

Report No.	20-131
<b>Decision Required</b>	

## NATIONAL WILDING CONIFER CONTROL PROGRAMME

### 1. PURPOSE

- 1.1. To inform Council of Horizons' current involvement with the **National Wilding Conifer Control Programme** (NWCCP) and to seek approval to sign a second contract for this programme as the first four-year term expired June 30 2020.

### 2. EXECUTIVE SUMMARY

- 2.1. Pest conifers transform a wide range of environments into densely forested land. Horizons' approach to managing pest conifers is to control wilding established stands and the historic sources, including shelter belts, forests etc. Horizons has a long history of managing pest conifers dating back to the 1980s. Horizons Pest Plant Management Plan 2017, included management of only *Pinus contorta* and the current **Regional Pest Management Plan** (RPMP) 2017-2037 added an additional three pest conifers (*P.sylvestris*, *P.mugo*, *P.uncinata*) to better protect our most vulnerable habitat. The programme completes work in an active management zone (Figure 2), predominately in the northern part of the region and also along the western Ruahine ranges and surrounding areas. The active management zone represents 17% of the region and the programme has a strong collaborative approach working with landowners, other organisations including neighbouring regional councils and Central Government.
- 2.2. Nationally, the National Wilding Conifer Strategy (2015-30) was released in 2015. This has been the guiding document for recent Central Government investment in the management of wilding conifers across New Zealand. The structure for the delivery of this funding provides for coordination New Zealand-wide by the NWCCP (a diagram of the structure is provided in the paper (Figure 3). The structure includes a governance group with Central Government, Regional Council, Federated Farmers, New Zealand Forest Owners Association and others that provides the overall governance.
- 2.3. A national programme team involving the **Ministry for Primary Industries** (MPI) reports to the governance group and several advisory groups report to the national team. There are now eight Regional Councils and Territorial Authorities, including Horizons, which have a fund manager role for regional delivery. Horizons acted as the fund manager for delivery in the Horizons, Hawkes Bay and Waikato regions, with funding passed through to those regional councils upon delivery of works programmes. The **Department of Conservation** (DOC) (Taupo, Whakapapa and Napier offices) is the other partner that received funding for work via the MPI/Horizons contract. The **New Zealand Defence Force** (NZDF) is a key stakeholder in pest conifer control in the region but received no funding from the NWCCP.
- 2.4. Overall, the national funding for the programme from 2016-20 was \$36 million, of which \$2,189,200 (6%) was contracted to Horizons as recipient and Chair of the **Central North Island Coordination Group** (CNICG). Horizons as the recipient and thus fund manager for this group, administered the apportioning of funding under the first contract for this work. Of that budget, \$249,200 was allocated to Horizons for expanded RPMP operations within our active management zone and was added to Horizons' operational budget of \$172,000. DOC was allocated \$1,736,000; all for works outside of our region. A breakdown of the previous four years and next year's funding splits are included in Table 1. The total Crown contribution for work in the Horizons region was solely the Horizons allocation of \$249,200, with the remaining \$1,940,000 for work outside the region going to DOC (Napier and

Taupo) \$1,736,000; **Waikato Regional Council** (WRC) \$19,000; and **Hawkes Bay Regional Council** (HBRC) \$185,000.

- 2.5. The contribution for DOC in the first NWCCP contract was for the areas directly north and east of our region; protecting Horizons longstanding work programmes from seed from neighbouring areas. The plan for the next four years sees the NWCCP supporting additional DOC and Horizons conifer control. DOC Whakapapa will be managing operations in the DOC estate within our region, at Hihitahi, Raketapauma, Tongariro Forest, and the full Tongariro National Park. These operations will enable the removal of all target pest conifer species from the Central Plateau.
- 2.6. As the recipient, Horizons provided significant in-kind contribution to the NWCCP of an average of 300 hours per year across two staff. This included chairing the CNICG and acting as fund manager for the Central North Island Region. Horizons staff also function as management unit managers for partner organisation oversight and project managers for operational management. These functions are delivered by Horizons' Biosecurity Plants Team. To put the funding in context, the total annual funding for the Biosecurity Plants Team in 2019-20 via rates is \$1,861,298 of which \$791,547 is budgeted for external expenditure. The 2020 NWCCP will add an additional \$329,100, a 41% increase of annual budget for external biosecurity pest plant team work in our region this financial year. Much of the work in the first year of the project is surveillance to establish the extent and size of the conifer infestation and this information will assist in prioritising areas for subsequent control in years two to four of the control programme.

