths in terms of having an attractive lifestyle and climate, as well as low relative density of population.
- Historically regional EDA initiatives for a variety of reasons have generally failed to fulfil their promise.
- In the past there has been a lack of a forum to allow collaboration between agencies in their approach to effective regional economic development.
- There has been a fragmented approach to business and migrant attraction, with several agencies and the Port of Napier (PONL) having involvement in this function.
- Iwi are in settlement discussions with Crown over Treaty of Waitangi claims, and with their well developed relationships and appetite to become involved, they will become a more important stakeholder in the regional economy.
- EIT is a robust and credible tertiary education training organisation that can meet many of the educational and training needs of the region.
- The projected low growth in population and the ageing of the population base will place pressure upon the region's infrastructure and on industries to cope with a smaller work force and potentially lower household disposable incomes.
- Marketing of the region has historically centred around Wine Country branding, however, little has been done to leverage concepts such as a quality source of products and raw materials to improve business attraction and sales margins of products.
- Extensive transportation and distribution infrastructure in terms of rail, road, and importantly a competitive export port have been compelling factors to attract import based businesses to the region.
- Total annual visitor numbers to Hawke's Bay have been relatively stable since mid 2009, although they are significantly below numbers seen over the 2005-08 period.
- Formation of Hawke's Bay Tourism will build a strong voice for the tourism sector within the region with better communication and better regional engagement.
- The visitor profile to Hawke's Bay has changed in the last few years, partly due to the increase in cruise ship visits, causing infrastructure issues due to increased demand.
- As this Strategy has been developed there is a move to create a private sector partnership based regional economic initiative to focus on retaining, growing and attracting business to Hawke's Bay.
- Continued innovation and productivity improvements such as livestock genetics, water management and bio initiatives have allowed further on-farm gains to be introduced, although there are barriers to getting uptake of these improvements.
- Opportunity to capitalise on Green Growth, service, product and trade opportunities.
- Primary sector production has room for significant increase in productivity if there is access to secure water supplies and by leveraging Hawke's Bay's competitive advantage around good land availability, temperate climate and well developed primary sector ecosystem.
- CRIs, central government agencies and universities are keen to be involved in implementing science in the primary sector, assisting with commercialisation and export growth – this is an area that is lacking in Hawke's Bay.

- The ageing population creates widespread succession planning issues for land based and other industries.
- Climate change and rising energy costs will impact farming practises and profitability.
- HBRC is a major funder for regional economic development, collecting the regional rate from rate payers across Hawke's Bay and is accountable to them.
- District and City Councils through their rating base also make a significant contribution to economic development.

Recognised Gaps and Key Strategies

Arising from the Key Regional Themes the following
RECOGNISED GAPS AND KEY STRATEGIES emerge.

Whilst the region has a lot to celebrate with its economic development achievements, the following gaps in the current regional economic development agenda are evident from the environmental scan summarised earlier in this document.

In identifying these gaps and recognising the region's finite resources to drive economic development, and in an attempt to be focused and achievement orientated, these areas form the key strategic areas of focus of this Strategy.

Agency collaboration

Economic development is carried out by a number of entities in the region with little coordination to date. This results in gaps in the regional agenda, duplication and wasted resources, and few synergies to evolve. It is critical in this Strategy that every effort is made to be complementary in the economic development agenda that is shaped and advanced collaboratively.

Primary sector and related value added capability

More than 40% of Hawke's Bay's GDP is tied to the primary and related sectors, yet there is considerable untapped potential to derive more from this sector. Increasing productivity and capacity is important, as is adding greater value to products and processes. There needs to be a more focused approach to what is the competitive advantage and driving force behind Hawke's Bay's economy.

Regional identity, branding and marketing

Hawke's Bay is known for its compelling lifestyle, amenity and temperate climate – it's a great place to visit and live. However, there is little use of regional branding in business related activities and the marketing of products. There is untapped potential to develop regional identity and brand based on concepts such as "quality" and "Green Growth" opportunities, which can be used for business attraction and value added initiatives. This area of focus will be integrated into the following key strategic areas of focus below.

Business attraction

Business attraction activities are undertaken by several agencies in the region with little collaboration. There is potential to leverage respective agencies efforts and focus resources to achieve greater outcomes for Hawke's Bay.

Visitor Growth

Visitor numbers to Hawke's Bay are significantly below those seen between 2005 and 2008. Furthermore, planning of the regional promotion work programme has not been well linked with tourism industry operators. Better coordination with industry and a focused work programme will build a strong voice for Hawke's Bay tourism and a more effective spend of tourism budget.

Attract key skilled and high value migrants

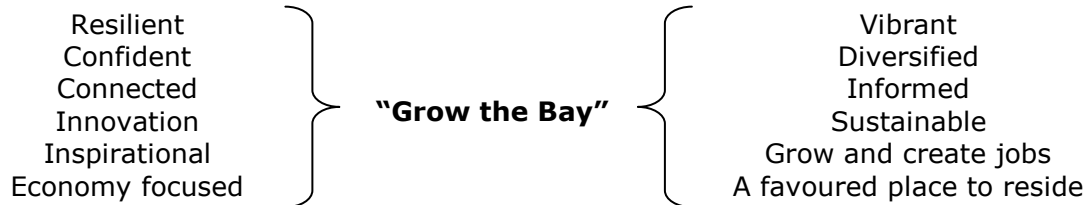
Hawke's Bay's population is forecast to grow more slowly than the national average and is characterised by a relatively large proportion of low income workers. Furthermore, like many regional areas, talented young adults migrate to larger cities or overseas to find work and a more exciting lifestyle. Hawke's Bay needs to retain and attract more skilled and high value migrants in order to grow businesses and add to the diverse and creative

culture of the region. Historically, various successful migrant attraction initiatives have been undertaken by several agencies. A refreshed, focused and coordinated approach is urgently needed to really make a lasting difference to the region. Activity needed to progress this strategy is to be merged into the above strategies, particularly Business Attraction.

Vision and Mission

After outlining Recognised Gaps and Key Strategies, the following VISION and MISSION are proposed.

Vision



Mission

To make Hawke’s Bay the best location in which to visit, work, invest, live and grow.

Outcome Statement – Hawke’s Bay in year 2022

Hawke’s Bay will outperform national economic trends including GDP and exports, population growth, labour market outcomes, household incomes, increased wealth in businesses, and higher socio-economic indicators and education levels.

Hawke’s Bay will have risen to the challenge created by an insatiable demand for food, the liberalisation of international trade in food and changes brought about by climate. Radical changes have been made in agricultural science, farming and agri-business practices. Hawke’s Bay’s biological systems have been largely protected and managed. There is a vibrant manufacturing and processing sector that is adding value to a large portion of the commodities produced from our primary sector.

The Port of Napier is the 4th largest port in New Zealand by volume throughput, with many import orientated companies clustering around distribution links. Hawke’s Bay is known for its high quality life style, a diverse economic base and as a high quality supplier of products. A highly skilled workforce enjoys the vibrancy of growing businesses in Hawke’s Bay.

The region has a well diversified range of tourism products that makes it a destination of choice for domestic tourists. International tourists rate Hawke’s Bay as one of the best locations in New Zealand.

Key Strategic Growth Themes

Having established Gaps and Key Strategies, Vision and Mission, the following KEY GROWTH THEMES are presented.

The key growth themes outlined below represent the main opportunities for the Hawke's Bay region to expand given the limited resources open to it and the opportunity set available. These themes include:

1. Agency Collaboration
2. Resilient Primary Sector Growth
3. Visitor Growth
4. Business, Investment, Skills and Migrant Attraction

For each growth theme, a clear objective is devised, followed by a sequence of strategies and actions designed to help with the achievement of the objective. These growth themes, strategies and actions should not be seen or taken in isolation. There are significant cross-over effects between them, such as enhancing the regional identity and brand will assist visitor growth, business attraction and ultimately the margin of products sold from the region. Likewise, developing the intellectual sector will assist attracting primary and knowledge based sector related businesses to the region.

Strategy Focus

Leverage primary sector competitive advantage

Hawke's Bay's competitive advantage lies in its temperate climate, availability of productive land, potentially abundant water supplies, and its amenity. There is untapped potential to expand the large proportion of regional GDP derived from primary and related sectors. Accordingly, the underlying focus of this Strategy is to leverage the regions primary sector competitive advantage.

Diversify the economy

There is significant potential to expand diversity, innovation and creativity in Hawke's Bay's economy on the back of a vibrant thriving primary sector. A focus theme of this Strategy is to attract migrants, skills, investment and businesses so as increase regional diversity and vitality, and ultimately broaden the economic base of Hawke's Bay.

Strategy Outline

<p>Vision</p> <p>Grow the Bay</p>
<p>Mission</p> <p>To make Hawke's Bay the best regional location in which to visit, work, invest, live and grow</p>

<p>Agency Collaboration</p> <p>Deliver a collaborative and complementary regional economic development strategy that makes best use of resources available in the region</p>

Resilient Primary Sector Growth	Visitor Growth	Business, Investment, Skills and Migrant Attraction
Increase primary sector resilience to changing climate and global market opportunities	Increase Hawke's Bay's market share of domestic and international visitors	Retain, grow, diversify and attract highly productive, rapidly growing businesses and talented people

Growth Theme 1 – Agency Collaboration

Theme issues

- The scope and scale of issues that will confront the region over the next five to ten years will require a coordinated approach.
- Collaboration presents a cohesive front to the world at large and in unmistakable terms promotes the region in a coordinated and effective manner.
- Encouraging coordination between the region's TLAs, particularly around land development and infrastructure, would enable better consistency with external marketing of the region and more certainty for local businesses.
- We have to have something to confront low population growth – it is not something we should accept.
- Iwi are in settlement discussions with Crown over Treaty of Waitangi claims. If these potential resources are harnessed in an appropriate way, they could be a catalyst across the region's key industries of food processing and tourism. Iwi has an appetite for this discussion.
- Making sure that the whole gamut of organizations within the region are involved in development and roll out of activities will be vital to ensuring all possible regional resources are used.
- In the past there has been an absence of a forum to allow improvement of collaboration between agencies in their approach to effective regional economic development.

Objective

Short term	Long term
Establish an enduring private/public economic development delivery model	Make demonstrable progress on delivering against this strategy and continue to shape this strategy in the future

Strategies and implementation

Item 8

Attachment 1

Strategy 1. Agree a regional model involving contributors to economic development that provides direction and then delivers against this regional economic development strategy.	
Lead agency: Business Hawke's Bay	Action a. Support Business Hawke's Bay, which is aligned with but at arm's length to the Chamber of Commerce, to oversee direction of this Strategy. Action b. Agree to a private/public sector funding and governance model for Business Hawke's Bay comprising: i. Reference Group involving a broad range of regional stakeholders to periodically contribute to shaping the Strategy and ensure various agendas and work programmes are aligned ii. Governance Board primarily made up of private sector and major funding representatives. Advisors to be Council Economic Development officers, Hawke's Bay Tourism GM and Chamber senior staff. Action c. Agree roles, responsibilities and a set of protocols for key agencies to collaborate to deliver against this Strategy. Action d. Agree a set of high level KPIs and measurement model to track progress against this Strategy including regional GDP, household income, labour market outcomes, employment, and population. Those responsible as the lead agency for respective actions are accountable to agree and sign-off against KPIs.
Support agencies: All Local Authorities	
Cost implications: Private sector funding from key stakeholders NCC and HDC contribution is via existing resources with funding committed either by annual contribution or on a project by project basis Funding from HBRC via regional rate	
Implementation tools: HBCoC resources TLA contribution is via a project by project basis or as otherwise determined by the TLA.	
Timing priority: Immediate	

Growth Theme 2 – Resilient Primary Sector Growth

Theme issues

- Primary sector production has potential for significant increase in productivity if there is access to secure water supplies and by leveraging the regions competitive advantage.
- A qualified and renewing supply of labour is an enabler of primary related industries with appropriate training investment. Seasonal peaks need to be managed using local and 'imported' labour.
- Continued innovation and productivity improvements such as livestock genetics, water management and bio initiatives have allowed further on-farm gains to be introduced, although there are barriers to getting uptake of these improvements.
- Increased competition is coming from countries currently on the periphery of agriculture, such as China, Chile, Brazil and India. Lower labour and land costs, as well as economies of scale are putting pressure on NZ's traditional markets.
- CRIs, central government agencies and research schools have the potential to be involved in implementing science in the primary sector, assisting with commercialisation and export growth. This is an area that is lacking in Hawke's Bay.
- The region has a well developed supporting infrastructure and industry to grow new food initiatives.
- With Treaty of Waitangi settlements, Iwi as landowners and investors will become a more important participant in the region's economy.
- Demand will guide supply – processors will largely control land use change, influence productivity improvements, and have power over where value is extracted from the value chain.
- Attracting new and higher valued processing players will assist the region extract greater value from the raw material that exists or is grown in the region.
- The aging population of farming land owners creates widespread succession planning issues and inhibits the ability to drive widespread land use change and productivity improvements.
- Climate change and rising energy costs will impact farming practises and profitability, which creates barriers as well as opportunities.
- Hawke's Bay Regional Council has an established programme committing significant resources to bolster primary sector economic development activity, particularly around water security and management, and land use capability and productivity.
- Sustainable environmental management is a positive in global markets. Emerging opportunities for Green Growth related initiatives are becoming important.

Objective

Short term	Long term
Existing businesses adopt best practice with continuous improvement in productivity and sustainability.	The region is resilient to climate change and takes advantage of business opportunities in the global market place.

Strategies and implementation

Strategy 1. Ensure water security and sustainable land use.	
Lead agency: HBRC	Action a. Develop, implement and monitor regional water strategy (6 months). Action b. Lead the establishment of more efficient water irrigation systems (36 months). Action c. Ensure appropriate, sustainable land use in relation to productive capacity (36 months).
Support agencies: Regional and national stakeholders, TLAs	
Cost implications: Primarily HBRC funded	
Implementation tools: HBRC resources	
Timing priority: 6 to 36 months	

Strategy 2. Increase capacity and capability through value added products and processes.	
Lead agency: HBRC	Action a. Actively work with land user groups and partners to implement productivity improvement initiatives Action b. Expand processing sector capacity by business development initiatives targeting major processors
Support agencies: Regional and national stakeholders, TLAs	
Cost implications: Primarily HBRC funded	
Implementation tools: HBRC resources	
Timing priority: Ongoing	
Lead agency: HBRC in collaboration with Business Hawke's Bay	
Support agencies: TLAs Regional and national stakeholders	
Cost implications: Primarily HBRC funded	
Implementation tools: HBRC resources Business Hawke's Bay resources	
Timing priority: Ongoing	

Item 8

Attachment 1

Strategy 3.	
Increase and share knowledge around primary sector businesses.	
Lead agency: HBRC in collaboration with Business Hawke's Bay	Action a. Drive relationships with research schools and CRIs to inject applied science into the region, and assist with commercialisation, productivity improvements, production capacity expansion, and exports
Support agencies: TLAs	
Cost implications: Primarily HBRC funded	
Implementation tools: HBRC resources	
Timing priority: Immediate to 36 mths	
Lead agency: HBRC	Action b. Leverage support from central government agencies to grow the primary sector including MAF, MED and NZTE, MSI, MFE, and DOC
Support agencies: National agencies	
Cost implications: Primarily HBRC funded	
Implementation tools: HBRC resources	
Timing priority: Immediate to 36 mths	
Lead agency: HBRC and HBCoC	Action c. Maximise the R&D and business growth support available to existing agriculture and food businesses from NZTE and Ministry of Science and Innovation
Support agencies: NCC for NZTE services	
Cost implications: NZTE and TechNZ funded	
Implementation tools: HBRC and HBCoC resources	
Timing priority: Immediate to 36 mths	

Growth Theme 3 – Visitor Growth

Theme issues

- Total annual visitor numbers to Hawke's Bay have been relatively stable since mid 2009, although they are significantly below the numbers seen over the 2005-2008 period.
- Total overnight visitor numbers have reduced 2.5% over the last year. Visitor origins indicate that the region draws the bulk of its tourism flows from domestic markets (80%) rather than international (20%), with overseas numbers growing since 2005 whilst domestic numbers have fallen since 2006.
- Domestic tourism in New Zealand is also flat – this is as a result of little population growth and a strong New Zealand dollar that is driving up outbound travel from New Zealand, although the rising cost of oil creates barriers to travel.
- The visitor profile to Hawke's Bay has changed in the last few years. This is a result of increased cruise passenger numbers. Tourism product is actively being developed to accommodate cruise passenger needs. Infrastructure issues are becoming more apparent with increased demand
- Private accommodation, namely staying in holiday homes and staying with friends and family are on the increase.
- Hawke's Bay's promotional budget compared to regions with comparative visitor numbers and visitor profile is deemed adequate. Greater regional collaboration will enable more effective spend.
- Destination development is an important component of a regional visitor attraction programme with TLAs a major enabler of facilities.

