

Report No.	18-236
<b>Decision Required</b>	

## NATIONAL POLICY STATEMENT FOR FRESHWATER MANAGEMENT - IMPLEMENTATION PLAN UPDATE

### 1. PURPOSE

- 1.1. This report seeks Council approval of an updated plan for implementation of the National Policy Statement for Freshwater Management (NPSFM) in our region.

### 2. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 18-236 and Annex; and
- b. approves the implementation plan at Annex A.

### 3. FINANCIAL IMPACT

- 3.1. This reports recommendations have no direct financial impact.

### 4. COMMUNITY ENGAGEMENT

- 4.1. Over the course of the year, we have undertaken targeted engagement with stakeholder and community groups to develop the advice contained in this paper.

### 5. SIGNIFICANT BUSINESS RISK IMPACT

- 5.1. Freshwater policy is a core area of regional council business and a subject of considerable public interest. The clarity and tempo of Horizons' activity in this area—including NPSFM implementation—are important to our credibility with stakeholder groups and the wider community.

### 6. BACKGROUND

- 6.1. Regional Councils are required to update plans to implement the NPSFM by 31 December 2018.
- 6.2. Our current Progressive Implementation Plan (PIP) was produced in 2015, prior to the 2017 NPSFM amendments (see Report 15-263). It notes that the One Plan addresses most aspects of the NPSFM—setting limits and targets is the major exception. At some point, One Plan objectives and metrics will also need to be aligned with the National Objectives Framework. 2017 amendments to the NPSFM alter the detail of the work to be done (e.g. suitability for swimming) but do not change our broad assessment that the One Plan goes a long way towards meeting the NPSFM's requirements.
- 6.3. Our current PIP sets a target date for NPSFM implementation of 2025. At that time, we took 'fully implemented' to mean that we would have notified any necessary plan changes. The Ministry for the Environment (MfE) has subsequently released guidance indicating that it interprets fully implemented to mean that any necessary plan changes will be fully operative. To reflect this, officials have interpreted our completion date as 2027. Completion dates for all regions are listed on MfE's website here:

<http://www.mfe.govt.nz/fresh-water/national-policy-statement/regional-councils-implementation-programmes>

- 6.4. Over the course of the year, we have been developing an approach to the next generation of freshwater planning in this region. In doing so, we have engaged with iwi, stakeholder groups, and members of the community. Our work is also informed by the experience of several other regional councils. While decisions on aspects of this approach remain to be made, we suggest that it is well enough advanced to form the basis of our revised PIP.

## 7. PROPOSED IMPLEMENTATION PLAN

- 7.1. A proposed implementation plan is attached at **Annex A**. It takes a catchment-by-catchment approach to freshwater management. Catchment strategies must provide confidence that interventions will deliver intended outcomes within a specified period of time. They will set catchment limits on resource use: the missing link between instream objectives and allocation policies. They must also be adaptable, recognising the inevitable uncertainties of environmental management. Meaningful progress will require an integrated approach that combines regulation, funding and economic incentives, education, and locals' enthusiasm for their environment. This is no small task. We suggest it is best achieved by focusing first on non-statutory catchment strategies, then considering changes to regulation (the One Plan) necessary to implement them.
- 7.2. Treaty settlement legislation will provide the basis for freshwater planning in two of our main catchments:
- Te Awa Tupua Act 2017 establishes a legal framework for the Whanganui, including development of a river strategy, Te Heke Ngahuru.
  - The Ngāti Rangi Treaty settlement, once it comes into effect, will similarly provide a framework for development of a Whangaehu catchment strategy.
- 7.3. Our proposal to develop non-statutory catchment strategies, then look to regulatory changes to support them, is consistent with these Treaty arrangements.
- 7.4. We propose that the catchment strategies for the remainder of our region be developed in five blocks:
- Manawatū
  - Horowhenua
  - Rangitīkei-Turakina
  - Kai Iwi
  - Coastal Tararua
- 7.5. Regulatory plan changes would be developed and notified as we complete catchment strategies. Indicatively, a first plan-change proposal might implement the Manawatū and Horowhenua catchment strategies. It would include a future approach to intensive land use: for this to be robust, discussions with stakeholder groups across the region, most notably in the Rangitīkei-Turakina area, will have to be well advanced. By the time such a plan change were notified, National Environmental Standards for Fresh Water (see Report 18-199) are likely to be in place.
- 7.6. A second set of changes to the One Plan would be notified once the remaining catchment strategies had been completed. Regulatory plan-change processes present opportunities to make minor technical amendments not considered by catchment groups—though care would have to be taken not to undermine the catchment processes.
- 7.7. A target completion date of 2027 (i.e., notification of both sets of regulatory changes by 2025) has been retained.

## **8. ALTERNATIVES**

- 8.1. It is theoretically possible to complete NPSFM implementation (setting limits and aligning metrics) as a standalone exercise, through a single regulatory plan-change proposal. This option must be considered in light of our existing regulatory framework and the other work we need to do at a catchment (and sub-catchment) scale. We suggest that it would be impracticable, create public confusion, and divert resource away from catchment-based work towards better freshwater outcomes. We also note that the NPSFM is subject to ongoing change such that, in practice, its implementation will remain an ongoing task for the foreseeable future.

## **9. DELIVERY RISKS**

- 9.1. The proposed implementation plan endeavours to fulfil current NPSFM requirements by 2027, while maintaining a focus on better outcomes for our catchments and communities. There are several risks to its delivery:
- Horizons' ability to support multiple catchment processes in parallel is limited. Completion of the work outlined above is likely to challenge our capacity; short-term corrections to the One Plan draw on that same resource pool. Any delays are likely to compound.
  - The PIP assumes that each catchment process is able to focus on a few priority issues. This is consistent with our view of the task ahead, but may not meet the expectations of all parties.
  - Full implementation of the NPSFM relies on processes outside Horizons' control. For example, it would be inappropriate for Horizons to attempt to impose deadlines on processes established through Treaty settlements. Equally, we do not control the pace or conclusion of statutory RMA processes.
  - Further amendments to the NPSFM have been announced, and will need to be accommodated into future reviews of our regional implementation plan.
  - The Government has also proposed National Planning Standards. These may require an additional plan-change process, which would need to be resourced and incorporated into the timetable.

## **10. CONSULTATION**

- 10.1. No specific consultation has been undertaken in preparing this report.

## **11. TIMELINE / NEXT STEPS**

- 11.1. An updated NPSFM implementation plan is due by 31 December 2018. This can be achieved by publishing the information at Annex A on our website, and making a corresponding media release.
- 11.2. Further advice on our proposed approach to freshwater management, including establishment of a catchment planning process in the Manawatū, will be brought to Council early next year.

## **12. SIGNIFICANCE**

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

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**PRINCIPAL ADVISOR, STRATEGY & POLICY**

**ANNEXES**

A Draft Progressive Implementation Plan