Table 1: Summary of the previous and proposed contracts for wilding conifer control as a part of the Central North Island Regional Coordination Group.

Crown Contribution (via MPI) to	Initial 4-year contract (2016 to 2020)	Proposed new contract <u>year 1 of 4</u> (Sept 2020 to 2021)
National programme	\$36 million	\$40 million
Horizons as recipient contract total	\$2,189,200	\$1,191,350
Horizons' allocation for works	\$249,200	\$329,000
DOC allocation for works within Manawatū- Whanganui Area	\$0	\$154,000
DOC allocation for works outside the Manawatū-Whanganui area	\$1,736,000	\$605,250
Hawkes Bay Regional Council allocation	\$185,000	\$40,000
Waikato Regional Council allocation	\$19,000	\$63,000

- 2.7. This item seeks Council's approval for Horizons to enter into a further contract for the Central North Island Regional Coordination Group. The national tranche of funding allocated for wilding conifer control is significantly higher than the previous round, increasing from \$36 million from 2016-2020 to \$100 million over the next four years. Allocation of these funds has been determined by the Governance Group and consideration was given to expanding the effort in the North Island (Table 1). The Central North Island funding has increased from an average of \$550,000 per year to \$1,191,350 in the first year. The NWCCP contracts are for four years, with the first-year amount noted, while years two to four are determined from operational planning and agreed by the Governance Group via annual variations. Horizons is not required to commit a fixed amount for co-funding, however there is an expectation partners align operations and support the goals of the NWCCP. Given the NWCCP supports and expedites the goals of our RPMP and Horizons has been managing and funding pest conifer control for many years, ongoing protection of the government investment is assured. Horizons has allocated rate funding of \$109,500 within the existing 2020-21 budget for wilding conifer control to align with the contract amount of \$329,100 from MPI. Overall, \$438,600 is budgeted to be

spent externally on wilding conifer control in 2020-21. An additional \$40,000 is budgeted for in-kind project management. Of the total programme (\$478,000) in year one of the contract, Horizons is contributing 31 percent of the cost (all from existing budgets). The additional work programme size is a large expansion of delivery within the existing biosecurity plants programme; however, it can be delivered within the existing resources but may require this work to be prioritised over some other potential biosecurity plants activity.

- 2.8. This paper seeks to delegate to the Chief Executive to enter into the contract and to delegate to the Chief Executive and General Manager of Natural Resources and Partnerships to manage the annual variations to the contract and the financial components as part of the contract.

### 3. RECOMMENDATION

It is recommended that Council:

- a. receives the information contained in Report No. 20-131;
- b. approves delegation of the Chief Executive and Group Manager of Natural Resources and Partnerships to enter into the contractual arrangement for the wilding conifer project over four years including annual variation and the delegation to manage the project, including financial delegations.

### 4. FINANCIAL IMPACT

- 4.1. This item has a financial impact as additional funds will be received and managed by Horizons, including administering funds for work that will be completed by other agencies and the additional funding requiring Horizons to undertake additional activity. Horizons' supporting share is from baseline budgets and does not require additional rate funding. The in-kind component of the programme will be greater than for the previous four years, given the additional scale of the work. In-kind support includes staff time to meet planning and reporting obligations, contract management and travel expenses to attend meetings to maintain a level of participation with the NWCCP, likely in the order of 350-400 hours. This is deliverable within existing budgets; however, it will require prioritisation of this activity over other potential biosecurity work.
- 4.2. Over the last four years we have entered into annually adjusted variations and operated as the fund manager to enable money from MPI to be distributed to partners to be spent within and outside Horizons region. To date, Horizons have received \$249,200 to support our control operations and we expect to receive approximately \$1 million over the next four years.
- 4.3. If Council decides Horizons should cease to act as recipient for the NWCCP, MPI will have to establish another regional council as recipient as DOC are not able to act in this manner.
- 4.4. If Council approves entering into this contract, it is recommended that the budgeted income and expenditure be included in the Long-term Plan, noting the amounts from MPI year one to three of the Plan will only be estimates until the annual contract variations are determined.
- 4.5. This is a public item and Council may deem that sufficient in terms of community engagement. Nationally, the issue of wilding conifers and the increased funding for work has been subject to some media releases. The work to deliver wilding conifer activity involves engagement with multiple agencies and landowners, which contributes to some community engagement. Horizons' management of pest conifers and involvement in the NWCCP allows for a greatly expanded control programme and interaction with the