Outcomes

Hawke's Bay becomes significantly more attractive as measured by to New Zealanders and international visitors as a place to visit, do business and live.

To become a highly competitive player within the New Zealand tourism industry, increasing Hawke's Bays market share of both domestic and international visitors and therefore economic contribution to the wider region.

Objective

Short term	Long term
Establishment of Hawke's Bay Tourism as the official Regional Tourism Organisation for Hawke's Bay.	<ul style="list-style-type: none"> • Increase visitor nights by 1% per annum – cumulative growth • Increase total visitor expenditure by 2% - cumulative growth • Increase web traffic by 35%

Strategies and implementation

Strategy 1. Establishment of Hawke's Bay Tourism as the Regional Tourism Organisation for Hawke's Bay.	
Lead agency: HBRC, WCTA	Action a. Integrate the previous tourism function of Venture Hawke's Bay as part of HBRC and Hawke's Bay Wine Country Tourism Association. Action b. Build credibility and confidence through better planning, industry communication and proven results. Action c. Integrate Hawke's Bay tourism promotional activities under one umbrella brand. Action d. Community endorsement and recognition of the value of tourism to the region. Action e. An engagement for active collaboration with TLAs is developed, particularly with those TLAs providing significant tourism/event infrastructure and services.
Support agencies: TLAs	
Cost implications: HBRC primarily with industry support	
Implementation tools: HBRC resources primarily with HBWCT	
Timing priority: Immediate	

Strategy 2. Increase visitor nights, visitor expenditure and web traffic.	
Lead agency: Hawke's Bay Tourism	Action a. <i>Brand</i> Create a unified brand for the region and create a communication platform to drive visits to the region. Action b. <i>Consumer marketing</i> <ul style="list-style-type: none"> Identify key target markets utilizing visitor research. Generate awareness for the region in key domestic and international markets. Ensure consistent alignment with the international marketing messages of Tourism NZ. Drive conversion of promotional activity through channels to drive sales.
Support agencies: HDC, NCC, CHBDC, WDC	
Cost implications: HBRC is major funder supported by industry.	
Implementation tools:	
Timing priority:	

12 to 36 months	<p>Action c. <i>Trade marketing</i></p> <ul style="list-style-type: none"> • Increase profile for Hawke's Bay tourism product amongst key travel sellers in NZ and internationally. • Push the region's capabilities at handling meetings, incentives and conferences. <p>Action d. <i>Events</i> Establish a regional events strategy and coordination framework to facilitate the coordination establishment and/or attraction of new events.</p>
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<p>Strategy 3. Develop quality tourism product in Hawke's Bay.</p>	
<p>Lead agency: Hawke's Bay Tourism Local authorities</p>	<p>Action a. Determine tourism product and service gaps within Hawke's Bay and work with operators and stakeholders to fill product gaps.</p> <p>Action b. Further understand and develop infrastructure requirements to future proof tourism growth for the region.</p>
<p>Support agencies: Tourism industry</p>	
<p>Cost implications: Local authorities are major facility providers and promoters</p>	
<p>Implementation tools: Local authorities via existing resources Private sector operators</p>	
<p>Timing priority: Ongoing</p>	

Growth Theme 4 – Business, Investment, Skills and Migrant Attraction

Theme issues

- The projected low growth in population and the ageing of the population base will place pressure upon the region's infrastructure and on industries to cope with a smaller work force and potentially lower household disposable incomes. This future is unacceptable and must be countered.
- The region possesses strengths in terms of having significant amenity, an attractive lifestyle and climate, depth in rural industries and agri-processing, as well as low relative density of population.
- There is opportunity to expand diversity and creativity in Hawke's Bay's economy, especially on the back of a vibrant thriving primary sector. Being targeted in attracting migrants, skills, investment and businesses will increase regional diversity and vitality, and ultimately broaden the economic base of Hawke's Bay.
- EIT is a robust and credible tertiary education training organisation that can meet the educational and training needs of the region, contribute to human capacity needs of businesses, and has important national provider in viticulture and wine science.
- EIT is an important pillar in the regional economy with a substantial role in student and business attraction.
- The limited economic marketing of the region has centred around Wine Country branding, however, little has been done to leverage concepts such as a quality source products and raw materials to improve business attraction and sales margins of products.
- The region generally lacks scale and would benefit from having more people with commercialisation experience and the knowhow to grow significant businesses.
- As "the" lifestyle region, Hawke's Bay faces competition from Nelson-Marlborough and Bay of Plenty, both of which rank ahead of the region in terms of economic activity growth and in location preference.
- Hawke's Bay is inappropriately perceived as a location with limited economic opportunities outside its core industries of agriculture and food processing. There is business diversity although more is needed.
- Extensive transportation and distribution infrastructure in terms of rail, road, and importantly a competitive export port are a significant export asset and an advantage for potential as an import hub.
- There has been a fragmented and uncoordinated approach to business and migrant attraction, with many agencies and PONL having involvement in this function.
- Increasing the understanding that Hastings/Napier is in the fourth rank of New Zealand main centres by population will benefit the region. Business and economic development has no city boundaries.
- To show that Hawke's Bay is a competitive place to locate a business the region needs effective alignment of policies across TLA boundaries and better promotion.

Objective

Retain, grow and attract highly productive, rapidly growing businesses and talented people.

Strategies and implementation

Item 8

Attachment 1

Strategy 1. Develop, and implement an integrated, identified, campaign to build on our centres of excellence and target new innovative industries to diversify our economic base. Focused, co-ordinated, fast, clever and driven.	
Lead agency: Business Hawke's Bay	Action a. With representative agencies, develop a clear understanding of roles and a working framework for moving forward collaboratively Action b. Develop regional identity and marketing collateral aimed at a targeted attraction of migrants and businesses Action c. Define the target audience and marketing channels including the expatriate/alumni community Action d. Encourage harmonisation of regional resources and support functions such as investment networks, Council consent processes, and business support services, where appropriate Action e. Implement a Hawke's Bay wide programme aimed at raising the aspirations and pride of Hawke's Bay people so that they can in turn better market the region to outsiders Action f. Identify obvious hubs and potential centres of excellence for Hawke's Bay and leverage these to target migrants and business Action g. Leverage broadband deployment and define other drivers attractive to high growth and "light-weight" companies, and implement a focused initiative to grow the "knowledge economy" in Hawke's Bay Action h. Establish an ongoing monitoring programme to measure the effectiveness of business attraction activities
Support agencies: HBCoC, All local authorities	
Cost implications:	
Implementation tools:	
Timing priority:	

Partner Charter

This strategy intends to deal with Hawke's Bay's economic issues and opportunities in a different way - it does not present a one way or single entity solution.

Rather, it reflects the reality that there are several individual agencies in Hawke's Bay which are able to productively bring knowledge, skills and resources to bear individually or collectively on the economic issues and opportunities in Hawke's Bay.

Accordingly, the underpinning operational philosophy is ACTIVE COLLABORATION by the agencies, progressing the essential objectives of improving wealth, employment and economic wellbeing across the whole of Hawke's Bay in partnership.

The ACTIVE COLLABORATION philosophy acknowledges each agencies' identity, independence, and priorities - as well as differing competencies and responsibilities.

The ACTIVE COLLABORATION strategy recognizes and acknowledges Councils' commitment to broader strategic development frameworks for social well-being, culture and sustainability.

Collaboration will have the vital elements of effective communication, sharing, trust, and respect and a willingness to overcome obstacles and difficulties when they occur. Collaboration will also allow for 'in confidence' discussions where commercial sensitivity and conflict of interests exist.

SUBJECT: COUNCIL POLICY ON "SIGNIFICANCE"

REASON FOR REPORT

1. At the August meeting of the Maori Committee there was discussion on the Council's policy on significance and whether it impacted adversely on tangata whenua.
2. This paper is presented to allow the Maori Committee an opportunity to discuss the present policy and determine whether or not any recommendations should be made to the Regional Council

Background

3. The Council's policy on significance is required by Section 90 of the Local Government Act 2002. The policy and any subsequent amendment must be adopted by the special consultative procedure. A summary of the policy must be included in the Long-Term Plan (LTP).
4. Section 5 of the Act defines 'significance' and 'significant'. Significance, in relation to any issue, proposal, decision or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision or matter, as assessed by the local authority, in terms of its likely impact on and likely consequences for:
 - 4.1. The current and future social, economic, environmental or cultural well-being of the district or region;
 - 4.2. Any persons who are likely to be particularly affected by or interested in , the issue, proposal, decision or matter;
 - 4.3. The capacity of the local authority to perform its role and the financial and other costs of doing so.
5. Significant, in relation to any issue, proposal, decision or other matter, means that the issue, proposal, decision or other matter has a high degree of significance.
6. The Council's policy on significance is attached to this paper.
7. It should be noted that no financial thresholds are included in Council's policy and the policy has been used very infrequently in the past few years.
8. The following are the criteria used to indicate whether an issue has a high degree of significance:
 - 8.1. The decision or proposal affects all or a large portion of the regional community in a way that is not inconsequential;
 - 8.2. The impact or consequences of the decision or proposal on the affected persons (being a large portion of a local community) will be substantial;
 - 8.3. The financial implications of the decision on Council's overall resources are substantial.
9. In addition, matters which do not satisfy these criteria may have a high degree of significance where it is known that the decision will nevertheless generate a high degree of controversy within the regional community or a local community.
10. It is evident from the criteria outlined above that Maori could readily argue that as "a large portion of the regional community" or "a large portion of a local community" they are affected by any given proposal or decision.

11. In the main, major decisions or proposals will be available for consultation and comment to the community in general, including any Maori with an interest, via the annual plan process.
12. It is important to note that Government has enshrined the need for local government to involve Maori in decision making processes to acknowledge the intent of the Treaty of Waitangi. The Local Government Act 2002 Section 81 therefore requires Council to involve Maori in decision-making. It could be argued that effective involvement in Council's decision-making processes lessens any perceived disadvantage for Maori in Council's significance policy.
13. In addition, Maori interests in terms of matters of significance to Maori relating to natural resources are also given particular reference in the current Regional Resource Management Plan. There was substantial consultation with Maori in developing the content of the Plan relating to The Maori Dimension (1.5) and recognition of Matters Significant to Iwi/hapu (3.14) attached.

RECOMMENDATION

1. That the Maori Committee receives the report on Council's policy on significance.



Viv Moule
HUMAN RESOURCES MANAGER



Andrew Newman
CHIEF EXECUTIVE

Attachment/s

- 1 Recognition of Matters of Significance
- 2 The Maori Dimension
- 3 Policies

3.14 Recognition of Matters of Significance to Iwi/Hapu

- 3.14.1 These objectives and policies are developed from the issues of significance to iwi/hapu identified in sections 1.5 and 1.6 of this Plan.

OBJECTIVE

- OBJ 34 To recognise tikanga Maori values and the contribution they make to sustainable development and the fulfilment of HBRC's role as guardians, as established under the RMA, and tangata whenua roles as kaitiaki, in keeping with Maori culture and traditions.

POLICIES

- POL 57 Where policy is being developed for the management of natural and physical resources the following matters shall be had regard to:
- (a) Where the effects of an activity have minimal or no measurable impact on the state of mauri, the life sustaining capacity of a resource – no or minimal regulation (noa).
 - (b) Where the actual or potential effects of an activity on the state of mauri are significant – the activity shall be dealt with on a case-by-case basis according to those effects (rahui).
 - (c) Where the impacts of an activity have a severe and irreversible impact upon the state of mauri that activity shall be prohibited (tapu).

- POL 58 To share information on matters of resource management significance to Maori and on processes to address them.

Explanation and Reasons

- 3.14.2 To carry out its obligations under the Act HBRC needs to understand and respect the concept of kaitiakitanga. To achieve this it may be necessary for tangata whenua to share their understanding, knowledge and beliefs as they relate to natural and physical resources. In turn HBRC will undertake to assist Maori in enhancing their knowledge of the resource management process.

OBJECTIVE

- OBJ 35 To consult with Maori in a manner that creates effective resource management outcomes.

POLICIES

- POL 59 Consultation with tangata whenua should be undertaken in a manner that acknowledges Maori values, with the fundamental approach in consultation being "kanohi ki te kanohi" (face to face) or personal contact. Other matters necessary to be exercised are:
- (a) consideration of a consent application not yet finally decided upon
 - (b) listening to what others have to say
 - (c) considering their responses
 - (d) deciding what will be done
 - (e) appropriate timing.

- POL 60 To encourage hapu to develop resource management plans, and to use the plan, when recognised by an iwi authority, to assess the incorporation of Maori values in the planning process.
- POL 61 Resource management decisions made subsequent to consultation shall show regard for that consultation.
- POL 62 The following is the recommended approach for consultation with tangata whenua:
- (a) Where the issue is at a macro, region-wide level consultation be with iwi.
 - (b) Where the issue is localised, yet non site-specific, consultation be with hapu.
 - (c) Where the issue is site-specific consultation be with whanau.
- POL 63 Consultation involving iwi or hapu is expected generally to be undertaken on a marae. The place of consultation should be determined as a result of agreement between both parties.

Explanation and Reasons

- 3.14.3 Effective consultation is the best way to determine the relationship between Maori and their taonga and how kaitiakitanga is to be exercised. The policies set out the interpretation by Ngati Kahungunu of what effective consultation means to them. These policies provide applicants with a guide on some of the practical aspects of consultation.

OBJECTIVE

- OBJ 36 To protect and where necessary aid the preservation of waahi tapu (sacred places), and tauranga waka (landings for waka).
- OBJ 37 To protect and where necessary aid the preservation of mahinga kai (food cultivation areas), mahinga mataitai (sea-food gathering places), taonga raranga (plants used for weaving and resources used for traditional crafts) and taonga rongoa (medicinal plants, herbs and resource).

POLICIES

- POL 64 Activities should not have any significant adverse effects on waahi tapu, or tauranga waka.
- POL 65 Activities should not have any significant adverse effects on taonga raranga, mahinga kai or mahinga mataitai.
- POL 66 The importance of coastal, lake, wetlands and river environments and their associated resources to Maori should be recognised in the management of those resources.

Explanation and Reasons

- 3.14.4 These policies require the active consideration of the impacts of proposed activities on the taonga of tangata whenua.

1.5 The Maori Dimension

1.5.1 OVERVIEW OF RMA REQUIREMENTS

- 1.5.1.1 The RMA requires that the HBRC recognises and provides for the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga, and when exercising functions and powers in relation to managing the use, development and protection of natural and physical resources that it:

- shall have particular regard to kaitiakitanga, and
- takes into account the principles of the Treaty of Waitangi.

- 1.5.1.2 The RMA includes the following requirements:

"...Promote the sustainable management of natural and physical resources" where 'sustainable management' means managing the use, development and protection of natural and physical resources in a way, or at a rate, which enables people and communities [including Māori] to provide for their social, economic, and cultural wellbeing and for their health and safety..." (Section 5);

"...Provide for the following matters of natural importance: ...

.....the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga." (Section 6 (e))

"...All persons exercising functions and powers under [the Act] shall have particular regard to...Kaitiakitanga." (Section 7(a))

"... All persons exercising functions and powers under [the Act] shall take into account the principles of the Treaty of Waitangi (Te Tiriti O Waitangi)." (Section 8)

"... When preparing or changing a regional policy statement, the Regional Council shall have regard to:

(a) (i) any relevant planning document recognised by an iwi authority affected by the regional policy statement; and [any]...

.....regulations relating to the conservation or management of taupure or fisheries." (Section 61 (2) (a) (ii) and (iii))

"A regional policy statement shall state - ...

matters of resource management significance to iwi authorities." (Section 62 (1) (b))

- 1.5.1.3 The Regional Policy Statement therefore must identify issues of significance to Maori to ensure that they are treated in accordance with the above provisions in achieving integrated management of the natural and physical resources of Hawke's Bay.

- 1.5.1.4 This section contains a number of key Maori terms and concepts, the meaning of which may vary between hapu and iwi within the region and may not be easily expressed in the English language. However, in order to promote a fuller appreciation of the contents of this section, the English meaning of key Maori terms and concepts is included in the glossary to this Plan.

1.5.2 HBRC AND IWI RESOURCE MANAGEMENT VALUES

- 1.5.2.1 The preparation of this Regional Resource Management Plan has provided the HBRC with the opportunity to re-examine its own values for the Hawke's Bay community in order to find some common ground and balance with Tikanga Maori values (for Ngati Kahungunu), which not only accord with the spirit of the Treaty of Waitangi but also give a uniquely New Zealand approach to environmental management. The "statement of values and principles" below describes the approach to resource management in Hawke's Bay, comparing the overall philosophy and principles of the HBRC and of Tangata Whenua of the region.

