

To: Board of Inquiry (National Policy Statement for Freshwater Management)

From: Hawke's Bay Regional Council

Date: 7 September 2009

**Verbal Submission in support of written submission on the National Policy Statement for Freshwater Management by Ms Helen Codlin, Group Manager Strategic Development on behalf of the Hawke's Bay Regional Council**

**Introduction**

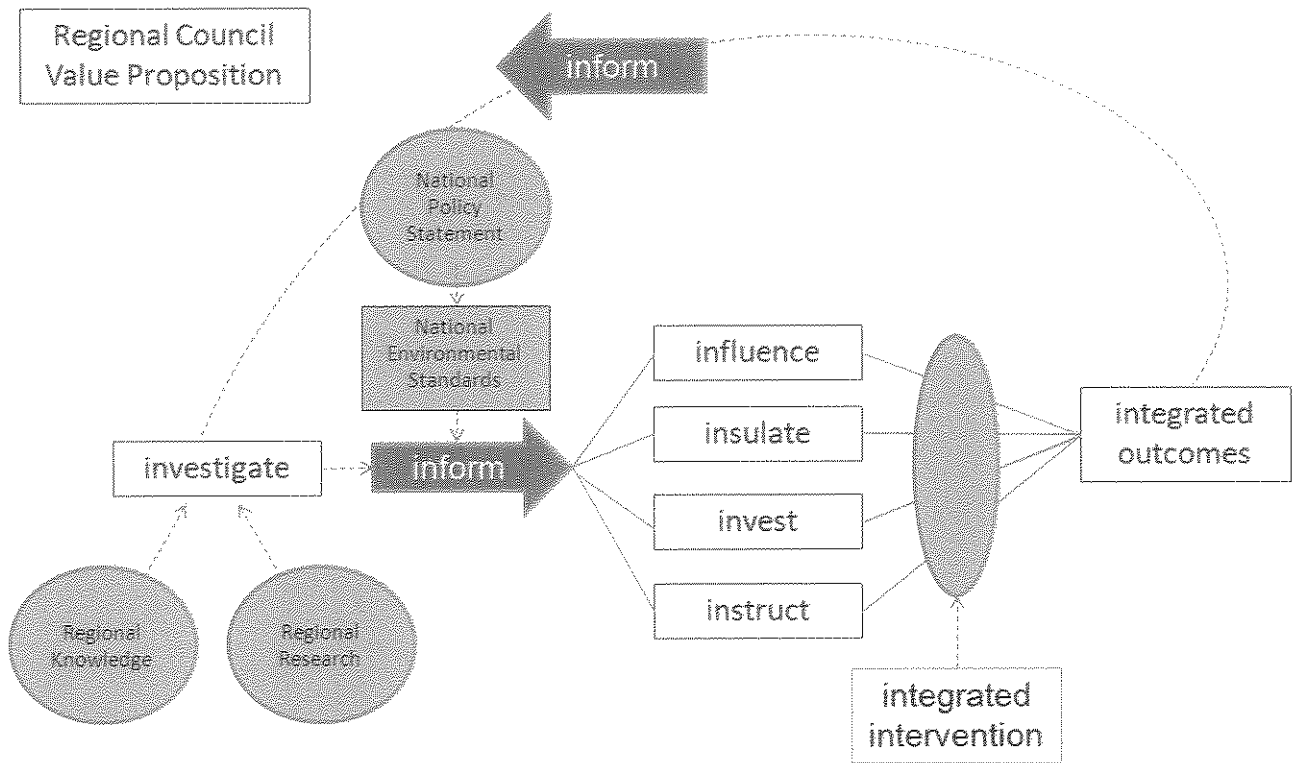
1. Thank you for this opportunity to present our submission in person to you today. With me today is Andrew Newman, Chief Executive of the Hawke's Bay Regional Council and Darryl Lew, Group Manager Resource Management.
2. Our written submission was reasonably brief and in summary, while acknowledging that a National Policy Statement for Freshwater Management (NPS) would provide a useful tool to support the management of the freshwater resources in this region, we consider that the NPS as proposed is a missed opportunity. This missed opportunity is largely because the NPS focuses on a process/instructional approach rather than an environmental outcome-focussed approach.
3. Our written submission acknowledges our support of the submission by Local Government New Zealand. We have looked carefully at the alternative NPS that is offered in its submission. While we would debate some aspects of the 'example' objectives and policies, we are supportive of the move away from the prescriptive / directive approach taken in the Proposed NPS.
4. I will briefly outline the Council's strategic approach to the key freshwater management issues in the Hawke's Bay region and then discuss how we consider an NPS would further assist us in the management of those issues.