community benefiting from this work. Horizons' approach via our RPMP goes beyond the NWCCP focus on wilding conifers.

- 4.6. If Council approves entering the contract, a dedicated section of the Environment Committee report on Biosecurity Plants Activity will be added for reporting on the wilding conifer work programme.

## 5. SIGNIFICANT BUSINESS RISK IMPACT

- 5.1. This item is not considered to have significant business risk. As with all multi-agency projects involving administration of Central Government funding there is reputational risk around delivery and health and safety management. Horizons is exposed to additional liability through the NWCCP's hierarchy, which requires all partners to the programme have robust and rigorous programme-compliant operational and health and safety systems. Health and safety management will be a key part of the subcontracting arrangements and will require ongoing management during the course of the contract.

## 6. CLIMATE IMPACT STATEMENT

- 6.1. Controlling pest conifers reduces carbon sequestering trees and the control of these is likely to result in an increase in greenhouse emissions. The primary source of the emissions will come from turbine-powered helicopters used in the control of wilding conifers, support vehicles and ground operations which require travel to sites.
- 6.2. The table below summarises the estimated emissions for an hour's average flying time for each of the helicopter models used in conifer control. The majority of the flying uses Hughes 500 D/E and 520N helicopters due to their manoeuvrability, performance at altitude, reliability and safety record.

Helicopter Model	Nitrogen Oxides (Kg/Hour)	Unburned Hydro Carbons (Kg/Hour)	Carbon Monoxide (Kg/Hour)	Fuel – Jet A1 (Kg/Hour)
Bell Jet Ranger	0.63	0.7	0.86	101
Hughes 500 D/E	0.64	0.8	1.02	112.3
Hughes 520N	0.61	0.82	1.03	109.5
AS350B Squirrel	1.16	0.57	0.7	146.5

- 6.3. The full report from which this information was drawn can be found at <https://bit.ly/32ykczc>
- 6.4. There are currently no alternative options in helicopter models to undertake this activity and the most effective methodology for wilding conifer control in extensive landscapes is by using helicopters for surveillance and control.
- 6.5. Ground control using contractors would also increase emissions due to motorised travel to and from the extensive treatment area over a longer timeframe.
- 6.6. Removal of wilding conifers will reduce the amount of carbon sequestered from the atmosphere; however, leaving these pest plants uncontrolled will within a decade transform extensive landscapes into a contiguous conifer forest which negatively impacts biodiversity.

## 7. BACKGROUND

- 7.1. Horizons has long been a facilitator of coordinated control programmes against pest conifers within our region, and a champion of this approach outside our region.
- 7.2. Pest conifers spread many kilometres from source plantings and, once established, transform most habitats to forests with a tree density so great that all else is excluded.

They are landscape-scale transformers and costly to remove once established. Without a shared cross-boundary approach to control, one organisation's cleared asset can be lost due to the significant spread potential of tress left uncontrolled.



Figure 1 Our unique natural heritage – without wilding conifer control this landscape would be an impenetrable forest (Photo by C.Davey).