STATEMENT OF VALUES AND PRINCIPLES	
Hawke's Bay Regional Council Principles Of Resource Management	Tikanga Maori Values within Ngati Kahungunu
Concept of Sustainable Management The HBRC strives to manage the natural and physical environment in a sustainable manner, thus preserving its potential to meet the needs of future generations.	Wairuatanga means spirituality based on the notion that natural and physical resources are "taonga tuku iho" (God Given Gifts), the sustainable use of which must encompass all of the elements of "kaitiakitanga" (sustainable stewardship) while recognising the heritage of future generations.
Responsible Management In the exercise of its statutory management responsibilities, the HBRC seeks to minimise regulation. It aims to be fiscally responsible and accountable. Professionalism and recognition of the value of scientific knowledge and understanding will underpin this responsibility.	Rangatiratanga is the right and responsibility for the exercise of kaitiakitanga for the benefit of present and future generations. Within the framework of the Treaty of Waitangi it provides for a partnership with HBRC.
Close Relationships It is important to the HBRC to have enduring healthy relationships with other organisations and agencies with which the Council shares responsibility for the environment.	Whanaungatanga means relationships, based on spiritual origins, and expanded to include both the nature of "taonga tuku iho" and the diversity of people's interests that impact on sustainable use.
Community Participation The HBRC respects people and their needs, and recognises the need for community participation during the development and implementation of this Plan. The Council can be most effective when it has a shared vision and responsibility with the people of Hawke's Bay.	Kotahitanga is the unanimity, accord or consensus reached through the process of consultation for the betterment of the community.
Integrity Business activity in Hawke's Bay and its contribution to the development and prosperity of the region is recognised and encouraged where it is environmentally sustainable.	Manaakitanga is the voluntary rangitiratanga gesture of benevolence toward people in both the formal and informal sense.

- 1.5.2.2 The concepts of Tikanga Maori used are those adopted by the Runanga O Ngati Kahungunu Executive Board in the mid 1990s and are not binding on other iwi within Hawke's Bay.
- 1.5.2.3 Much of what is contained in section 1.6 following reflects these sets of values and principles.

1.6 Iwi Environmental Management Principles

1.6.1 IWI CONCEPTS OF RESOURCE MANAGEMENT

1.6.1.1 Seven consultative hui were held in 1998 to update tangata whenua issues contained in Chapter 5 of the Regional Policy Statement (operative 7 October 1995). The set of issues below has been developed from iwi plans and from the consultative hui, and grouped according to the tikanga value most appropriately affected (see section 1.6.2).

1.6.1.2 WAIRUATANGA

- (a) The need to protect the Mauri, the life sustaining force of natural and physical resources, including waterways and water bodies
- (b) Protection of waahi tapu
- (c) The need for resource managers to take account of Maori spiritual values such as concepts of mauri, tapu, mana, wehi and ihi.

1.6.1.3 A paramount consideration for tangata whenua is the way in which the value concept of 'wairuatanga' (spirituality) can be incorporated into the management ethos of Council as to enhance the sustainable management process.

1.6.1.4 Wairuatanga is not only the foundation for Maori values but also the bond that ties together the other value concepts of rangatiratanga, whanaungatanga, kotahitanga and manaakitanga.

1.6.1.5 RANGATIRATANGA

- (a) Provide clear lines of accountability in this Plan to provide links between policies, objectives and methods.
- (b) Recognition of the guarantees of "tino rangatiratanga" and its relationship with 'kawanatanga' in resource management planning and decision making; call for a wider application of the Treaty partnership principle.
- (c) Recognition of the right to exercise kaitiakitanga through whanau, hapu and iwi.
- (d) Active participation of tangata whenua in policy and decision-making processes of councils.
- (e) Recognition of and provision for traditional and contemporary Maori knowledge in the sustainable management of the region's natural and physical resources.
- (f) Protection of flora used for rongoaa (medicinal) and other cultural purposes from absorption of contaminated water, caused by the application of pesticides and/or chemical sprays.
- (g) Protection of aquatic ecosystems, flora, fauna and fisheries habitat.
- (h) Maintenance of water quality standards in keeping with kaitiakitanga principles: the preservation of mauri and the conservation of species.

1.6.1.6 Rangatiratanga devolves from whakapapa in the first instance and continues to be addressed through the Treaty of Waitangi and thence to the Resource Management Act. This results in the kaitiakitanga that Maori practise through their mana whenua and mana moana over the natural and physical resources of land, air and water.



- 1.6.1.7 The partnership base of the Treaty of Waitangi establishes the relationship between Maori and the Crown. Rangatiratanga was guaranteed to tangata whenua through this partnership, in terms of the continued access to their taonga and tribal self regulation. The Crown's role has been passed on in specific matters through the RMA to local and territorial authorities, these are addressed through plans and policy statements. The individual roles of tangata whenua and the Council, and their partnership towards achieving sustainable management of the environment, are recognised within these documents.
- 1.6.1.8 The environment and the community can benefit from incorporating the Maori resource management principle of guardianship, or kaitiakitanga, that adds to the sustainable management of natural and physical resources and without imposing unnecessary cost to prospective or current resource users or the development process.
- 1.6.1.9 **WHANAUNGATANGA**
- (a) The need to re-affirm the Maori social fabric of whanau/hapu/iwi and other models of Maori representation, statutory or otherwise, as a means to better consultation and on-going good relationships.
 - (b) Recognition of marae as the physical manifestation of tino rangatiratanga and the most appropriate place for consultation with Treaty partners and with councils.
 - (c) The need for the development of relationships between tangata whenua and councils that transcends statutory and Treaty obligations to find joint solutions for and joint inputs into enforcement and compliance procedures.
- 1.6.1.10 Whanaungatanga is the concept that embraces relationships based on both spiritual and physical origins of Maori. It embraces common interests between people usually evidenced through whakapapa. Whanaungatanga is also the concept that recognises the position and intertwined relationship of Maori in respect of the natural and physical world.
- 1.6.1.11 Recognition of the key linkages of whanau, hapu and iwi, along with other forms of Maori representation, gives a clearer understanding of the process for consultation on Maori issues. This is important to resource consent seekers, in terms of providing certainty in the preparation of resource consent applications, without necessarily adding to costs.
- 1.6.1.12 **KOTAHITANGA**
- (a) Recognition of and provision for traditional Maori knowledge in the sustainable management of the region's natural and physical resources.
 - (b) The need for tangata whenua and councils to act jointly to protect those characteristics of the natural and physical resources of special value to Maori, including waahi tapu, tauranga waka, mahinga kai, mahinga mataitai and taonga raranga.
 - (c) Recognition of the various models of Maori representation and their positive contribution arising out of their dual roles of kaitiaki in the sense of protection and that of a significant resource user.
- 1.6.1.13 Kotahitanga denotes unity. It is the concept upon which diplomacy and understanding is based and implies conciliation and bridge-building. It is a process through which communities can strike a balance of values and a means to mutual advantage.
- 1.6.1.14 The issues themselves assert that tangata whenua tikanga, cultural knowledge and practices should be incorporated into Council's management and planning for enhancement, not just for the benefit of Maori but also the community at large. Where tangata whenua join in partnership with Council on common issues the outcomes are more likely to be positive and of economic benefit.

1.6.1.15 MANAAKITANGA

- (a) Adequate resourcing of the iwi and constituent hapu to enable participation in all aspects of resource management in the region.
- (b) Councils seeking consultation with tangata whenua, irrespective of which model(s) of representation is/are involved, provide relevant information in an understandable form and timely fashion.
- (c) Tangata whenua and councils jointly promote an attitude of education as a preference to regulations for the achievement of sustainable resource management.

1.6.1.16 These are linked to, and are a consequence of, the four concepts listed above. In philosophical terms they represent the bestowal or grant of benefits through the exercise of rangatiratanga rights/responsibilities.

1.6.1.17 The resourcing within a management planning process provides an analogy for manaakitanga issues in that the first four concepts of issues herein define the philosophical considerations, culture, relationships and desired practices from which objectives and policies arise, whereas the budget is the cost to achieve those objectives.

1.6.2 DISCUSSION

1.6.2.1 This section, together with the more comprehensive Schedule I, provides a background to assist in understanding why the issues listed above are considered to be significant.

1.6.2.2 THE MAORI MANAGEMENT SYSTEM

1.6.2.3 This system involves three distinct states of tapu, rahui and noa. Those responsible for the exercise of the systems within a whanau/hapu were those leaders with the training (matauranga) and the prestige, power and authority (rangatiratanga) to set the norms for society. As applied to natural and physical resources these three states can be described as follows:

- (a) **The common state of noa** - Within the notion of sustainability and good conservation practices, resources were freely available for whanau/hapu/iwi.
- (b) **The restricted or temporary state of rahui** - Temporary bans were imposed where there were, or were likely to be, threats to the mauri and/or a particular species, or where a particular spiritual appeasement period was appropriate. An example of the latter case is a drowning in the proximity of a common fishing spot. A temporary ban or rahui would be declared to appease the spirits.
- (c) **The totally inaccessible state of tapu** - In respect to locations and resources where a state of tapu was imposed, there was a total and absolute ban, which lasted until uplifted by someone with the necessary mana, matauranga and rangatiratanga.

1.6.2.4 Whereas rahui clearly indicated a temporary state, tapu usually implied permanency. The parallels to systems of management within this Plan can be readily seen in terms of the categories of resource use which:

- (a) require no consent where there is the expectation that users will observe good conservation practices
- (b) are the subject of Council (rangatiratanga) imposed conditions/rules
- (c) are prohibited activities.

1.6.2.5 THE ROLE OF WATER

1.6.2.6 The predominant view of Maori in Hawke's Bay is that water is the essential ingredient of life: a priceless treasure left by ancestors for the life-sustaining use of their descendants. These descendants are, in turn, charged with a stewardship duty, kaitiaki, to ensure that these treasures are passed on, to those following, in as good a state, or indeed better, than they were received. Water and associated resources confirm life to humanity and thereby form a basis for identification, belonging, and mana.

1.6.2.7 Water therefore acquires a wairua, consistent with how Maori perceived its quality and use. A form of classification system based on various states of water is used which embraces both the spiritual and the physical worlds as described in the terms waiora, waimaori, walkino, waimate and waitai. This classification system in turn leads to strict etiquette in the use of water, so that metaphysical pollution is considered to be a significant risk, as is the more understood physical pollution.

1.6.2.8 MAORI RESOURCE OWNERSHIP

1.6.2.9 Four of the seven consultative hui on this Plan were held in the Wairoa sub-region. This is because:

- (a) The sub-region is home to at least three iwi.
- (b) Approximately 58% of the population in Wairoa District is of Maori ethnicity.
- (c) Maori own some 50% of the land in the sub-region.
- (d) Within the whole of Ngati Kahungunu (from Mahia to Wairarapa) there are 70 marae – 28 of which are in Wairoa.
- (e) Socio-economically Maori in the Wairoa sub-region have the highest ratio per capita of state dependency, a factor that meaningful consultation needs to take into account.

1.6.2.10 Land in Maori ownership within the Wairoa area is concentrated mainly into about 17 trusts, or incorporations, engaged principally in drystock farming. HBRC's "Policy Development Framework" within this Plan provides for farm plans which will benefit this type of commonly owned Maori land. The expectation is that, when properly managed, many of these properties will add to the productivity, and hence the prosperity, of the community.

1.6.2.11 In that sense, the managers of the trust farms will need to show some leadership applying the bicultural values within this Plan, in their search for improved prosperity through sustainable resource management.

1.6.2.12 Whether Maori are themselves resource owner/managers or merely resource users, the ethics involving true kaitiakitanga require them to be just as vigilant in following tikanga guidelines for resource conservation.

1.6.2.13 Those things aside, tangata whenua believe that their concepts add a meaningful dimension to sustainable environmental health and management and this is expressed through an active involvement in the protection of natural and physical resources of the region.

Schedule I. Background to the Maori Dimension

1 INTRODUCTION

- 1.1 The review of the original Regional Policy Statement has included a review of Chapter 5: The Maori Dimension.
- 1.2 At this time of second-generation planning, both Regional Council and Maori of Hawke's Bay can reflect on the original Regional Policy Statement and the developed Regional Plans knowing:
- (a) that the parties have made good progress towards developing a positive Council/Maori relationship
 - (b) that there has been a real and positive move to accommodate the statutory and the Treaty imperatives for Maori
 - (c) that this revision by HBRC to provide a combined RPS and a single Regional Plan for most things sets up the opportunity for Maori of Hawke's Bay to update the "Maori Perspective" as their contribution to making the dimension more intelligible and therefore more user-friendly.
- 1.3 As part of the review the Regional Council has consulted widely with Maori of Hawke's Bay by holding seven consultative hui in Raupunga, Mahia (Kahungunu and Rongomaiwahine), Tuai (Ruapanui/Tuhoe/Kahungunu) Wairoa, Napier, Hastings and Porangahau. A synopsis of these hui are available as a background report to the Plan.
- 1.4 The purpose of the consultation was to advise Maori of the plan review and to invite them to re-state the issues of significance to them. Understandably, Rongomaiwahine (Mahia) and the people of Tuai have indicated that they wish to express their rangatiratanga independently. Therefore, the views expressed in this section are predominantly, though not exclusively, of Ngati Kahungunu. Nevertheless, these iwi share common principles, with the exception that 'tikanga' to Ngati Kahungunu is 'kawa' to Tuhoe and their concepts of each may differ.
- 1.5 The only iwi plans available to Regional Council are "Kaitiakitanga Mo Nga Taonga Tuku Iho" (Runanganui O Ngati Kahungunu, December 1992) and "Nga Tikanga O Te Whanau" (O Rongomaiwahine Policy Statement, October 1992). Where possible aspects of both documents have been used to update this part of the Policy Statement/Regional Plan.
- 1.6 This Schedule provides background information on aspects of the Maori dimension which expand on the context in which it is set. This information includes: the Principles of the Treaty of Waitangi; the Maori conservation ethic and tikanga and taonga.

2 PRINCIPLES OF THE TREATY OF WAITANGI

- 2.1 Section 8 of the Resource Management Act requires all persons exercising functions and powers under it to take into account the principles of the Treaty of Waitangi. To tangata whenua those principles, based on interpretations by the Courts and the Waitangi Tribunal and as applied in the context of sustainable management of natural and physical resources under the Act, mean as follows:

The Principle of Te Tino Rangatiratanga

- 2.2 Te tino rangatiratanga (full chiefly authority) over resources including lands, forests, fisheries and other taonga were guaranteed to Maori under Article II of the Treaty. Tino rangatiratanga includes tribal self-regulation of resources in accordance with their own customary preferences. Tino rangatiratanga was not, nor was it ever intended to be, relinquished or given away by Maori to the Crown.

The Principle of Partnership

- 2.3 The Treaty signified a partnership between Maori tribes and the Crown. The exchange of promises under Articles I and II of the Treaty is seen as an exchange of gifts. The gift of the right to make laws and the promise to do so

as to accord the Maori interest in appropriate priority. Utmost good faith, reasonable co-operation and compromise are fundamental to this concept of a partnership.

The Principle of Kawanatanga

- 2.4 Kawanatanga, as ceded by Maori under Article I of the Treaty, gave the Crown the right to govern and to make laws applying to everyone. The delegation of resource management powers by the Crown to local authorities under the Act means that those authorities can make policies, set objectives and make rules affecting the management of natural and physical resources, subject to the guarantee of tino rangatiratanga to Maori and recognition of the partnership between Maori and the Crown.

The Principle of Active Partnership and Consultation

- 2.5 The spirit of the Treaty calls for Maori to have a much greater say in the management of the environment. Effective, early and meaningful consultation is an integral and necessary component and forerunner to greater participation by Maori in resource management decision-making.

The Principle of Active Protection

- 2.6 The guarantee of tino rangatiratanga given in Article II is consistent with an obligation to actively protect Maori people in the ^{use} of their lands, water and other protected taonga, to the fullest extent practicable. In the context of resource management, the various elements which underlie and are fundamental to a spiritual association with the environment (including mauri, tapu, mana, tikanga and wairua) may all fairly be described as taonga that have been retained by Maori in accordance with Article II of the Treaty. The principle of active protection therefore extends to the spiritual values and beliefs of Maori.

The Principle of Hapu/Iwi Resource Development

- 2.7 Article III of the Treaty gave to Maori the same rights and duties as other New Zealand citizens. The Treaty guaranteed to Maori retention of their property rights under Article II, and the choice of developing those rights under Article III. To Maori, the efficient use and development of what are in many ways currently under utilised hapu/iwi resources is a very important principle of the Treaty in the context of resource management under the Act. Ngati Kahungunu seek restoration of their tribal resources in accordance with their own needs and aspirations. In pursuing development, Maori may choose to pursue non-traditional uses of their resources instead of or as complementary to, their traditional practices. Recognition of the ability and need for hapu/iwi to develop their resources in a manner which achieve the purposes of the Act is a fundamental principle embodied in the Treaty.