**Strategic Approach to Key Freshwater Management Issues in the Hawke's Bay region**

5. I would like to refer to a model (Figure 1) that this Council uses to demonstrate how it approaches many of the issues, challenges and opportunities before us.
6. It shows the investigation and information gathering stage to inform how a particular issue could be addressed.

7. We have used the terms “Influence”, “Insulate”, “Invest” and “Instruct”, to reflect the range of interventions available to Council and the various mix of interventions which may form the integrated solution.

Figure 1



8. We see the proposed NPS in its current form as heavily loaded in the “Instruct” intervention, directing councils to use regional policy statements and regional plans and district plans to do what is already largely provided by the Resource Management Act.

9. In terms of the model, we see an NPS as being an informing/guiding document where the desired outcomes are clear and leaving it to the councils to determine how best to give effect to it. Further, we see an NPS as an overarching document that states the desired outcomes, while an NES should contain more directive and often numerical standards and supporting scientific guidelines. Our submission is the NPS as proposed ‘strays’ into Policy directions that are more appropriately contained in Regional and District plans or more appropriately contained in NES.

10. This Council is actively managing and responding to its freshwater management issues and is particularly looking at how it can invest for both economic and environmental outcomes.

11. The Regional Council has an operative second generation Regional Policy Statement / Regional Plan, (the Regional Resource Management Plan, RRMP). It was proposed in April 2000 and became operative in August 2006.
12. The RRMP is one of the few operative regional plans which contains a water management framework that incorporates both an allocation limit and a minimum flow regime, albeit only for selected catchments. The management framework has been applied to a number of the rivers being used for irrigation use in particular. **(An “Instruct” Intervention)**
13. The RRMP contains a policy for over-allocated situations. The policy sets out a number of approaches including:
  - a. Having common expiry dates so that consents can be reviewed at the same time on a catchment/groundwater basis to ensure holistic and consistent decision making;
  - b. Giving preference to existing takes over new takes, where it can be demonstrated that the allocation is still required;
  - c. Encouraging the establishment of user groups and seasonal or long term transfer of consents to promote efficient and effective use;
  - d. Where overallocation still exists, reducing the allocation on a pro-rata basis, and;
  - e. Encouraging alternative water sources.
14. Since the RRMP was notified in 2000, new information has become available which indicates that the minimum flow methodology was perhaps not the most appropriate to use as it was based on trout habitats within North American river systems rather than the braided gravel rivers in Hawke’s Bay and across NZ.
15. The Council has committed to complete a review of the minimum flow and allocation limits in time for the next round of consent application renewals. In this regard, the Council is also supportive in principle and closely monitoring developments of the National Environmental Standard for Ecological Flows and Water Levels.
16. Council recognises water as being the region’s key strategic issue and has already completed a Pre-feasibility for predominantly ‘off stream’ Water Storage options in the fully allocated Tukituki River Catchment. It is currently considering a decision whether to proceed to Feasibility. This will largely be dependent on finding community partners who are prepared to contribute to a feasibility study. Pre-feasibility studies are also proceeding in the Ngaruroro and Karamu River systems which are also at full allocation or over allocation. **(An “Invest/Insulate” intervention)**

17. Council recognises that knowing how much of the allocated water is actually taken is critical to good water management. It is also critical for effective and efficient water use by the irrigators. Council has this year established a Water Information Services Unit which will facilitate the collection and management of water use information using technology such as telemetry and web based or text based data entry directly into Council's information systems. While enabling efficient compliance monitoring to occur, just as importantly, this infrastructure and resultant information will allow for the allocated water to be more actively transferred between irrigators, and to facilitate rostering and rationing to delay the rivers reaching minimum flow levels. **(An "Invest/Insulate" intervention)**
18. Council is also supporting irrigation user groups as part of this project. **(An "Influence" intervention)**
19. In addition, Council will be undertaking a study to determine potential water demand and availability on a regional and catchment basis. This will be based on different land use and climate change scenarios. **(An "Insulate" intervention)**
20. Among the territorial authorities, the Hastings District Council is also putting a lot of emphasis on developing water demand / conservation strategies.
21. In relation to water quality, the 5 yearly Hawke's Bay State of the Environment report to be released this week indicates that the region's water quality on a regional scale is acceptable but there are some localised areas of concern.
22. For example, the Tukituki River receives the treated effluent from four townships in the Central Hawke's Bay area, the two largest being Waipawa and Waipukurau. While consents were granted for the Waipawa and Waipukurau discharges subject to a staged upgrade by 2014, there was much community concern about the discharges and the quality of the Tukituki River which has significant recreational and trout fishery value.
23. In response, Council has worked with the Central Hawke's Bay District Council to find an alternative land based disposal solution. This will see the Regional Council purchasing land for effluent disposal into a commercial forestry operation. This investment is on a strict commercial basis using Council's investment portfolio. The District Council will invest in the wastewater infrastructure and ongoing operation and maintenance. This will be a significant win-win solution – **(An "Invest" intervention)**
24. In summary, the Proposed NPS as it currently stands may override these strategic priorities which are of economic, cultural and environmental benefit to the region to focus on the "instruct