- 7.3. The first species targeted in our Region was *Pinus contorta*. Catchment boards that were incorporated into Horizons nominated this species for government noxious plant status in 1982. Forming the **Pinus Contorta Control Committee** (PCCC) the year prior with representatives from partner organisations such as the New Zealand Defence Force and the Lands and Survey Department, set Horizons on a collaboration and facilitation path which it continues today. Meeting biennially, the group advocated for Central Government funding of legacy planting control and mopping up spread. This successfully delivered \$666,000 in the early 1980s for control on the slopes of Mt Ruapehu.
- 7.4. Horizons facilitate information exchange and desire for collaborative and aligned control across the Central Plateau and sees it as the Chair of the renamed PCCC, the Central North Island Wilding Conifer Group, to this day.
- 7.5. Horizons initially struck rules on occupiers for control of *P.contorta* through to 2007, then took control in-house for non-Crown land to ensure we could reach the regional goals and reflect the regional benefit of eliminating pest conifers. Our 2017 **Regional Pest Management Plan** (RPMP) listed three additional pest conifer species – *P.sylvestris*, *P. mugo* and *P.unciata* – for complete removal from a mapped **Active Management Zone** (AMZ) (Figure 2). There are also specific rules for these species in the Karioi Forest Zone, a subset of the AMZ, and we advocate for Crown land control via our collaborative/aligned approach with DOC and NZDF. Horizons will not conduct control of the named pest conifers outside of the AMZ with the exception of prioritised sites of high value and site-led initiatives. There are no rules on Occupiers within the Good Neighbour Process Zone.