3 THE MAORI CONSERVATION ETHIC

- 3.1 In essence, this ethic involves the preservation of mauri – simplistically translated as the 'life-force' – and the conservation of the species. Where the habitat remains healthy a specie will flourish allowing usage that is mindful of conservation.
- 3.2 The notions of kaitiakitanga:
- stewardship that respects the heritage of future generations
 - mana and rangatiratanga depicting the power and leadership to exercise kaitiakitanga
 - tapu/rahui as the management system for the conduct of kaitiakitanga
- all contribute to the application of the ethic.
- 3.3 To appreciate fully the depth of meaning and the profound implications of these terms, one needs to go back to Maori cosmogenic origins. The Maori version of Creation embodies both spiritual and physical concepts of the

world's origins. In terms of tradition, those origins should properly be given in Maori. For the purposes of this statement, however, the English approximations are used.

- 3.4 Maori believe that in the beginning there were three states of reality. The first state was Te Korekore from which emerged Io-Matuakore – or Io, the parentless one. The second state was Te Po within which Io created Ranginui (Sky Father) and Papatuanuku (Earth Mother). Within the darkness of their embrace Ranginui and Papatuanuku begat many deities called atua. The third state of reality was Te Ao-Marama brought about when one of the atua called Tane separated his parents to form sky and earth.
- 3.5 As with Ranginui and Papatuanuku, these deities or atua had the power to create. Dominant among them was Tane, who created natural and physical covering for the land and was god of the forests; Tangaroa created the marine life and presided over the oceans; Tawhirimatea took to the heavens out of sympathy for Ranginui and from there he presided over the elements.
- 3.6 Tane was also the creator of humans, the first of whom, a woman, was fashioned from the soil of Papatuanuku. Although these atua or deities had the power to create, only Io-Matuakore could grant the gift of Mauri – that is, the life force – for those things that make up the natural and physical world. The atua had to seek delegated approval to imbue their creations with Mauri that those creations may live.
- 3.7 If rangatiratanga is 'authority' and tino-rangatiratanga is "ultimate authority" then only Io can truly be said to have tino-rangatiratanga, which he exercised by creating Ranginui and Papatuanuku who begat the deities responsible for the terrestrial and celestial environment including human genesis.
- 3.8 The Maori was born into this physical world and became part of it. Whakapapa, or genealogy, is sacred to Maori because it not only establishes whanaungatanga links within society but also within the physical environment and more especially the wairua or spiritual links back to Io-Matuakore.
- 3.9 Genealogical links are readily understood. The relationship links to the environment are typified by the notion that the trees of the forest, for example, like Maori, are "Children of Tane". The spiritual links recognise that Mauri comes only from Io and represents the paramount gift of all taonga tuku iho, or god-given gifts.
- 3.10 While the ultimate homage is given to Io, the values system that emanates from these cosmogenic origins recognises the role that the lesser deities served in the creation process that gave rise to an evolutionary physical environment. No taonga or resource is used without prior propitiation to the creator-deity. They were the first kaitiaki from whom Maori inherited the whakapapa right to exercise kaitiakitanga or perpetual stewardship.

4 TIKANGA AND TAONGA

- 4.1 The predominant view of Maori in Hawke's Bay is that the identification of their values and interests must start from an understanding of the philosophical basis for Maori beliefs and customs. The essence of that philosophy arises from the significant differences, in traditional Maori society, between the concepts of tikanga and taonga.
- 4.2 **TIKANGA**
 - 4.2.1 Tikanga comprises the values, norms and practices of Maoridom. This is represented by both the notions of whakaaro and matauranga, which when brought together represented wisdom. Tikanga, in a traditional context, comprised "the three kits of knowledge" representing all the knowledge and the values, norms, rituals and protocols.
 - 4.2.2 The three kits of knowledge are:
 - (a) **Te kete Tuwari**
This kit contains the scientific knowledge or that knowledge pertaining to human activities or to natural phenomena relating to the kingdom of nature (matauranga).

(b) **Te kete Arounui**

This kit consists of celestial and cosmogenic information designed to benefit humankind (that is, the anthropogenic mythologies), or whakaaro.

(c) **Te kete Tuatea**

This kit comprises all the rituals, acts and formulae with all things on earth in the cosmos (that is, retinga and kawa).

4.2.3 The matauranga based values are reflected within the need to protect resources and their mauri through the use of institutions such as rahui and tapu.

4.2.4 Together the notions of whakaro and matauranga combine to form the notion of tikanga which may be explained as being Nga Tikanga Maori – their own ways, rules, conditions of proper conduct or lifestyle, exercised through the binding concepts of wairuatanga, whanaungatanga, rangatiratanga, kotahitanga, and manaakitanga.

4.2.5 From a Ngati Kahungunu standpoint these tikanga value concepts are god-given and therefore immutable or changeless – fixed as in the case of the upper jaw (Kauae runga). Kawa, on the other hand, is one of the dynamic processes, protocols and practises deriving from the value concepts to provide a living evolutionary culture – flexible as is the case of the lower jaw (Kauae raro). While tikanga has iwi-wide application, kawa can, and very often does, differ from hapu to hapu within a single iwi, a pertinent point for the purpose of consultation, and management decisions.

4.3 TAONGA

4.3.1 Taonga encompasses all things tangible or intangible and derive their meaning at both the physical and spiritual levels. Taonga comprises all treasures inherited from the past, to the present, and for future generations. At a spiritual level, taonga includes the three great states of reality - Te Kore Kore, Te Po and Te Ao Marama - and all that was created out of those states. At a physical level, taonga is manifested in the physical states of moana through to whenua. The notion of mauri is representative of a continuum involving mana, wehi, ihi, tapu and wairua that embraces both the physical and the spiritual.

1.3.2 THE RELATIONSHIP BETWEEN TIKANGA AND TAONGA

1.3.2.1 The predominant view of Maori in Hawke's Bay is that the concepts of tikanga and taonga are strongly inter-related due to the importance of cosmogony and the spiritual dimension within both taonga and tikanga. It is from these concepts that Maori decision-making processes and the structure of Maori society emerge.

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31. Council provides 6% of the total RoadsSafe's funding. The remaining funding stems from contractual agreements with the New Zealand Transport Agency (75%) with the balance provided by the Hawke's Bay Regional Council's. This activity is directed at promoting Road Safety education in partnership with Regional Stakeholders by the promotion of campaigns. These campaigns increase awareness and lessen the risks associated with road transport.
 32. The benefits of this activity is the development of an integrated approach to transport to meet economic, social and safety needs of the public. The New Zealand Land Transport Agency makes an annual financial contribution towards the costs of undertaking this activity. This contribution (45%) is treated as a form of private user subsidy.
 33. This function relates to the activities of the elected political representatives and the appointed Iwi representatives as well as the costs of reporting to the community.
 34. Some of the Council's wetlands are located on land owned or managed by the Heretaunga Plains Flood Control Scheme and are therefore considered an integral part of these schemes. A considerable amount of work has been done to determine the public/private split with respect to these schemes which is currently determined as 70% private, 30% public.
 35. The land owners in the Karamu Drainage catchment area of the Heretaunga Flood Plains Scheme receive indirect benefits from the water retention capabilities of the Pekapeka wetlands. These indirect benefits are assessed as representing 10% of the cost of the scheme.
 36. The Tangoio Soil Conservation Reserve is currently owned by the Crown. The work to be undertaken in the reserve for Silviculture and maintenance of tree stocks is funded by a special reserve funded from the harvesting proceeds of the forests.
- Council's Nursery operation is set at a break even position, the cost covering the purchase and production of poles offset by the sale of such poles.
37. The Tuiria Park facilities are funded 87% public funding and 13% from camp fees.
 38. The public funding for Parks Reserves of Council required for servicing loan funding and for the cost of maintenance for such reserves are taken from a special reserve account set up by Council that covers the non investment activities of Council. This reserve is funded by a transfer of \$1 Million each year from proceeds received by Council from the freeholding of Council's leasehold property.
- Policy on Significance**
- Introduction**
- This policy on significance outlines Council's general approach to determining the significance of proposals and decisions, and includes the criteria and procedures Council will use in assessing which issues, proposals, decisions and other matters are significant.
- It also lists assets Council considers to be strategic assets.
- Statutory Requirements**
- This policy on significance is in accordance with Section 90 of the Local Government Act 2002 (the Act). The first policy on significance must be adopted before the close of 30 June 2003. This policy, and any subsequent amendment to it, must be adopted by the special consultative procedure. A summary of the policy must be included in the Long-Term Council Community Plan (LTCCP).
- Section 5 of the Act defines 'significant' and 'significance' as follows:**
- Significance, in relation to any issue, proposal, decision, or other matter that concerns or is before a local authority, means the degree of importance of the issue, proposal, decision, or matter, as assessed by the local authority, in terms of its likely impact on, and likely consequences for:
- a. the current and future social, economic, environmental, or cultural well-being of the district or region;



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- b. any persons who are likely to be particularly affected by, or interested in, the issue, proposal, decision or matter;
- c. the capacity of the local authority to perform its role, and the financial and other costs of doing so.

Significant, in relation to any issue, proposal, decision, or other matter, means that the issue, proposal, decision, or other matter has a high degree of significance.

General Approach

Council (or as delegated to Council's Chief Executive) will consider each proposal or decision on a case by case basis to determine whether the decision is significant. In determining this issue, Council will apply the criteria and procedures and consider the thresholds set out in this policy and will also consider each of the following:

- the likely impact/consequences of the decision or proposal for the current and future social, economic, environmental, and cultural well-being of the community;
- the parties who are likely to be particularly affected by or interested in the decision or proposal;
- the likely impact/consequences of the decision or proposal from the perspective of those parties identified above;
- the financial and non-financial costs and implications of the decision or proposal having regard to Council's capacity to perform its role.

The more significant or material the impact or consequences of the decision or proposal, the higher the standard of compliance required with Part 6 of the Act, and the more likely the matter will be 'significant'.

It is helpful to bear in mind that the references to 'significance' in the Act are intended to ensure that appropriate attention and consideration is given to matters based on their relative importance to the region. Council will not make a decision or proceed with a proposal which it considers to be significant, unless it is first satisfied that sections 77, 78, 80, 81 and 82 of the Act have been appropriately observed.

The procedures below are designed to ensure observance of this policy.

Thresholds, Criteria and Procedures

Thresholds

Application of thresholds is not necessarily conclusive. A matter which does not meet any particular financial threshold may still be significant if the criteria below suggest that it is. Accordingly no financial thresholds are included in this policy.

Criteria

If a decision or proposal satisfies one or more of the following criteria, the matter is likely to have a high degree of significance:

- the decision or proposal affects all or a large portion of the regional community in a way that is not inconsequential;
- the impact or consequences of the decision or proposal on the affected persons (being a large portion of a local community) will be substantial;
- the financial implications of the decision on Council's overall resources are substantial.

Matters which do not satisfy these criteria may have a high degree of significance where it is known that the decision will nevertheless generate a high degree of controversy within the regional community or a local community.

Procedures

Issues, proposals, decisions or other matters that are part of the normal day-to-day operations of Council and where applicable financial provision has been provided in the adopted Annual Plan will not require consideration for significance.

Authority is delegated to the Chief Executive to determine which, if any, issue, proposal, decision or other matters that may arise, will require a formal assessment of its significance to be carried out, in accordance with the guidelines of this policy.



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In cases where formal assessment is carried out, the paper to Council covering the decision must include a statement indicating that the issue of significance has been considered, with a recommendation to Council assessing the significance of the proposal or decision. If the proposal or decision is considered to be significant, the report will also include a statement addressing the appropriate observance of such of sections 77, 78, 80, 81 and 82 as are applicable.

Strategic Assets

Section 5 of the Act defines strategic asset as follows:

Strategic asset, in relation to the assets held by a local authority, means an asset or group of assets that the local authority needs to retain if the local authority is to maintain the local authority's capacity to achieve or promote any outcome that the local authority determines to be important to the current or future well-being of the community; and includes:

- a. any asset or group of assets listed in accordance with section 90(2) by the local authority; and
- b. any land or building owned by the local authority and required to maintain the local authority's capacity to provide affordable housing as part of its social policy; and
- c. any equity securities held by the local authority in -
 - (i) a port company within the meaning of the Port Companies Act 1988,
 - (ii) an airport company within the meaning of the Airport Authorities Act 1966.

For the purposes of section 90(2) of the Act, Council considers the following assets to be strategic assets:

- Shareholding in the Port of Napier;
- The Heretaunga Plains Flood Control Scheme;
- Upper Tukituki Catchment Control Scheme;
- Tutira Country Park.

Council owns a number of assets that, when managed 'as a whole', it considers to be strategic. However, not all trading decisions made regarding these assets are regarded as significant nor do they affect the asset's strategic nature. For example, the Heretaunga Plains Flood Control Scheme is strategic, but small parcels of land that make it up may not be, and the purchase or sale of such parcels of land are unlikely to amount to a significant decision.

Review of Policy

In accordance with the Local Government Act 2002, this policy will be reviewed and open for public comment via the special consultative procedure, on no less than a three yearly basis. It will also be reviewed and consulted on at any other time within a three year period when amendment to the policy may be required.

'Significant' and 'Significance' in other Contexts

The Local Government Act 2002 uses the terms 'significant' and 'significance' in a number of contexts.

Unless it is inappropriate in the context, the criteria set out in this policy and in the statutory definitions will apply:

SUBJECT: HAWKE'S BAY LAND AND WATER STRATEGY

REASON FOR REPORT

The purpose of this report is to present the Hawke's Bay Land and Water Strategy to the Committee for its consideration and comment.

1. The Strategy document evolved following feedback from the External Reference Group on a first draft. Because the Reference Group are only meeting on the day before the Committee meeting to review the final document, it has not yet been distributed publicly.
2. Copies will be available for interested members of the public at the meeting and a media briefing will also be held during the morning tea break following the Committee's consideration of the item.

Strategic Context

3. The Hawke's Bay Land and Water Strategy is a document which outlines the strategic direction for the management of land and water in the region. It is a non-statutory document which means that it is not required to be prepared by law. However, it enables the region's strategic approach to land and water management to be documented in a way that is not regimented by statutory process.
4. It sets out a range of actions that are necessary to implement it and while many of the actions fall under HBRC's legal responsibilities, there are many other actions which fit under the mandate of other industry and statutory sector organisations
5. Many of the actions will need to be implemented through the planning provisions under the Resource Management Act. This document gives the community an early indication of how the land and water management framework might change.

Strategy Development Process

6. The Regional Water Symposium held in November 2010 began a process of community engagement on water issues in Hawke's Bay. The symposium primarily dealt with current and emerging water quantity issues: allocation (and over-allocation); demand and supply (mismatches); and competing values – particularly environmental and economic. Future scenarios for water management and participants' visions for Hawke's Bay were discussed. Land use and water quality was a concern on many participants' minds. A Symposium Report documents the outcomes of the two days.
7. At the symposium, nominations were sought for an external reference group to work with Council on the development of policy and directions for a regional water strategy. 92 nominations were received and from this 21 people were selected. The selection process aimed to ensure fair representation from industry, tangata whenua, environmental advocacy groups and statutory authorities. On 25 February 2011, Council agreed on the Terms of Reference for the group.
8. The Hawke's Bay Regional Water Strategy External Reference Group held its first meeting on 28 February and has had five further meetings. The initial intention was to develop a high level strategy to tackle matters related water quantity in order to deal with water management issues in manageable chunks. Water quantity was the focus of the first four meetings.
9. However, land use and water quality remained a concern and was the topic of discussions during each of the meetings. In April, the National Policy Statement for Freshwater Management was released by Government which included a requirement for Regional Councils to establish water quality targets and limits.

10. By the end of the fourth meeting, the group was ready to consider a draft strategy document and given the group's concern that water quality and land use needed to be addressed, staff indicated that the draft strategy would cover land use, water quality and water quantity.

External Reference Group Review

11. The Reference Group has acted as a sounding board for policy direction and impacts of the policy changes suggested in the Strategy. They have also advised on the actions needed to implement the strategy. The reference group is a key building block in obtaining cross-sector agreement on future water management direction in the wider Hawke's Bay community.
12. The Reference Group will be meeting again on Tuesday 11 October to review this final strategy document. Comments from that meeting will be given verbally to the Committee at its meeting the following date.
13. In addition, all members of the Reference Group have been invited to attend the Committee meeting and make any further comments that they may like. It will also give an opportunity for the Committee to ask any questions of the Group.
14. Staff are confident that we will be in a position that the reference group will collectively endorse the strategy and will assist Council in taking it to their respective sectors for discussion.