intervention" only.. It would mean that staff and financial resources are diverted from this integrated range of activities to the preparation of Regional Policy Statements and regional/district plans.

25. I note in Ms Sue Powell's report to the Board (Paragraph 106) where she explains that the timeframe which has the impact of all regional councils working on planning documents at the same time "seeks to encourage all regional councils to collaborate so that a degree of national consistency is achieved in the notified documents". In our view, achieving national consistency the purpose and role of a National Policy Statement.

#### **How a National Policy Statement on Freshwater Management would help**

26. Council supports the preparation of a National Policy Statement and believes it can usefully provide guidance and direction on a number of issues, provided the NPS is outcome-focussed rather than prescriptive or instruction focussed. The NPS has an opportunity to provide useful guidance and direction to this Council and resource users alike by:

- a. Identifying **water bodies of outstanding value** and indicating how such water bodies should be managed to at least maintain that outstanding value. (We understand considerable work has been undertaken by the Ministry for the Environment as part of the Sustainable Water Programme of Action which would enable such water bodies to be listed);
- b. Identifying **water bodies of national importance** whether it be for cultural, tourism or energy potential reasons to inform the application of Section 6 of the RMA;
- c. Acknowledging that, given the country's level of development and reliance on primary production, **some reduction in quality** from a water body's natural state is to be **expected and acceptable** following a Part II assessment under the RMA;
- d. Outlining a risk management framework that will allow Councils to formally **prioritise their water resources for scientific investigation and policy development** over timeframes that are achievable, can be resourced, and allow appropriately detailed work to take place;
- e. Outlining relevant criteria to consider when **making decisions where there is scientific uncertainty** or lack of information about a resource. It is hoped that such an approach will allow Council to advance timely policy interventions without 100% scientific certainty (e.g. using the precautionary theory). It would also reduce the potential litigation of plans and consent decisions;

- f. **Prioritising water use for domestic, municipal and animal drinking** requirements while expecting water conservation and demand management strategies to be place; and
- g. Expressly providing for **allocation regimes for specific uses** (e.g. public water supply, irrigation, hydro electric generation), and for such allocation to be reserved to be available for future demand from that use.

#### **Other matters**

- 27. In its current form, the NPS would introduce a number of new concepts to the integrated and sustainable management of freshwater resources under the RMA. If these new concepts are to be retained, then it should be incumbent on central government (e.g. Ministry for the Environment) to prepare a suite of guidance and practice notes clarifying and informing decision-makers and resource users on concepts such as 'notable values' and 'demand management.'
- 28. It is Council's view that the NPS should be outcome focussed, and that it should be aligned to and complemented by NES that define nationally consistent default standards or methodologies if specific local decision making processes are not contained within notified or operative regional/district plans. This approach is the basis for the ecological flows NES but could be mirrored in terms of water quality.
- 29. There is also a need to ensure that the NPS aligns with the various National Environmental Standards that are already in preparation.
- 30. Outside the NPS, there is also a need to refocus on the collection of national resource data sets which can be used in the various models and tools that are being developed to assist councils in assessing and managing the impact of land use activities on freshwater resources.

#### **Summary**

- 31. In summary, this Council does not support the National Policy Statement in its current form and is supportive in principle of the Local Government New Zealand's submission and the alternative approach proposed.
- 32. I have outlined a number of key areas that an NPS would provide real guidance to the Councils in this region and I hope this will be useful to the Board in developing its recommendations.
- 33. Thank you again for this opportunity and my colleagues and I are happy to answer any questions that you may have.