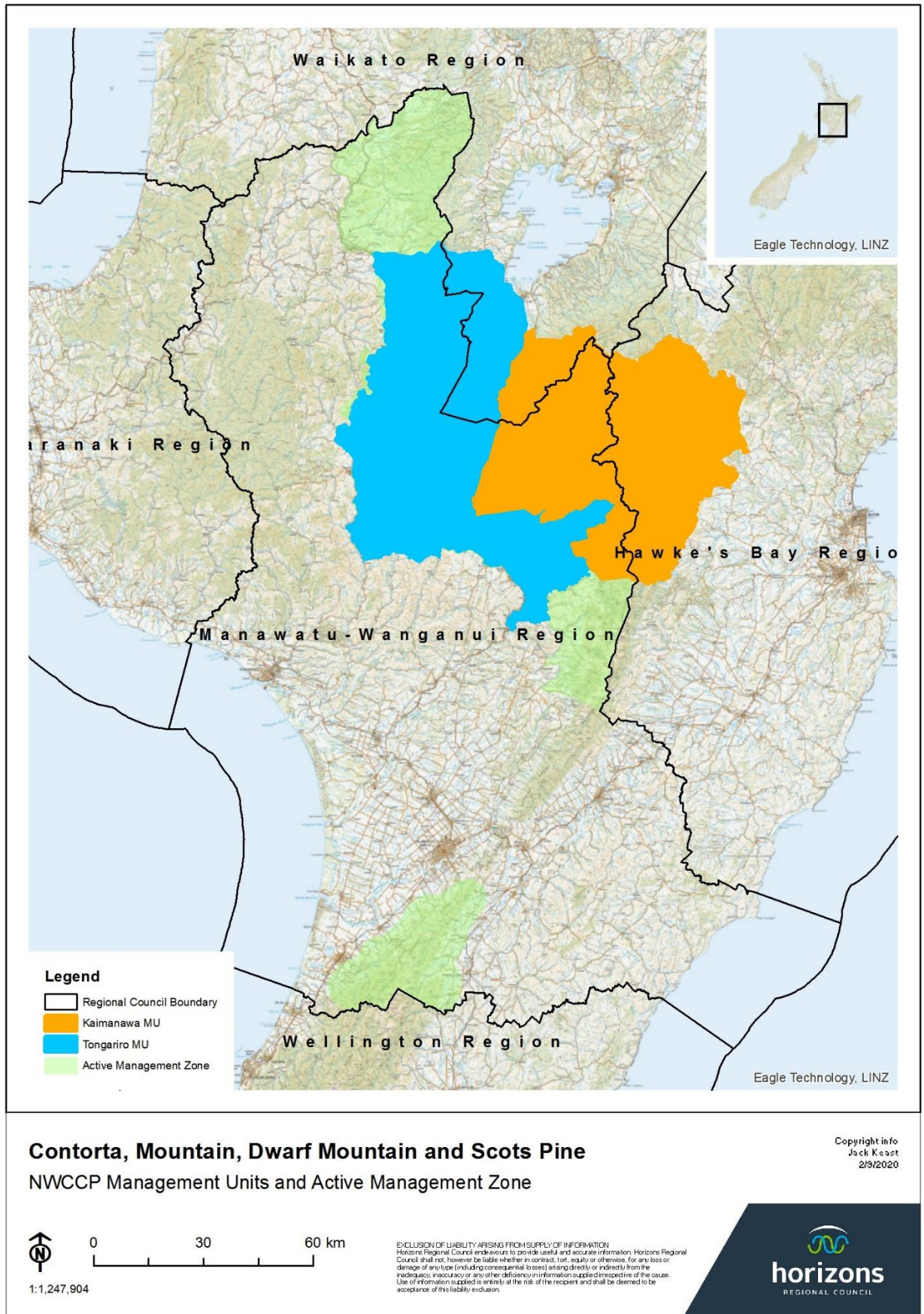


Figure 2 Horizons region pest conifer control – AMZ is the green shaded areas, which includes the area within the region under the NWCCP Management Units in blue and orange.

- 7.6. Pest conifers can be beaten with sufficient time and money. The collective spend against pest conifers in the Central North Island since the 1970s is probably well over \$50 million, not accounting for the countless hours of early attempts at the Waiouru military training ground nor the effort by groups such as the Whanganui Tramping Club which, at more than 50 years, have the longest-running single-focused community group pest control operation still operating.
- 7.7. Since 2007 Horizons has been spending approximately \$100,000-150,000 surveying for, spraying and cutting down the last of the pest conifers in the AMZ. We received more ratepayer funding following the new RPMP in 2017 for the expanded species targets as this meant further shelter row removal was required.
- 7.8. The NWCCP has been a welcome source of Central Government funding focussed on containing and removing scattered wilding conifers to prevent further spread and to protect farmland, biodiversity, important natural landscapes and sensitive water catchments. During the first four years (2016-2019) the NWCCP Horizons operations were within the AMZ in an area described as the Kaimanawa Management Unit (MU) (Figure 2 and 5) and were supported with \$249,200 from the fund. Over the next four years the area will expand to include the Tongariro MU (Figure 2 and 5) and a forecast MPI contribution to be spent by Horizons in our region is approximately \$1 million. Horizons likely to contribute some \$400,000 of external spend plus in-kind management in the order of 350-400 hours across three staff at an estimated cost of \$40,000 per year. This is all within existing budgets.
- 7.9. The MPI funding allocated for programme expenses in the Central North Island over the next four years is approximately \$3 million. The approximate split across management agencies is Horizons \$1 million, DOC \$1.2 million, Hawkes Bay Regional Council \$400,000, and Waikato Regional Council \$400,000.

**8. DISCUSSION**

- 8.1. Horizons’ participation with the NWCCP and the functions it performs is the subject of this paper.
- 8.2. The NWCCP structure is displayed in Figure 3. Horizons is chair of one of the Regional Steering [Central North Island Coordination Group] Groups and we also participate as a member of the Operational Advisory Group.