Contents of the Land and Water Strategy

15. The contents of the Land and Water Strategy include:
- Introduction, Purpose, Strategy Development Process
 - Drivers of change
 - Essential elements of managing land and water use
 - Values, Guiding Principles and Evaluation Criteria
 - Implementing the Strategy – Roles
 - Vision
 - Six themes relating to:
 - Planning and Governance
 - Sustainable Land Use
 - Sustainable Water Use
 - Information and Communication
 - Priority actions
 - Strategy Outcome and Performance Monitoring
 - Summary of Catchment Values.
16. The objectives for each theme are:

Theme	Objective	Summary of approach
Planning and Governance	Government Agencies, land owners, tangata whenua and stakeholders work together towards a unified goal of sustainable land and water management	The development, implementation (with partners) monitoring and review of this strategy, partnering with tangata whenua, prioritisation of catchments, self empowering catchment groups, alignment of investments, transparent and equity in costs of water management, and appropriate transitional provisions.
Sustainable Land Use	The future viability and resilience of the wider	Focus on increasing the forest cover on erosion prone hill country, and improving site specific

	Hawke's Bay landscape is enhanced through improved management and land use practices	farming systems to avoid and reduce environmental effects of intensive farming. Encouraging riparian planting and fencing where appropriate and recognising the services provided by wetlands.
Sustainable Water Use	Long term prosperity of the region is provided through sustainable and efficient water use while maintaining and/or improving the overall quality of the freshwater ecosystems for agreed management objectives	<p>Identifies the need for forward thinking and long term decision making then focuses on water allocation framework, water use, potential water demand and water quality. The water allocation framework includes recognising interconnected water bodies, high flow harvesting, promoting flexible allocation regimes, recognising efficient water use, promoting shared consents and audited self management for increased efficiency gains and recognising large scale community storage infrastructure as a critical element of sustainable solutions in constrained environments.</p> <p>For water use the approach focuses on efficient irrigation systems, conservation and demand strategies for urban and industrial use, measuring water use in a public transparent way and recognising efficient users.</p> <p>Water quality focuses on setting water quality for agreed management objectives, and targeting action where water quality is poor. Land management and riparian initiatives are repeated here from the Sustainable Use of Land section. In addition, exclusion of stock from water ways is actively sought.</p>
Information and Communication	Relevant and timely resource information is collected and communicated in a transparent manner to all interested parties	<p>Science and monitoring data of resource data is available in the public domain and research is available to land managers</p> <p>Action plans to increase community awareness of the value and importance of water</p>
Priority actions	Actions are prioritised to areas where sustainable land management, security of water supply and water quality issues and pressures are most significant or potential economic gains can be enabled	Key issues are identified on a catchment basis, along with current work programmes
Strategy outcome and performance monitoring	Implementation of the Strategy is monitored and reported on a regular basis.	A number of indicators have been identified in the following outcome areas – land management practices, water use, water quality and ecological health, planning instruments and economic development. The implementation structure of an HBRC team / technical advisory group and the continuation of an external reference group is proposed to develop action plans, prepare monitoring reports and review the strategy.

Committee's Review

- Three Councillors (Crs Wilson, Scott and Remmerswaal) are members of the Reference Group and have a good understanding of how this strategy has been developed.

18. The strategy complements the Council's Strategic Plan so it does not present new directions for the Council.
19. Councillors are encouraged to provide staff with early feedback on the strategy prior to the Reference Group meeting so that these can be discussed by the Reference Group as part of their review.
20. In addition, if there are any significant amendments that the Committee would like to suggest, it would be worthwhile that these are discussed with the members of the Reference Group who are at the meeting to get their feedback on them.

Next steps

21. It is proposed that the Hawke's Bay Land and Water Strategy, with any amendments following discussions, is presented to the Council at the 26 October meeting for adoption.
22. It is proposed that the Land and Water Strategy will be printed and available in early November.
23. Community engagement will take the form of a second Symposium (one day) to be hosted by HBRC on Wednesday 30 November 2011 at the War Memorial Centre. This will be almost a year to the day from the first two day symposium.
24. While specific invitations will be sent to the invitees and participants of the first symposium, this event will be open to the public. However, to manage costs, it will be limited to 150 people.
25. Given the collaborative process that has been used to develop this Strategy and the level of consensus achieved between the stakeholders, the Strategy as adopted will be in its final form. However, the actions are high level and there is still further work required to identify appropriate mechanisms in many areas and discussion and feedback from the stakeholders and community in these areas will ongoing.

Financial and Resource Implications

26. The development of the Land and Water Strategy falls under Project 192 Strategy and Implementation. Budget is available for the design and printing of the Strategy (an approximate quote of \$20,500 excl GST) and holding the second Symposium (approx \$10,000.00) based on 150 participants

DECISION MAKING PROCESS

27. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is presented to the Maori Committee for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATIONS

The Maori Committee supports the Environmental Management Committee recommendation to Council that Council:

1. Agrees that the decisions to be made are not significant under the criteria contained in Council's adopted policy on significance and that Council can exercise its discretion under Sections 79(1)(a) and 82(3) of the Local Government Act 2002 and make decisions on this issue without conferring directly with the community and persons likely to be affected by or to have an interest in the decision due to the nature and significance of the issue to be considered and decided.
2. Adopts the Hawke's Bay Land and Water Strategy, as amended by feedback received at the Environmental Management Committee meeting.
3. Endorses the second Regional Land and Water Symposium event to be held on Wednesday, 30 November 2011 as the key engagement event.

4. Conveys its appreciation to the members of the External Reference group for the time and energy they have committed to the development of the Strategy over the last 12 months.



Tim Sharp
STRATEGIC POLICY ADVISOR

Helen Codlin
GROUP MANAGER
STRATEGIC DEVELOPMENT

Attachment/s

- 1 Track changes Final Land and Water Strategy Under Separate Cover

**SUBJECT: PLAN CHANGE PROCESS FOR HERETAUNGA ZONE -
INTEGRATED CATCHMENT MANAGEMENT**

REASON FOR REPORT

1. The purpose of this report is to bring to the Committee's early attention the proposal to address the scheduled review of the minimum flow and allocation limits of the Karamu Stream as part of an integrated catchment approach for the wider Heretaunga Zone.
2. This report gives an overview of the issues only. As part of an integrated catchment management approach, a more detailed project programme needs to be developed.
3. This report also provides useful background to the Council's Long Term Plan workshop on Thursday 13th October 2011.

The Heretaunga Zone

4. Figure 1 defines the Heretaunga Zone used for the section 36 charges and it generally includes the catchment and areas that, from a surface water and groundwater management perspective, need to be managed in a holistic and integrated way.
5. It includes the Heretaunga Plains aquifer system which extends from the southern edges of Napier to Te Awanga and inland to the hills. This is a large highly productive complex aquifer system with confined, unconfined and artesian conditions.
6. The map includes the Ahuriri Estuary and Poraiti Hills aquifer and further analysis is required to determine whether that area should be included from an integrated water management perspective.
7. There are a number of rivers that flow over the plains and may lose water to the aquifer system or may gain water from the aquifer via springs. Some of these rivers have their headwaters in the ranges (Tutaekuri and Ngaruroro), some from the surrounding lowland hills (Tutaekuri-Waimate and the Karamu/Clive).
8. The name Heretaunga also reflects the association that tangata whenua with the name of Heretaunga when it referred to a much larger area than it does now



Figure 1: Heretaunga Zone in green

Resource Consents and Expiry Dates

9. There are a total of 3679 current consents in the Heretaunga zone representing approximately half of the region consented activity. Of these, 2561 (approx. 70%) relate to taking, use damming and diverting of surface water and groundwater.
10. Of the 2561, the bulk of the Ngaruroro River and Maraekakaho takes expire in 2015 along with the Twyford groundwater takes that are considered to be stream depleters, with the vast majority of the groundwater takes from the unconfined part of the Heretaunga Plains expiring in 2019. The majority of the surface and groundwater takes in the Tutaekuri River catchment expire in 2018.
11. Only some 30 consents expire in 2013. These are in the Karamu river catchment (excluding the Poukawa catchment) and have been the driver for the scheduled Karamu Plan change. These consents were granted with a five year term to allow for further scientific investigations to be undertaken in regard to reviewing the minimum flow and allocatable volumes.
12. Since then, the Twyford consent renewal process has further highlighted the interconnectedness of the surface water and groundwater systems. How this interconnectedness is managed across the Heretaunga Plains aquifer system and the surface waterbodies that are linked with it (ie the Upper Karamu (Paritua, Karewarewa, Irongate), Ngaruroro, Tutaekuri-Waimate and Tutaekuri Rivers) will be a key element to address and requires an integrated approach.

Water use Information

13. The Twyford consent process also highlighted the lack of real time data about how much water is used and needed particularly by irrigators across the Heretaunga Plains. Better knowledge is required in order to better inform scientific investigations, policy development and the implications of policy decisions.

Storage Prefeasibility Study

14. Council has undertaken a prefeasibility study for storage in the Ngaruroro and Karamu catchments. As yet it is unclear how storage or water augmentation may fit into the overall water management for the Heretaunga zone, but further exploration is required in this area.

Groundwater science

15. A robust groundwater model will be critical tool in understanding how the resources work together and for developing appropriate policy. Staff have reviewed the current steady state and transient model and have identified some issues with it which means that in its current form, it is not a reliable tool for policy setting (or water management) and would not withstand scrutiny in the Environment Court.
16. Based on the development of the Ruataniwha model, it could take some 3 years to bring the groundwater model to the point where it would withstand Environment Court challenge. An interim option, which would require correction of recharge data and boundary conditions, would mean that a better output could be produced in terms of water budget and groundwater levels but this would not assist with understanding the groundwater and surface water interaction and the values that may be affected by water level changes.
17. More detail on the work programme for the groundwater model will form part of the Long Term Plan process.

Surface water hydrology

18. Currently, there is no accepted scientific methodology for assessing in-stream flow requirements of aquatic species in lowland springfed streams such as the Karamu Stream. Work is being done as part of a national project and the Karamu Stream is part of that project. It is also being looked at as part of the Twyford appeal process.
19. In addition, as part of a regional quality assurance programme for HBRC's flow monitoring sites, audits are required for key Heretaunga flow sites. These cost in the order of \$32,000 per site.

Planning Issues

20. At this point, there is a lack of scientifically based data on which to base a review of the minimum flow and allocation limits with any certainty that it would improve the environmental or value outcome.
21. There is a risk that proceeding with a plan change which sets a revised allocation limit and minimum flow might impact on or undermine future integrated water management regimes.
22. The workload associated with plan change processes for science staff should not be under-estimated. Now that work has started on the technical elements of policy development for the Tukituki River catchment plan change, it is clear that there is significant follow-up reporting required of science staff, particularly if they will be presenting evidence at hearings. Given the similar nature of the plan change, it is the same staff that would be required to produce supporting scientific documentation for a Karamu plan change.
23. The implication of not proceeding with a plan change in time for 2013 renewals is that the consents will need to be renewed based on current plan provisions. In order to avoid a repeat of the last process which involved notification and hearings, we will need to work with consent holders and key stakeholders to agree on a streamlined approach to reconsenting those consents without undue costs.

Submitters to the Karamu consents

24. Te Taiwhenua O Heretaunga was the only submitter to the consent applications which resulted in short term consents being granted. Staff have spoken with the Taiwhenua (Marei Apatu) about the planning issues associated with notifying a plan change in time for these consent renewals. Staff have also spoken with the Department of Conservation and Fish and Game NZ.
25. These stakeholders are accepting of the issues and the tight timeframes associated with a plan change for the Karamu Catchment. They also recognise the work Council is doing through the Land and Water Strategy to set out the strategic direction for managing land and water use. There is a willingness to work through a process for streamlining the consent renewal process.

Integrated Catchment Management for the Heretaunga Zone

26. A scoping exercise needs to be undertaken for the development of an Integrated Catchment Management programme of the Heretaunga Zone. This workshop would involve Council staff and councillors and external stakeholders. It would usefully be facilitated by someone with experience in Integrated Catchment Management. This would assist in our understanding of the scope of such a project, the timeframe, who needs to be involved and in what role and so on.

Financial and Resource Implications

27. Further detail of the financial and resource implications associated with Integrated Catchment management for the Heretaunga Zone will be provided as part of the Long Term Plan process.

DECISION MAKING PROCESS

28. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is presented to the Maori Committee for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION

The Maori Committee receives the report "*Plan Change Process for Heretaunga Zone –*

Integrated Catchment Management”



**Helen Codlin
GROUP MANAGER
STRATEGIC DEVELOPMENT**

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

MAORI COMMITTEE

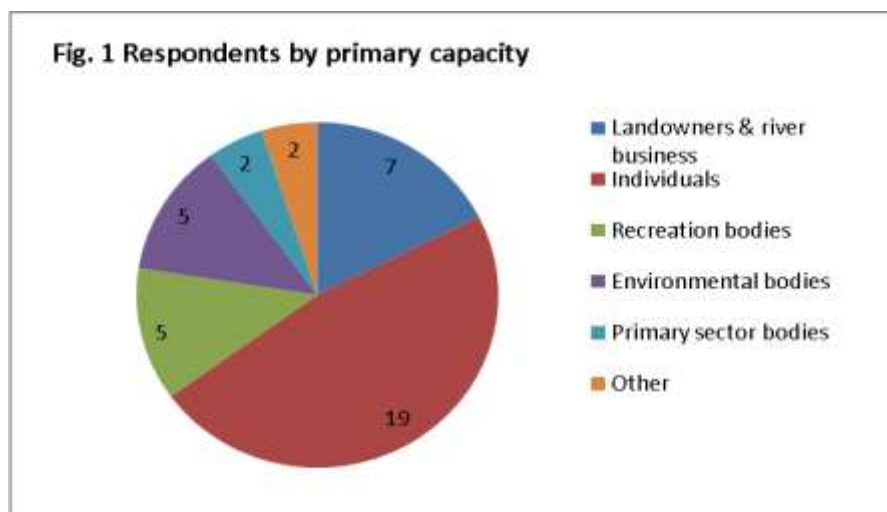
Tuesday 25 October 2011

SUBJECT: UPDATE ON TAHARUA STRATEGY FEEDBACK AND PROJECT REVIEW**REASON FOR REPORT**

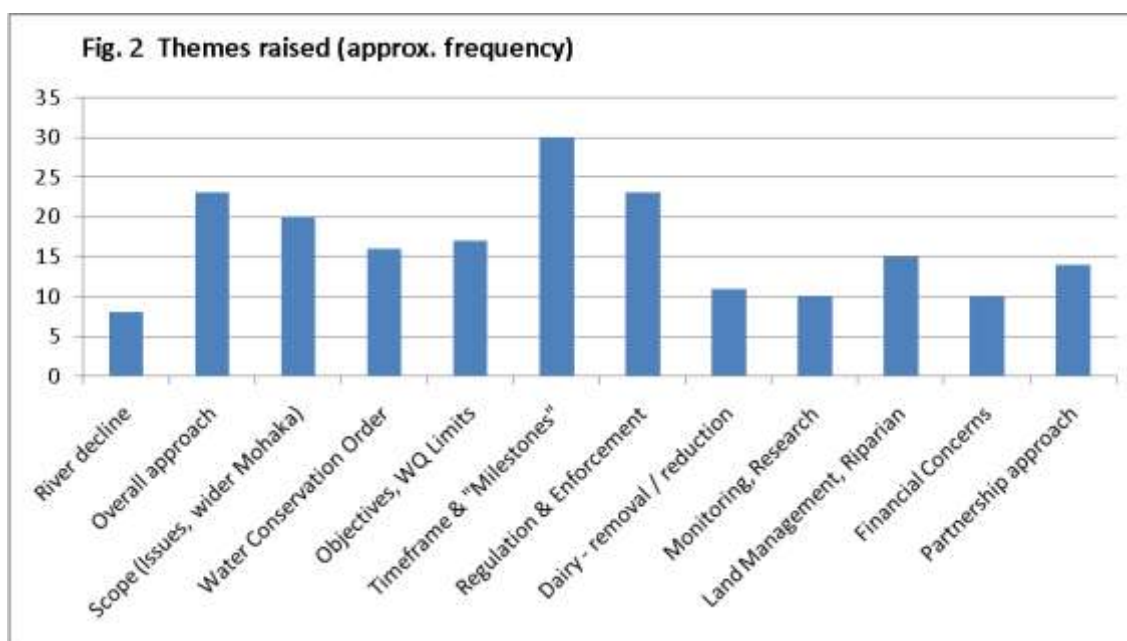
1. This paper provides a progress update on the preparation of a non-statutory Strategy and subsequent plan change to the Regional Resource Management Plan (RRMP) to restore and maintain the health of the upper Mohaka River and its Taharua headwater tributary.
2. Specifically, the report discusses:
 - 2.1. Public comments on the 'Taharua and Upper Mohaka Draft Strategy';
 - 2.2. A Preliminary Review of the Council's process;
 - 2.3. A way forward;
3. This paper was presented to the Environmental Management Committee meeting on 12 October 2011.

PUBLIC FEEDBACK ON THE TAHARUA AND UPPER MOHAKA DRAFT STRATEGY

4. On Council's April instruction, widespread stakeholder and general public consultation was carried out on the Taharua and Upper Mohaka Draft Strategy over the period 20 July to 22 August. The Draft Strategy encapsulates Council's proposed approach to future management and builds on discussions with the Taharua Stakeholder Group (TSG). The consultation was designed to provide a good indication of community reaction (in and beyond Hawke's Bay) prior to detailed policy development. The Draft Strategy is available on www.hbrc.govt.nz (search "Taharua").
5. Staff have collated and summarised the feedback received on the Draft Strategy. A fuller draft report summarising the consultation and public comments has been pre-circulated to Councillors and members of the Council's Maori Committee. The report will soon be published on the Council's website.
6. Forty written responses were received from a range of respondents (Figure 1).



7. The range and frequency of issues raised is indicated in Figure 2 below.



8. An overview of comments received on each of these issues is provided below.
- 8.1. **River decline.** River users with first-hand experience of the water quality decline express frustration that anecdotal evidence appears to have been given little weight in Council's decision-making to date.
 - 8.2. **Overall approach.** Concerns are raised that the proposed "balanced approach" for healthy rivers *and* future viability of Taharua farms could compromise the primary objective of restoring and maintaining the integrity of the outstanding upper Mohaka river system for environmental, social, cultural and wider economic benefits. Council's approach to limits and timeframes should embody the "precautionary principle", given the value of rivers and scientific uncertainty.
 - 8.3. **Scope of provisions.** The Strategy should take a more holistic approach to:
 - 8.3.1. **Issues.** Fish and Game, the Wellington Hawke's Bay Conservation Board (DOC Board) and others consider the Draft Strategy overly focuses on nitrogen (the existing contaminant of concern) instead of the range of factors that can impact river and riparian ecosystem health and biodiversity. This relates particularly to management objectives and water quality limits.
 - 8.3.2. **Geographical extent.** There is concern the Draft Strategy does not adequately address land use and intensification risks in the neighbouring Ripia and Waipunga sub-catchments and therefore cannot protect the outstanding characteristics and features of the Water Conservation Order (WCO).
 - 8.4. **Water Conservation Order.** The ambiguity of the WCO raises concern that Council is failing its statutory obligations (legal advice has clarified these complex legal obligations). Regardless of legal intricacies, the public clearly attach very high value to protection of the outstanding Mohaka River system and view the WCO as a clear expression of its value.
 - 8.5. **Management Objectives and Water Quality Limits.** An ecosystem health and biodiversity approach should be made explicit in clearer, more certain objectives. Proposed limits receive less public attention than timeframes, but this may reflect their technicality. The proposed limits are critiqued by a Fish and Game commissioned report, which questions their current "fitness for purpose".
 - 8.6. **Timeframe and progress "milestones".** The 10 year timeframe for landowner action to meet 15 year water quality targets is widely opposed as too long (note: economic assessment of the likely difficulty of meeting targets was not available to

- inform discussion). More frequent landowner progress “milestones” should be considered to prevent slippage.
- 8.7. **Regulation and enforcement.** Use of regulation to manage Taharua and other sensitive catchments is strongly supported. Opinion is divided on the form this should take. Many support a strong and prescriptive regulatory approach, focussed inputs (e.g. cow numbers, fertiliser), but others advocate a more flexible, “outputs” approach. Regulation must be backed by effective compliance monitoring and enforcement, which is considered too weak to date.
 - 8.8. **Dairy restriction or removal.** Many respondents consider dairy an inappropriate Taharua land use due to the catchment’s physical characteristics. Suggested responses range from limiting future dairying to complete removal over time.
 - 8.9. **Monitoring and research.** Effective monitoring programmes must be developed upfront to inform progress and timely review (ecosystem health/water quality, farm systems adaptation, dairy compliance, plan effectiveness).
 - 8.10. **Land and riparian management.** Land management should address a range of catchment issues, not just nitrogen. This should include phosphorus management, soil health and retention, biodiversity and riparian/wetland enhancement.
 - 8.11. **Financial concerns.** Many support a strong “polluter pays” approach, with the onus on dairy farms to pay for river clean-up. Others suggest financial assistance may be appropriate and necessary, given the potential scale of the task and Council’s role in the catchment’s development history.
 - 8.12. **Partnership approach.** Council’s partnership with the TSG is widely, if not unanimously, supported providing there is sufficient evidence of progress in restoring river health and adequate opportunity for public and other stakeholder input.
9. In summary, the public consultation highlights important issues for the Council to consider in finalising its Taharua and Upper Mohaka Strategy and developing the statutory plan change. Three key questions are discussed below:
 - 9.1. **Should plan change provisions be extended to the Ripia and Waipunga catchments?**

Extension of plan change provisions to the neighbouring Ripia catchment has merit. The outstanding trout fishery cannot be adequately restored and maintained without this. Developing a Ripia framework may not be too complicated as: proposed limits would be met (current water quality is good); key landowners (not all) are on the TSG; and possible regulation of land use change/intensification could be limited to permitted activity, subject to conditions, or controlled activity status.

Addressing the Waipunga catchment, which impacts mid-Mohaka water quality¹, is problematic. Issues and values in the middle reach are currently not well understood and differ from the upper Mohaka. Sediment/clarity issues are likely linked with natural vegetation and forestry. An increasing nitrogen trend may be linked with dairy in Bay of Plenty region. A full “Taharua-style” stakeholder process may be required to establish water quality targets and an inter-regional management framework.
 - 9.2. **What is an effective suite of management objectives and water quality limits?**

Improved objectives will be developed with key stakeholders (e.g. Fish and Game, DOC) and the TSG that reflect Council’s intended “ecosystem approach.” Suites of water quality limits will be investigated, with appropriate independent review (note: establishing phosphorus limits may be problematic). Staff agree that nitrogen management alone (albeit the key elevated nutrient) will not ensure

¹ WCO recognises outstanding value of mid-Mohaka for water-based recreation

future health of the rivers. There is merit in developing a strategy and plan change which ensures effective phosphorus, soil, riparian and wetland management.

9.3. **What is an appropriate timeframe for action?**

Any decision on the timeframe needs to be informed by assessment of on-farm costs of meeting targets and wider cost-benefits. On-farm assessment to date indicates a shorter timeframe may be achievable, but considerable uncertainties have arisen (15.1 below). A shorter timeframe may require financial assistance or see a shift back to a typical adversarial plan change process with parties being more entrenched in their respective interests and positions. Furthermore, eroding existing use rights could be deemed unreasonable under s.85 of the Resource Management Act (RMA).

10. Staff will need to systematically work through these complex issues with key parties and the TSG and report back to Council. This essential work has implications for the plan change timeframe, particularly if the scope of the plan change is to be significantly extended.

REVIEW OF POLICY DEVELOPMENT PROCESS TO DATE

11. In light of issues raised by the public and with plan change notification targeted for end 2011, staff commissioned Rob van Voorthuysen to undertake a preliminary review of Council's progress toward systematic policy development. Rob van Voorthuysen is very experienced in this area of land use planning having acted as Hearings Commissioner for the Horizons' One Plan and provided expert planning evidence on Environment Waikato's Variation 5 (Lake Taupo). He is currently providing similar advice to ECan's Commissioners on managing diffuse nutrient discharges. Rob van Voorthuysen's report is included as Attachment 1.
12. Issues highlighted by the public consultation are confirmed by the van Voorthuysen review. The review also confirms that Council still needs to undertake a significant body of work if a systematic policy development process is to be followed. This is particularly the case for policy development Step 3: identifying the full range of potential solutions; codifying the preferred solution within a draft plan change; and justifying it in an accompanying RMA s.32 report.
13. Progress with some critical "Step 3" work streams identified by the review are examined below.
14. **Determining the required reduction in catchment nitrogen load.** NIWA's Mohaka nitrogen model is critical, but substantial delivery delays and checking of model inputs, assumptions and limitations have delayed policy discussions. This time-consuming model building work has been necessary as model outputs will inform the plan change and must withstand scrutiny in the Environment Court. Staff are now confident that the model provides a satisfactory starting point (to be refined over time) and the final report is available. The van Voorthuysen report's recommended steps in section 5(f) can now be carried out as priority work to inform TSG discussion. If required, the model can inform policy development in other upper Mohaka sub-catchments.
15. **Allocation of nitrogen discharge allowances.** This is an essential component of the plan change, but discussions with landowners have been delayed by the NIWA model (above). Meaningful discussion also requires understanding of the financial implications of the task for individual landowners. This major area of uncertainty is discussed below, but could hold up policy development for considerable time.
16. **Economic analysis of benefits and costs of restoring river health.** The van Voorthuysen report confirms that this work is essential to justify a preferred plan change approach. Inadequate analysis risks Environment Court challenge and potential plan modification, deletion or replacement, particularly if any controls render existing uses of land incapable of reasonable use (RMA s85). Staff are progressing the two components required for robust economic analysis:
 - 16.1. **Understanding on-farm costs.** Staff are working with consultants, landowners and DairyNZ to evaluate options to reduce nitrogen leaching on two of the three

dairy farms (meaningful assessment of the farm in receivership is not possible). The consultants are examining additional options and a report is likely in November. Reducing nitrogen leaching could theoretically take two paths, but each appear to have some obstacles:

- Approach 1: Reduce intensity of farm system: modelling indicates that by reducing stocking rates, fertiliser inputs and production, farmers may be able to significantly reduce nitrogen leaching while maintaining profitability. However, key uncertainties need addressing: the viability of pasture under low/zero fertiliser regimes (the physical characteristics of the catchment may result in system crash); confidence in Overseer leaching estimates; and lending institutions' acceptance of this approach (see below).
- Approach 2: Investing in farm infrastructure: use of stand-off pads and herd homes to reduce leaching is being modelled. Investment of this magnitude would mean productivity and profitability would need to increase, therefore more stock. Again, initial discussions suggest banks may not support such additional investment under their current lending regimes.

16.1.2. Bank lending policy. Two rural banking managers (one involved with the farms) have indicated bank lending policies may restrict farmers from reducing nitrogen losses by either of the above approaches. This has potentially far reaching implications. It is intended that the Chief Executive will initiate high-level dialogue with the banks. Local bank representatives will also need to be invited to be part of Taharua farm system discussions.

16.1.3. Viability of alternative land uses. Consultants have been engaged to examine forestry as an alternative land use within the Taharua catchment. This will inform future catchment management options. The relative merits of forestry and extensive pasture (beef/deer) needs to be investigated as Westervelt (Poronui), are seeking flexibility to replace existing, unviable eucalypt forest. This complicates landowner negotiations and could substantially increase the reduction task for dairy farmers. If alternative forestry is attractive, this may assist negotiations.

16.1.4. Clean-up Fund. It is possible that landowners could be assisted in making necessary changes by the Government's recently announced 'Fresh Start for Fresh Water Clean-up Fund.' Staff will apply to the Ministry for the Environment by the 31 October deadline for a share of the currently unallocated national "pot" of \$9 million over 2 years. MfE officials advise that successful regional councils will be notified late January/early February 2012.

16.2. **Understanding wider benefits/costs.** If improving water quality results in a significant cost for the landowners, then Council needs to understand the cost-benefit relationship on a wider catchment and regional level. That is, what are the benefits (tangible and intangible) to other landowners, businesses and the community, and do they outweigh the costs? This is important Environment Court evidence, but is a complex and potentially costly task. Initial discussion with specialised resource economists suggests between 3-6 months and \$30-60k+, may be required, although a "bare minimum" approach may be possible.

17. **Development of plan objectives, policies, rules and other methods.** The van Voorthuysen report advises that for a systematic policy development process, Council must address issues highlighted in Step 1 (management objectives) and Step 2 (problem definition) before Step 3 (policy selection) and this needs to be further progressed before staff can meaningfully start developing the policy framework.

18. In the meantime staff have been examining plan change options, the format it might take within the RRMP, including possible wording of objectives and policies consistent with the Draft Strategy.

TAKING STOCK AND WAY FORWARD

19. Until recently, staff had an optimistic view that with the benefits of a relatively small catchment area and a small number of stakeholders, collaboration would see progress made quicker than a traditional, typically adversarial approach to changing regional plans. But the van Voorthuysen report clearly confirms the complexities of dealing with catchment-based responses to diffuse nutrient leaching and resultant water quality problems.
20. Despite Taharua's size, technical complexities are similar to those encountered with the Taupo, Rotorua Lakes and Horizons-Manawatu (OnePlan) regimes. In important respects, the challenge is even greater and precedent setting insofar as:
 - 20.1. it could be the first regulatory regime in the country requiring existing farmers to reduce nutrient loadings to meet water quality targets (ie: not just a 'cap' on nutrients);
 - 20.2. there is currently no multi-million dollar government-approved fund allocated to facilitating nutrient reductions (unlike that available for Lake Taupo and Rotorua lakes); and
 - 20.3. Council is looking for upfront agreement to such a framework, through the TSG partnership, to minimise potentially substantial Environment Court delays and enable real ongoing catchment improvements.
21. The van Voorthuysen report comments that a more feasible timeframe for notification of a plan change than the current deadline of end-2011 could be mid-2012, if sufficient Council resources are available to undertake the remaining work identified in that report. However, given the complexity of the issues and possible policy responses, together with Council's commitment to a collaborative process with the TSG, staff are reluctant to commit to a new date without a comprehensive review.
22. Staff consider there to be no obvious 'shortcuts' to the policy development process. Basically, all work underway is critical to informing finalising the Strategy and preparing a plan change for the Taharua and upper Mohaka Rivers.
23. Given the complexity of the resource management issue to be resolved and the significant implications of the options available, staff propose seeking more comprehensive advice on policy development steps, assessment of resource requirements (both within existing budgets and if any new resources would be necessary), assessment of realistic timeframes for notification and legal advice on implications of RMA s.85 (compensation). The advice would build upon the preliminary van Voorthuysen report, together with this report, particularly in terms of assessing resource requirements and resultant timeframes.
24. Staff also propose regular progress reporting during the remaining phases of finalising the 'Taharua and Upper Mohaka Strategy' and preparation of a change to the Regional Resource Management Plan for this catchment. Staff propose presenting progress report summaries to future meetings of the Environmental Management Committee (and then the Regional Planning Committee once operational). On this basis, the next progress summary is proposed to be presented to the Committee's meeting in February 2012.

DECISION MAKING PROCESS

24. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is presented to the Maori Committee for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION

1. That the Maori Committee notes and supports the Environmental Management

Committee's recommendations to Council which are as follows:

That Council:

1. Notes the public feedback received on the 'Taharua and Upper Mohaka Draft Strategy.'
2. Receives the van Voorthuysen report.
3. Notes the van Voorthuysen report's conclusion that "*Notification of a Taharua – Upper Mohaka plan change by the end of 2011 is unrealistic.*"
4. Notes the complexity of the planning environment with respect to managing land uses for water quality enhancement purposes.
5. Agrees that staff continue to compile the information required in order to prepare a robust statutory plan change and associated section 32 evaluation.
6. Agrees that for future Environmental Management Committee meetings, staff present updates outlining progress on significant work streams and that at the February 2012 meeting a comprehensive programme for completion of a robust statutory plan change is prepared for the Committee's consideration.



Chris Reed
SENIOR PLANNER



Brendan Powell
LAND MANAGEMENT OFFICER
INTENSIVE LAND USE



Helen Codlin
GROUP MANAGER STRATEGIC
DEVELOPMENT



Mike Adye
GROUP MANAGER ASSET
MANAGEMENT

Attachment/s

- 1 Taharua upper Mohaka policy Development Process

HAWKE'S BAY REGIONAL COUNCIL

HAWKE'S BAY REGIONAL COUNCIL

SAFEGUARDING YOUR ENVIRONMENT • KAITIAKI TUKU IHO

Taharua and Upper Mohaka

Policy Development Process

October 2011
SD11/06
HBRC Plan Number 4281



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Strategic Development Group

Taharua and Upper Mohaka Policy Development Process

Prepared by:
Rob van Voorthuysen (Director: van Voorthuysen Environmental Ltd)

October 2011
SD11/06
HBRC Plan Number 4281

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EXECUTIVE SUMMARY

This report assesses the Hawke's Bay Regional Council's (Council) progress in addressing the land use and water quality issues for the Taharua and Upper Mohaka catchments. The progress that has occurred to date has been undertaken in collaboration with the Taharua Stakeholder Group (TSG). This report is based on contents of the 'Taharua and Upper Mohaka Draft Strategy' which was prepared for the purposes of public consultation, rather than an in depth review across all of Council's work programmes. This report follows on from a report prepared for Council in July 2009¹ dealing with generic policy development considerations for land use intensification. The July 2009 report identified a number of sequential policy development steps:

- (i) Having **clear management objectives** for the natural resources
- (ii) Properly **defining the problem** that pertains to those resources
- (iii) Identifying the full range of **potential solutions** to resolve the problem and **selecting** the most appropriate solution based on an objective comparison of the advantages and disadvantages of each
- (iv) **Implementing** the selected solution and **monitoring** its performance in terms of resolving the actual defined problem

Council has substantial further work to do to on each of these steps for the Taharua and Upper Mohaka catchments, particularly in terms of step (iii) – identifying the solutions. The current deadline of plan change notification by the end of 2011 is unrealistic. A more feasible timeframe could be mid-2012 if sufficient Council resources are available to undertake the remaining work identified in this report. However, the complexity of the issues and possible policy responses, together with Council's commitment to a collaborative process with the TSG, adds uncertainty to the timeframe.