**WILDING CONIFER CONTROL PROGRAMME - STRUCTURE**

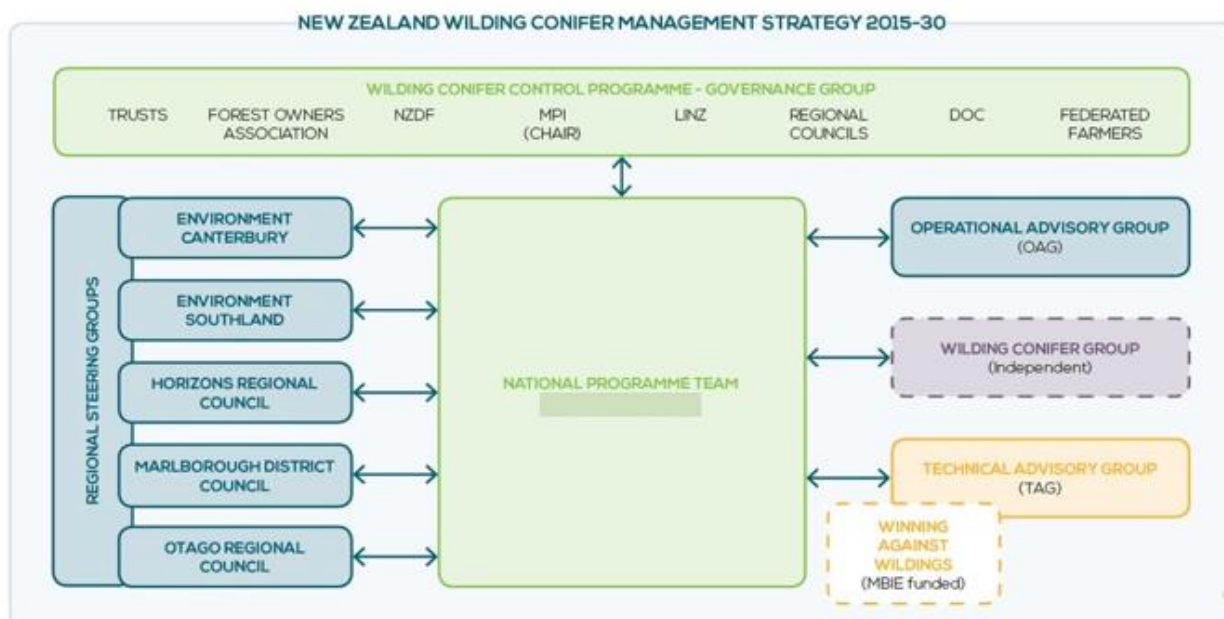


Figure 3 National Wilding Conifer Control Programme structure.

- 8.3. Recipient councils sign a multi-year funding agreement contract with the Ministry for Primary Industries (MPI) which defines roles and responsibilities and sets activities and deliverables to be met, among other conditions. The fund manager role requires chairing a regional coordination group, distributing funds to partner organisations and reporting to MPI. In following years, the recipient signs a letter of variation which captures the yearly amount to be managed on behalf of the NWCCP. Operational planning is a yearly process begun in February and finished in April, in time for the drawdown of funds early in the new financial year. Once signed, the funds are immediately released on invoice from Horizons for eventual dispersal to our partner organisations, typically at the end of each partner's operations.
- 8.4. The 2020-23 contract is revised from the original to better capture the roles within the programme and place a sharper focus on health and safety management. Horizons facilitated a coordinated regional council legal assessment of the contract. Legal teams from Otago, Waikato and Bay of Plenty Regional Councils were asked to scrutinise and provide feedback to the body of fund managers and then on to MPI.
- 8.5. Horizons previously created a separate sub-contract with each partner organisation that contracts out operational work. Given we have a revised contract, we will be establishing a new sub-contract and this time we are using the Bay of Plenty Regional Council legal team to draw it up. This is a saving to Horizons of a few thousand dollars. This Horizons/partner contract carries with it the requirements of the MPI contract to ensure Horizons only acts in an oversight role for partners' operations and deliverables such as NWCCP-compliant health and safety management. The contract also details how payment from the fund occurs once Horizons as fund manager is satisfied all NWCCP requirements are met.
- 8.6. The new contract has a very strong focus on health and safety management. The NWCCP has established a Health and Safety Charter, and MPI establishes a unique health and safety risk management plan (HSRMP) with each fund manager. Horizons also establishes a HSRMP plan with each of its partners, as Persons Conducting Businesses or Undertaking (PCBUs), and no NWCCP operations can start until these are established. These HSRMPs address the Governance Group-endorsed Critical Risks and capture the full considerations and actions of contract management allowing transparency through the programme, from what happens on the hill to MPI in Wellington.
- 8.7. The NWCCP has designated roles and responsibilities for each of these to ensure there are clear hierarchies for health and safety and operational reporting and planning.
- Fund Managers
  - **Management Unit Managers** (MUM)
  - Project Managers

However, almost all regional council fund manager systems are different across the country. The South Island are entirely single regional council to partner relationships i.e. DOC, trusts and **Land Information New Zealand** (LINZ), etc. The MUMs and project managers can be either regional council or partner staff. Both Horizons and for 2020 Bay of Plenty Regional Council, have fund manager roles to multiple regional council partner relationship. This is a reflection of the across-landscape collaborative North Island approach as well as the relatively smaller footprint of the NWCCP in the North Island.

- 8.8. The fund manager contracts partner organisations who then contract the operations. Another function is to establish and chair a regional coordination group. This group's terms of reference are to ensure existing conifer groups and organisations are represented and to ensure the RCG meets periodically to oversee the prioritising, aligning, planning and assessment of work completed (or to be completed) under the National Programme in that region. Craig Davey, for Horizons, is chair and currently the group meet biannually.



- 8.9. The multiple partner operations are overseen for planning/reporting purposes by a Management Unit Manager. This role has more frequent contact for operational and health and safety communications with partners.
- 8.10. Project managers are the on-the-ground contractor managers who are also responsible for data collection and input, and the initial providers of information for planning reporting and health and safety management.
- 8.11. Programme reporting was previously monthly but through the operational season NWCCP is migrating to a different format using phone and the online geographical information system developed by LINZ, the **Wilding Conifer Information System** (WCIS). WCIS reports infestation details to show change over time, as well as activities such as survey and control. Input can be mobile but is normally done via desktop. For 2020-21, the MUM is required to validate all data entered and ensure activity and infestation change updates have occurred prior to payment by the fund manager. WCIS is also the 'near-miss' and 'incident' health and safety reporting tool.
- 8.12. A geographical hierarchy within NWCCP describes where work occurs. New Zealand has been divided into Management Units (Figure 4, and 5 for the CNICG catchment) with large areas prioritised around vulnerable, valued landscapes. Within these, Operational Areas (Figure 6) describe discrete bundles of work against infestations which enable long-term measuring and reporting.



Figure 4 New Zealand by Management Unit.