1 INTRODUCTION

In recognition of its statutory function under section 30(1)(c)(ii)² of the Resource Management Act (RMA) the Council has been considering an appropriate response to the identified effects of land use intensification on water quality in the Taharua and Upper Mohaka catchments. Council has chosen to follow a collaborative policy development process with the TSG, as the main multi-stakeholder working party. Council's progress to date is encapsulated in its July 2011 Draft Strategy report.³ Council has received submissions on that document and these have been summarised by Council staff.

This report discusses Council's progress to date in terms of each of the four steps set out above. As set out in the Draft Strategy, a key component is the notification of a specific Change to the Regional Resource Management Plan (RRMP).

2 CLEAR OBJECTIVES

It is impossible to identify whether or not a resource management problem exists unless the management objectives for the resource in question are clear and certain. In simple terms, unless there are clear management objectives there is no 'yardstick' against which to judge whether or not a problem exists. Council's science monitoring and investigations have

¹ Regional Resource Management Plan Land Use Intensification Policy Development Process Considerations, July 2009

² Every regional council shall have the following functions for the purpose of giving effect to this Act in its region:

(c) the control of the use of land for the purpose of – ...

(ii) the maintenance and enhancement of the quality of water in water bodies and coastal water:

³ Taharua and Upper Mohaka Draft Strategy, A Discussion for Future Management, July 2011

shown that the region-wide water quality objectives of the Regional Policy Statement are not being achieved in the Taharua and upper Mohaka catchments. Accordingly, Council's Draft Strategy proposes specific management objectives for the future health of the Taharua and upper Mohaka rivers.

The objectives derived to date are set out on page 8 of the Draft Strategy. They are:

Taharua

- Promote biodiversity values
- Provide suitable conditions for a high-value trout fishery and healthy native fishery

Upper Mohaka

- Protect the high natural character
- Reduce downstream impacts to a level acceptable to the Hawke's Bay community

If we ask ourselves the key question "are these objectives clear and certain," the objectives are adequate for a public consultation document (which it is understood the Draft Strategy was), but it is obvious that the proposed management objectives would benefit from further refinement prior to them being promulgated in a regional plan change. This would include:

- a) The term "Promote biodiversity values" is vague and uncertain. What does this actually mean? Does it relate to terrestrial biodiversity or just instream biodiversity? Does it apply to the main stem of the Taharua and Upper Mohaka rivers or to their tributaries as well? It is also arguably redundant given the second objective.
- b) The term "Provide suitable conditions for a high-value trout fishery and healthy native fishery" is reasonably clear and certain but it could usefully refer to "Restore and maintain" instead of "Provide", recognising that existing water quality degradation needs to be remedied. Also the term "conditions" should be clarified – what does it mean? Is it water quality only (and if so which water quality parameters) or does it include matters such as riparian vegetation and the facilitation of public access to the rivers?
- c) The term "Protect the high natural character" suggests that the existing level of natural character is to be maintained. Is this the case or is remediation to some former state (pre-dairy farming) desired? Also natural character is a subjective term. It would be better to define measurable characteristics of natural character such as water quality, riparian vegetation and acceptable levels of periphyton growth.
- d) The term "Reduce downstream impacts to a level acceptable to the Hawke's Bay community" is vague and uncertain. What does "downstream" mean – downstream from where to where? What "impacts" are referred to? These should be specified (such as water quality and levels of periphyton growth). The phrase "to a level acceptable to the Hawke's Bay community" is meaningless. It is up to Council to set that level (following appropriate consultation) and test that through the RMA First Schedule process, taking account of public feedback on the Draft Strategy. In that regard it is clear from the submissions received that there is a desire to restore the Upper Mohaka water quality to the state it was in prior to dairy farm development in the Taharua.
- e) Council should also include objectives for land use that will enable the achievement of the water quality objectives. For example, does Council wish to maintain current land use or see it change? Does it wish to preclude further dairy conversions in the Taharua, Ripia and Waipunga catchments? Does it wish existing farms to remain financially viable?

Until Council addresses these matters it is arguable that Council has not yet completed the essential first step in the policy development process – having clear management objectives for the natural resources to be managed.

4 PROBLEM DEFINITION

Once clear and certain objectives are formulated the fundamental next step is to identify the problem(s) with the natural resources under consideration. Namely, the identification of where the Plan objectives are not being met. This necessitates the obtaining of hard data, namely verifiable monitoring data, as opposed to anecdotal evidence or simple assumptions based on community consultation or lay person observations.

In this case it appears that the problem has been well defined (excessive nitrogen leaching leading to nitrogen toxicity in the Taharua and unacceptable periphyton growth in the upper Mohaka) and the cause of the problem has also been identified (the four farms in the catchment as there are no point source discharges to the rivers). Council should however ensure its body of evidence is clearly documented and address any remaining gaps it may be aware of.

5 RANGE OF SOLUTIONS AND SOLUTION SELECTION

Having adequately achieved the problem definition step, and assuming that the management objectives will be refined as discussed above, the Council can now proceed to selecting a solution. It is in this area that the Council has yet to undertake a large body of work. It appears that a number of matters still need to be addressed as follows:

- a) It is unclear what the geographic scope of the intended plan change is. If it is to cover the Upper Mohaka catchment above Glenfalls then the plan change will need to include the Ripia River. If it is to extend further down the Mohaka River then it will need to include other catchments such as the Waipunga River.
- b) The veracity of the water quality targets specified in the Draft Strategy needs to be verified as the proposed targets have been challenged by submitters on technical grounds. A scientific report needs to be prepared that addresses the technical concerns raised by the submitters and either confirms the nitrate toxicity target and the total nitrogen targets or derives alternative numerical values.
- c) The scientific report discussed above should also justify the focus on nitrogen and explain why water quality targets are not being set for sediment, phosphorous and perhaps faecal coliforms.
- d) It seems more logical to set the Taharua nitrate toxicity target immediately downstream of the existing dairy farms so that it 'captures' the contributing land uses of concern. The Twin Culverts site may be inadequate for that purpose, as identified by submitters.
- e) A total nitrogen water quality target (instantaneous water quality concentration measured in mg/l or ppm) may need to be set for the Taharua River just above its confluence with the Mohaka River. This would be based on both toxicity for fish in the Taharua and acceptable periphyton growth levels in the Upper Mohaka. Until this is done there is no way of determining what the allowable nutrient load for the Taharua catchment should be. In addition, a total nitrogen load (kgN/year) needs to be set for the Taharua catchment at that same location. The total nitrogen load should be determined to ensure that the above water quality targets can be met.
- f) Using the Mohaka catchment nutrient model developed by NIWA, the following steps are advised:
 - i. The existing total nitrogen load generated by existing land uses in the Taharua catchment needs to be determined. It should be based on modelled Overseer leaching rates for the four farms and estimated nitrogen leaching rates for the forestry and non-productive land⁴. It should also include nitrogen inputs from

⁴ Such land generally leaches at the rate of 3kgN/ha/year

other sources such as rainfall and atmospheric deposition. It is understood that the catchment nitrogen load can be modelled by NIWA.

- ii. The existing total nitrogen load needs to be split into a 'manageable' component (namely that deriving from the four farms) and an 'unmanageable' component (namely that deriving from forestry, unproductive land, rainfall and atmospheric deposition). It is the 'manageable' load that will be the focus of the plan change's policies and rules.
- iii. The allowable total nitrogen load required in order to meet the total nitrogen target for the Taharua River catchment needs to be determined and compared to the existing total 'manageable' load. This will confirm the nitrogen reduction target in the Draft Strategy which is understood to be around 30,000 kgN/year.
- g) The confirmed nitrogen reduction target needs to be allocated across the existing land uses (namely the four farms). It should be assumed that forestry and non-productive land cannot further reduce their nitrogen leaching.
- h) As a reduction in catchment nitrogen leaching will be required, the plan change should preclude any increase in existing property nitrogen leaching levels. Offsetting increases by decreases elsewhere in the catchment would only achieve the status-quo which is not adequate in this case.
- i) If the existing land uses primarily causing the water quality degradation (the dairy farms) will be required to reduce their leaching, then an initial leaching rate (or nitrogen discharge allowance) needs to be assigned to each property. This can be achieved by averaging (each farm is allowed to leach the same amount per hectare – being the allowable catchment load attributed to the productive land divided by the total number of hectares farmed) or grand-parenting (whereby each property is allowed to leach the amount of nitrogen leached in a selected base year – probably 2011 in this case). The Lake Taupo plan variation evidence clearly established that grand-parenting is the global norm in situations like this and is the more equitable approach.
- j) Nitrogen reduction targets would then be set for each dairy farm. These can be derived in several ways including:
 - Pro-rata reductions from existing leaching rates to achieve the catchment wide nitrogen reduction target (for example everyone reduces by 20%)
 - Reductions to what can be economically achieved on each property using all available best management practices
 - Reducing leaching to what the 'natural capital' of the land can support based on LUC⁵
- k) Each of the possible scenarios should be modelled to see if the catchment wide nitrogen reduction target can be met (the first option above would clearly meet that aim if the percentage reduction mirrored the catchment nitrogen leaching reduction target). If it cannot, then more intrusive regulatory measures will be required such as land retirement or a reduction in stock numbers. Reducing nitrogen leaching in this way is problematic as it erodes existing use rights. While this is not precluded by the RMA, care needs to be taken that the land in question is not rendered incapable of reasonable use. If it is, then s85 of the RMA comes into play and the Environment Court can direct the relevant plan to be modified, deleted or replaced. The need to avoid this pitfall is one of the reasons why the Waikato Regional Council has elected to cap existing leaching levels by ways of rules and then achieve nitrogen reductions in the Lake Taupo catchment voluntarily⁶ through the use of a \$81.5⁷ million fund

⁵ This is the Horizons Regional Council One Plan approach

⁶ The Public Fund will be used to purchase nitrogen – mainly by buying and retiring farms.

⁷ It was estimated that 13,500 hectares of pasture (assuming average pasture leaching of 13.75 kilograms of nitrogen per hectare per year) or 26 percent of the pasture land in the catchment (13500/52500), would be required to be converted from

administered by the Lake Taupo Protection Trust.⁸ Namely, if the community desires legitimate farming activities to cease trading or even reduce their financial returns, then the community should pay.

- l) A decision would need to be made on whether to base the necessary rules on s9 (relating to controls on use of land) or s15 (relating to discharges of contaminants) of the RMA. Work in other regions suggests that s9 is more appropriate with a 'catch-all' s15 rule for point source discharges such as farm dairy effluent.⁹ It is assumed that s14 (restrictions relating to water) is not an option as there is not widespread clean water irrigation occurring on the farms.
- m) A realistic timeframe for achieving the catchment nitrogen reduction target should be set. The submissions on the Draft Strategy suggest a shorter timeframe than 10 years should be considered.
- n) The plan change rules would need to specify how the nitrogen leaching reductions are to be achieved for each farm (such as in annual steps over five years).
- o) The plan change should also consider compulsory fencing and planting of riparian margins on the four farms, as was suggested by a number of submissions. This would extend the voluntary commitments of the Clean Streams Accord (for the three dairy farms) and would assist with reducing the output of other contaminants of concern to submitters including sediment, phosphorous and faecal coliforms.
- p) To add a further level of complication to this matter, the identification of the possible solutions and the selection of the desired solution must occur in a manner that is consistent with the requirements of s32 of the RMA. This will necessitate an economic analysis of the costs of change for the four farms and the cumulative costs across the catchment, including multiplier effects on the wider regional economy¹⁰. These real and tangible costs would need to be matched by a quantifiable environmental benefit. In the case of Lake Taupo, the assumed benefit was the avoidance of a multi-million dollar loss of recreation sector derived revenue should the Lake water quality become degraded. In the case of the Taharua and upper Mohaka Rivers, the adverse effects of degraded water quality on downstream users (commercial rafters and kayakers, commercial angling guides, other tourism operators, and private recreational users – including many of the submitters) should be estimated by a suitably qualified and experienced resource economist.
- q) If the plan change is to include the neighbouring Ripia and Waipunga catchments, then the steps outlined above must also be completed for those catchments. Council should not simply extrapolate data from one catchment to another or one aquifer to another as this will inevitably be exposed under cross-examination when the plan change proposal is tested in Council and Court hearings.
- r) The 'solution' needs to be codified into objectives, policies, rules and other methods.

6 IMPLEMENTATION AND MONITORING

Once a solution to the problem has been selected then Council must implement the solution and monitor its effectiveness (ongoing monitoring is essential). An effective implementation and monitoring framework needs to be developed upfront but it does not need to be contained in the plan change. That would lack flexibility (changes to the monitoring framework would need to occur by way of a First Schedule process) and the monitoring framework would be better included in a non-statutory monitoring plan.

pasture to forestry at a cost of \$5000 per hectare. Thus the actual cost of the reduction was estimated to be \$67.5 million plus \$14 million for research and administration costs (total \$81.5 million).

⁸ Jointly funded by Central Government, EW and the Taupo District Council.

⁹ The author has recently prepared a report on this matter for Environment Canterbury.

¹⁰ For example, Horizons RC did not do this prior to the notification of the One Plan, but it subsequently commissioned PGG Wrightson Consulting to prepare such a report.

Water quality needs to be intensively monitored at each of the sites where in-stream nitrogen water quality targets are set. Periphyton levels in the upper Mohaka should be monitored at the water quality target sites.

Land use change should also be monitored (the area of the catchment(s) in various land uses) as should the extent of riparian retirement and planting.

On-farm leaching rates will need to be assessed annually to ensure compliance with the individual farm nitrogen leaching reduction requirements. This can be achieved by undertaking annual Overseer modelling for each farm. Council will need to ensure auditing of any Overseer modelling undertaken by the farmers themselves is effective and consistent.

SUBJECT: WATER QUALITY TRENDS IN HAWKE'S BAY 1998-2011

REASON FOR REPORT

1. The purpose of this report is:
 - 1.1. To inform Council on the current state and trends of key surface water quality parameters using the examples of nitrate-nitrogen (NO₃) and soluble reactive phosphorus (SRP).
 - 1.2. To highlight some weaknesses in the existing water quality monitoring programme that limit Council's ability to deliver on their strategic goals.
 - 1.3. To highlight the importance of the State of the Environment (SoE) programme in supporting Council's Regional Goals and Strategic Direction.

Background

2. The current Hawke's Bay Regional Council's SoE river monitoring programme consists of 72 sites monitored routinely throughout the region. The standard sampling regime is quarterly water quality measurements. Analysis and reporting of the results follows a 5 yearly cycle. The next detailed regional SoE review of surface water quality is due in 2014.
3. The programme reflects recommendations from the 2006 SoE review and NIWA commissioned frequency analysis.
4. An interim, region wide analysis of state and trends was undertaken to inform Council to support strategic development and to assist in providing information to operational activities e.g. land services for prioritisation and effectiveness of programmes. Preliminary results will be part of the presentation.

Methods

Trend and State Analysis

5. Key water quality variables were analysed for state and trends based on the following:
 - 5.1. Summaries of state, based on percentage of compliance with Regional Resource Management Plan (RRMP) and Australian and New Zealand Guidelines for Fresh and Marine Water Quality (2000) (ANZECC) guideline levels, were assessed for the period September 2008 to September 2011 (last 3 years approximating current state).
 - 5.2. Trends were analysed for SoE sites (54 in total, including 6 sites sampled by NIWA) containing data spanning the period 1998-2010. At least ten years of data is generally required for a robust trend analysis in light of the historic and current quarterly sampling frequency (discussed in more detail shortly).

Data Display

6. Sites were classified into "increasing", "decreasing" and "stable trend" classes, when significant trends were determined. Symbols were assigned for each trend class (displayed as: arrow up, arrow down and square respectively). Remaining sites were defined with "no significant trend" and displayed as a circle.
7. Water quality 'state' classes were defined using the percentage of compliance (as described under 5.1) in line with the following: >80% compliance, 80-50% compliance, <50% compliance (displayed in green, amber and red respectively).

8. Classes described in 6 and 7 were merged and displayed in ArcGIS for each variable. One coloured symbol being displayed for each site (e.g. green arrow up, upward trend, but >80% compliance with guidelines). Maps were generated for each variable and selected examples will be shown as part of the presentation.