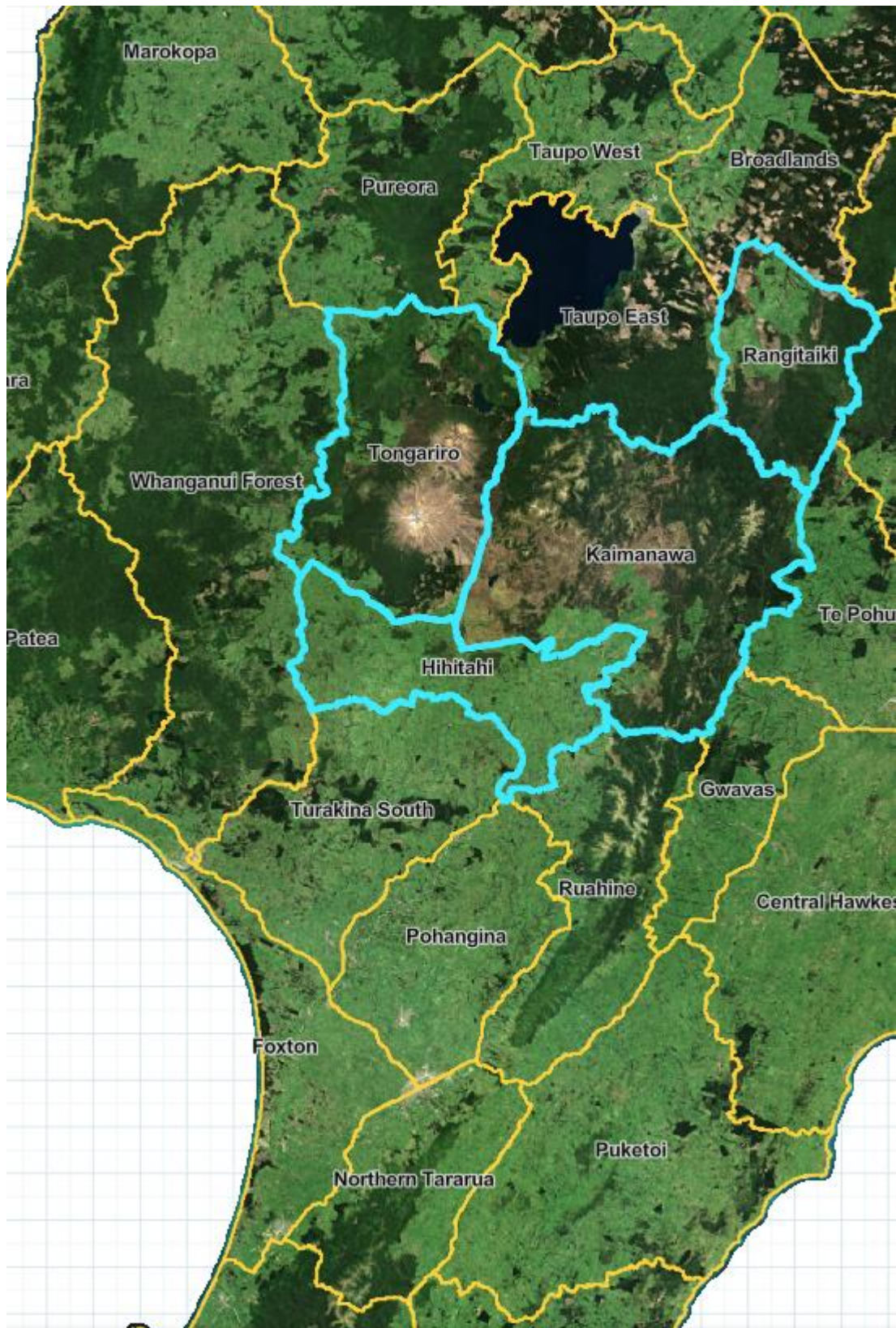


Figure 5 Currently funded Management Units of the Central North Island Regional Coordination Group; note the Hihitahi and Tongariro MUs are now combined under the name Tongariro, and Rangitaiki is under Bay of Plenty Regional Council's fund management. Please refer to figure 2 for regional boundaries.

- 8.13. For the first four years (2016-20) of the NWCCP, approximately 19 Management Units were funded nationally as they were formed around an initial prioritisation of wilding and source infestation size, vulnerable land and existing work programmes. The existing programme factor was important as there was an obvious established need and a management pool to draw from within DOC and regional councils. Given the 2020-21 eight-fold increase in allocation, the NWCCP has been able to expand into new territory and spread the funds to areas like Tasman, Bay of Plenty and Northland.
- 8.14. In the first contract the NWCCP funded the CNIRCG only for the Kaimanawa Management Unit (Figure 5, Figure 6). From 2020-21, the CNIRCG also has funding for the Tongariro MU (now includes the Hihitahi MU), and the Rangitaiki MU which is under the Bay of Plenty Regional Council's fund management.
- 8.15. Receiving the NWCCP funding has allowed Horizons to treat infestations more frequently and thoroughly, which will enable our goals of zero-levels of pest conifers in the AMZ to be reached sooner. The significant in-kind contribution to manage programme funds and remain compliant with programme requirements for our own programmes, as well as oversight of other partners' work, is recognised in regular reporting and noted by MPI.

## **9. SUMMARY / NEXT STEPS**

- 9.1. Following Horizons' success in managing the first tranche of NWCCP funds, staff are seeking Council's approval to enter into a new four-year contract. Expenses and staff time are allocated for this purpose from within existing budgets. While this is bigger than the first contract, the expanded programme involves more staff and is within our capability. The extra funds have the potential to realise landscape change on a large scale and enable the asset of cleared areas to be protected, as well as continuing Horizons established role of facilitation within the Central Plateau.
- 9.2. The MPI contract is expected to be signed by recipients in September.

## **10. SIGNIFICANCE**

- 10.1. This is not considered to be a significant decision according to the Council's Policy on Significance and Engagement.

Craig Davey

**COORDINATOR – PEST PLANTS**

Jon Roygard

**GROUP MANAGER NATURAL RESOURCES & PARTNERSHIPS**

## **ANNEXES**

There are no attachments for this report.