Results

In the Case of NO₃ and SRP

9. In the case of NO₃ and SRP, the trend analysis resulted in “no significant trend” for a large number of the SoE sites. This reflects an indeterminate result with no capacity to conclude an increasing, decreasing or stable trend over the time period analysed.
10. Nine sites showed a significant increasing trend for NO₃ and four sites a significant decreasing trend; seven sites showed a significant increasing trend for SRP and seven sites a significant decreasing trend. No sites returned a significant stable trend.
11. Four NO₃-sites and five SRP-sites that returned significant trends were sampled by NIWA at a higher (monthly) frequency returning roughly 4 times more data points than HBRC sampled sites. HBRC sites at which trends could be determined were generally sites where data was also collected monthly (e.g Taharua).
12. The lack of statistically significant trends (increasing, decreasing or stable) is largely an artefact of the frequency of sampling. Increasing sampling frequency from quarterly to monthly for key SoE sites would greatly improve Council’s capacity to report on trends, and in turn plan effectiveness.
13. The current standard SoE surface water sampling routine, based on quarterly sampling, does not provide sufficient data for sound statistical analysis over the five yearly reporting cycle. Monthly sampling is more likely to provide for robust data aligned with the regional reporting period and enable consistency with national monitoring.
14. Increased sampling frequency and subsequently robust trends and state analysis would provide for:
 - 14.1. The opportunity to report “changing state and trend”, based on a fixed (defined) time period to inform Council and the public of the most recent state and trends of their water resources.
 - 14.2. Iterative decision-making: Evaluating **results** of actions (e.g. land management) and adjusting **actions** on the basis of state and trend analysis. This could be coupled with historic and current landuse information to ensure legacy effects were appropriately characterised.
 - 14.3. Improved capacity to assess trends over the SoE reporting period (5 years).
 - 14.4. Stronger statistical conclusions.
 - 14.5. Sound data for decision making process (strategic development, operational activities and statutory processes).
 - 14.6. Straightforward cause-effect evaluation (e.g land management).

Strategic Context

The Council has confirmed its proposed strategic directions with soon to be released Strategic Plan. Land and Water Quality are focus areas under the strategic goals of Resilient Ecosystems.

The Strategic Plan’s proposed outcome is a proactive integrated management of Land and Water through ‘Better understand(ing) trends and risks for each catchment’. ‘Keeping communities well informed’ is one of the proposed approaches in the focus area of people and communities.

Proposed Science Programme Objectives to support these strategic goals include:

- To support sound strategic decisions in identifying areas for enhancement and improvement of water quality.

- To provide catchment based robust information to support management and policy decisions, promoting integrated management.
- To identify potential for efficient land management actions and report on effects of land use changes.
- To identify potential WQ changes due to climate change and to assess likely effects of climate change on aquatic ecosystems.
- To provide support to effectively deliver on Council's statutory responsibilities, projects and services as approved by Council through its Long Term Plan (LTP).
- To implement routine reporting on "Water Quality - State and Trends" in the Hawke's Bay region.
- To introduce targeted reporting on plan effectiveness to communities and focus groups with sound data to enhance community support.
- To inform and guide the setting of priorities in relation to the activity of a local authority and other organisations.
- To increase and improve stakeholder engagement through better reporting and defined outcomes.

DECISION MAKING PROCESS

15. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is presented to the Maori Committee for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION

1. That the Maori Committee receives the report entitled "*Water Quality Trends in Hawke's Bay 1998-2011*"

Nina von Westernhagen
ENVIRONMENTAL SCIENTIST
FRESHWATER QUALITY AND ECOLOGY

Adam Uytendaal
TEAM LEADER WATER QUALITY &
ECOLOGY



Graham Sevicke-Jones
MANAGER ENVIROMENTAL SCIENCE

Attachment/s

There are no attachments for this report.

SUBJECT: FISH BARRIERS

REASON FOR REPORT

1. Structures in the beds of rivers and streams can cause a barrier to migrating fish by preventing their upstream or downstream passage.
2. Pump stations designed to regulate stormwater flows and tide gates and flood gates at culvert openings when closed are a complete barrier to fish passage. Weirs are concrete, stone or stonemesh overflow walls or structures that are designed to raise upstream water level for the purpose of diverting flows or measuring the rate of flow. Weirs are a significant obstacle to fish passage.
3. The introduction of the Freshwater Fisheries Legislation in 1983 and the Resource Management reform of the late 1980s early 1990s. Act in 1991 highlighted fish passage as being a significant issue in New Zealand. The Hawke's Bay Regional Council sets out clear direction to address this issue through policies and rules in the Regional Resource Management Plan (RRMP).
4. The Hawke's Bay Regional Council fish monitoring strategy (2006) highlighted the need for an assessment of potential barriers to fish passage in the region. The project aimed to list the location of these potential barriers on public and HBRC managed land and assess each of the structures on the severity of the restriction to particular fish species with differing climbing abilities.

Background

5. New Zealand has a small number of native freshwater fish species compared to other countries in the world. Of the 35 native species included in the fauna, 18 of these spend part of their life in the sea as part of life cycle (diadromous). The presence of structures in waterways has become a problem for some species of fish to migrate between inland waters and estuarine and coastal waters to access suitable habitat to complete their life cycle.
6. The climbing ability of fish differs dramatically between species; the best climbers being the longfinned and shortfinned eels which can survive for extended periods out of water by absorbing oxygen through their skin. Some galaxiid species such as the Koaro and banded Kokopu have evolved with large pectoral fins enabling them to cling to moist surfaces of rocks and allow them to climb extensive waterfalls. The climbing ability of different fish species determines their ability to navigate barriers and penetrate inland.
7. Poor design and installation of culverts is a major problem for fish passage. Culverts installed higher than the natural stream level (perched) can pose a problem for fish to pass through due to the inability for fish to enter the culvert. These perched culverts become inaccessible for all species. Flow conditions inside the culverts can also present a problem for fish passage. Large culverts with a wide diameter become a barrier at low flow conditions due to shallow water depth.
8. A total of 88 structures in 82 separate locations were assessed as preventing the upstream and downstream migrations of the fauna. Of these culverts, storm water pumping stations and weirs make up the majority of the structures identified as causing a barrier to fish passage. Bridge aprons, dams, fords and a recently engineered fish pass at Pekapeka Swamp made up the remaining amount with only 1% of each contributing to the proportion of fish passage types.

Communication

9. Information contained in this report will be provided to TLAs, Transit and Department of Conservation to enable review of those structures that are currently inhibiting fish passage. The report will inform consenting to assist in the assessment of new or changes to existing culverts. The report has been provided to the engineering staff for consideration of management options within the environmental management review of council managed waterways.

DECISION MAKING PROCESS

10. Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION

1. That the Maori Committee receives the report.



Fiona Cameron
DATA ANALYST

Adam Uytendaal
PRINCIPAL SCIENTIST, WATER QUALITY
& ECOLOGY



Graham Sevicke-Jones
ACTING GROUP MANAGER
RESOURCE MANAGEMENT

Attachment/s

There are no attachments for this report.

HAWKE'S BAY REGIONAL COUNCIL

MAORI COMMITTEE

Tuesday 25 October 2011

Item 15

SUBJECT: STATUTORY ADVOCACY MATTERS

REASON FOR REPORT

1. This paper reports on proposals considered under Council's statutory advocacy project and the Resource Management Act 1991 for the period 10 August to 12 October 2011.

Background

2. The proposals on which Council has an opportunity to make comments or lodge a submission include, but are limited to:
 - 2.1 Notified Resource Consent Applications
 - 2.2 Plan Changes
 - 2.3 Private Plan Change Requests
 - 2.4 Notice of Requirement
 - 2.5 Non-statutory Strategies and Structure Plans.
3. The summary attached includes an actual list and description of the proposals, whether submissions were lodged in support or opposition, and the reasons for lodging a submission. A location map is also attached.

DECISION MAKING PROCESS

Council is required to make a decision in accordance with Part 6 Sub-Part 1, of the Local Government Act 2002 (the Act). Staff have assessed the requirements contained within this section of the Act in relation to this item and have concluded that, as this report is for information only and no decision is to be made, the decision making provisions of the Local Government Act 2002 do not apply.

RECOMMENDATION

1. That the Committee receives the Statutory Advocacy Update report.



Esther-Amy Bate
PLANNER



Gavin Ide
TEAM LEADER POLICY



Helen Codlin
GROUP MANAGER
STRATEGIC DEVELOPMENT

Attachment/s

- 1 Council Update Statutory Advocacy
- 2 Statutory Advocacy Map

Statutory Advocacy Update

Received	TLA	Map Ref	Activity	Applicant/ Agency	Status	Current Situation
12 Aug 2011	NCC	5	DRAFT Plan Change 7 - Jervoistown Zone Draft proposal for rezoning an area to be known as the 'Jervoistown Zone' within Napier City. Area to be rezoned is currently zoned as 'Rural Settlement' and 'Main Rural' in Napier District Plan. Draft Change also proposes various new rules and policies that would be applicable within the new Jervoistown Zone (including prohibiting subdivision of lots less than 2,500m ²).	NCC	DRAFT Plan Change released by NapierCC	19 September 2011 <ul style="list-style-type: none"> Council provided comments on Draft Change 7. Comments noted: <ol style="list-style-type: none"> Conditional support for draft Change; Need for careful management of further development in Jervoistown and surrounds that could upset proper implementation of settlement pattern as adopted in 2010 Heretaunga Plains Urban Development Strategy. Council's role as drainage asset manager of the Jervois Drain and present limited capacity of Jervois Drain to accommodate additional runoff from further development. Any further limited development must still comply with regional rules for wastewater treatment and disposal. Incidents of cross-contamination of wastewater and stormwater within existing settlement was also noted. Merit in investigating a wider range of options for provision of wastewater services – more than just the one option referred to in Draft Change documents. Offer made for HBRC and NCC to have further discussions on this wider options, particularly if more cost-effective than reticulated disposal via NCC wastewater system at Awatoto.
5 November 2010	NCC	4	Notice of Requirement – Te Awa Structure Plan Notice of requirement for designation to allow for the construction of public works in the Te Awa Structure Plan area by Napier City Council.	NCC	Notified by NCC	1 October 2011 <ul style="list-style-type: none"> No further progress to report. 6 December 2010 <ul style="list-style-type: none"> The Council's Engineering Team has provided comment. The Engineering Team believes that the proposed second pump station is unnecessary due to sufficient infrastructure already available in that there is scope to utilise infrastructure previously built for the Cross Country drain. Council submitted in general support but provide further comments as stated below.

Received	TLA	Map Ref	Activity	Applicant/ Agency	Status	Current Situation
5 November 2010	NCC	4	<p>Plan Change 6 – Te Awa Structure Plan</p> <p>The purpose of the plan change is to rezone the area from Main Rural to Main Residential and incorporate the outcomes sought in the Te Awa Structure Plan into the District Plan.</p>	NCC	Notified by NCC	<p>1 October 2011</p> <ul style="list-style-type: none"> No further progress to report. <p>20 June 2011</p> <ul style="list-style-type: none"> Council has received a Summary of Submissions from NCC. No action is required at this time. <p>6 December 2010</p> <ul style="list-style-type: none"> The Engineering Team has provided comments. The proposed stormwater solution does not consider the principles of Low Impact Urban Design. Council will submit in support of the application in principle but suggest some design principles that NCC could take into account when further developing the proposal. In particular the Council has recommended: <ol style="list-style-type: none"> That decision making criteria and/or guidance be added that supports and encourages the principles of Low Impact Urban Design, and That NCC develop a landscape plan that includes aspects to enhance the ecology, culture, recreation. Health and safety along Willowbank Avenue and the Serpentine Drain drainage corridor.

Received	TLA	Map Ref	Activity	Applicant/ Agency	Status	Current Situation
9 September 2010	NCC	3	Resource Consent - Subdivision The applicant seeks to undertake a 2 Lot subdivision to create one (1) 0.178 hectare residential Lot (being proposed Lot 1) and a balance Lot which will be 3.31 hectares (being proposed Lot 2). The address for the subdivision is 45 Rogers Road, Bay View, legal description Lot 4 DP 7344.	Cindy McKinnie Consultant – Consult Plus	Notified Restricted Discretionary	3 October 2011 <ul style="list-style-type: none"> Appellant withdraws appeal. No further action/input required. 24 May 2011 <ul style="list-style-type: none"> Environment Court-assisted mediation held amongst parties. Appellant to do further homework and reconvene mediation in late 2011. 21 February 2011 <ul style="list-style-type: none"> Council joined appeal proceedings as interested party. 31 January 2011 <ul style="list-style-type: none"> Received notice of an appeal by applicant against NCC decision seeking that the NCC decision to decline the application be overturned. 7 December 2010 <ul style="list-style-type: none"> Application Hearing held on 24th November, Application declined by NCC. 8 October 2010 <ul style="list-style-type: none"> HBRC lodged submission opposing application. Consent should be declined unless the proposed 2 residential lots are fully serviced or sufficient information is provided to show that adverse effects of on-site wastewater discharges (particularly in combination with the proposed soak-pit means of stormwater disposal), will be adequately avoided, remedied or mitigated. Submission stated installation of a reticulated sewage system for the Bay View community to be a sustainable long-term solution for the treatment and disposal of wastewater. Submission also seeks clarification of floor level for flooding risk also requested.

Received	TLA	Map Ref	Activity	Applicant/ Agency	Status	Current Situation
23 August 2010	NCC	2	Resource Consent – Subdivision The application seeks to subdivide 58 McElwee Street, Jervoistown Certificate of Title HBM2/1351 into two separate lots.	Mr B. Joseph Consultant – Consult Plus	Notified Restricted Discretionary	<p>1 October 2011</p> <ul style="list-style-type: none"> No further progress to report. <p>24 May 2011</p> <ul style="list-style-type: none"> Mediation with the applicant and NCC to be held. Council staff will maintain the position that: <ul style="list-style-type: none"> No further discharge of stormwater will be accepted into the Jervois Drain, and The option of discharging stormwater via the Claudatos scheme is only viable if a number of conditions are met. Appellant to do further 'homework' and hold discussions with NapierCC. <p>27 January 2011</p> <ul style="list-style-type: none"> Council joined appeal as an interested party, particularly interested in issues relating to the effects of increased site coverage and stormwater collection, treatment and disposal. <p>17 November 2010</p> <ul style="list-style-type: none"> Application was declined at NCC Hearing held 17 November 2010. NCC decision subsequently appealed by applicant. <p>20 September 2010</p> <ul style="list-style-type: none"> HBRC lodged submission opposing application. Reasons include: <ul style="list-style-type: none"> No provision for stormwater disposal and will likely result in adverse conditions in terms of flood levels and duration of flooding at a local level and the wider Jervoistown community. Proposal to increase maximum site coverage from 10% to 25%. Concern that this will also increase adverse conditions in terms of flood levels and duration of flooding. A 2009 report prepared by this Council (<i>Jervoistown Drainage Analysis</i>, Hawke's Bay Regional Council, April 2009) outlines the drainage issues and provides the conclusion that incremental development at Jervoistown will continue to result in reduced drainage standard for the existing houses. A copy of this report was provided to Napier CC shortly after its publication.

Received	TLA	Map Ref	Activity	Applicant/ Agency	Status	Current Situation
24 May 2010	NCC	1	Resource Consent - Subdivision The application seeks to subdivide an area of land currently zoned as main rural on 66 Franklin Road, Bay View into 6 lots and undertake earthworks.	Gerald Howe Consultant – Alan Petersen	Notified Restricted Discretionary	1 October 2011 <ul style="list-style-type: none"> No further progress to report. 26 July 2011 <ul style="list-style-type: none"> NCC Planning staff have informed HBRC that they are waiting on further information from the applicant. 2 August 2010 <ul style="list-style-type: none"> Policy staff have met with the applicant's consultant. Options and scenarios for wastewater consenting and servicing are under consideration. 14 July 2010 <ul style="list-style-type: none"> Council submitted in opposition to the application seeking that the application be declined unless all of the 6 Lots were fully serviced. 12 June 2010 <ul style="list-style-type: none"> Comment has been sought from the Regulation and Engineering teams. The stormwater solutions for the site are acceptable due to the free draining nature of the soils. The same soil types present an issue with on-site wastewater disposal and insufficient treatment. Coupled with the proximity of the subdivision to the coastal marine environmental it is likely that the Council will submit against the application. Submissions close 24 June 2010.



Statutory Advocacy

1. Subdivision – Gerald Howe
2. Subdivision – Mr B. Joseph
3. Subdivision – Cindy McKinnie
4. Notice of Requirement & Plan Change 6 – Te Awa Structure Plan
5. Plan Change 7 – Jervoistown Zone

HAWKE'S BAY REGIONAL COUNCIL

MAORI COMMITTEE

Tuesday 25 October 2011

Item 16

SUBJECT: GENERAL BUSINESS

INTRODUCTION:

This document has been prepared to assist Councillors note the General Business to be discussed as determined earlier in Agenda Item 6.

ITEM	TOPIC	COUNCILLOR / STAFF
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