

I hereby give notice that a meeting of the Strategy and Policy Committee will be held on:

Date: Tuesday, 11 December 2018
Time: 9.00am
Venue: Tararua Room
Horizons Regional Council
11-15 Victoria Avenue, Palmerston North

STRATEGY AND POLICY COMMITTEE AGENDA

MEMBERSHIP

Chair	Cr EB Gordon JP
Deputy Chair	Cr PW Rieger, QSO JP
Councillors	Cr JJ Barrow
	Cr LR Burnell, QSM
	Cr DB Cotton
	Cr RJ Keedwell
	Cr GM McKellar
	Cr JM Naylor
	Cr NJ Patrick
	Cr BE Rollinson
	Cr CI Sheldon
	Cr WK Te Awe Awe

Michael McCartney
Chief Executive

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**Full Agendas are available on Horizons Regional Council website
www.horizons.govt.nz**

for further information regarding this agenda, please contact:
Julie Kennedy, 06 9522 800

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REGIONAL HOUSES	Palmerston North 11-15 Victoria Avenue	Whanganui 181 Guyton Street		
DEPOTS	Levin 11 Bruce Road	Taihape Torere Road Ohotu		
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AGENDA

1 Welcome / Karakia

2 Apologies and Leave of Absence

At the close of the Agenda no apologies had been received.

3 **Public Forums:** Are designed to enable members of the public to bring matters, not on that meeting's agenda, to the attention of the local authority.

Deputations: Are designed to enable a person, group or organisation to speak to an item on the agenda of a particular meeting.

Requests for Public Forums / Deputations must be made to the meeting secretary by 12 noon on the working day before the meeting. The person applying for a Public Forum or a Deputation must provide a clear explanation for the request which is subsequently approved by the Chairperson.

Petitions: Can be presented to the local authority or any of its committees, so long as the subject matter falls within the terms of reference of the council or committee meeting being presented to.

Written notice to the Chief Executive is required at least 5 working days before the date of the meeting. Petitions must contain at least 20 signatures and consist of fewer than 150 words (not including signatories).

Further information is available by phoning 0508 800 800.

4 Supplementary Items

To consider, and if thought fit, to pass a resolution to permit the Committee/Council to consider any further items relating to items following below which do not appear on the Order Paper of this meeting and/or the meeting to be held with the public excluded.

Such resolution is required to be made pursuant to Section 46A(7) of the Local Government Official Information and Meetings Act 1987 (as amended), and the Chairperson must advise:

- (i) The reason why the item was not on the Order Paper, and
- (ii) The reason why the discussion of this item cannot be delayed until a subsequent meeting.

5 Members' Conflict of Interest

Members are reminded of their obligation to declare any conflicts of interest they might have in respect of the items on this Agenda.

Minutes of the eighteenth meeting of the tenth triennium of the Strategy and Policy Committee held at 10.00am on Tuesday 13 November 2018, in the Tararua Room, Horizons Regional Council, 11-15 Victoria Avenue, Palmerston North.

PRESENT Crs PW Rieger QSO JP (Chair), JJ Barrow, LR Burnell QSM, DB Cotton, RJ Keedwell, GM McKellar, JM Naylor, NJ Patrick, BE Rollinson, CI Sheldon (from 12.52pm to 3.16pm), WK Te Awe Awe.

IN ATTENDANCE Chief Executive Mr MJ McCartney
Group Manager
Corporate and Governance Mr C Grant
Committee Secretary Mrs JA Kennedy

ALSO PRESENT At various times during the meeting:
Dr J Roygard (Group Manager Natural Resources & Partnerships), Mr R Strong (Group Manager River Management), Mr G Shirley (Group Manager Regional Services and Information), Mr T Bowen (Principal Advisor), Mrs C Hesselin (Senior Communications Advisor), Mrs M Patterson (Senior Scientist), Ms A Matthews (Science & Innovation Manager), Mr T Snelder (Land Water People Ltd), and Mr C Rudd (member of the public).

The Chair welcomed everyone to the meeting.

APOLOGIES

SP 18-115 *Moved* **Rieger/Burnell**

That apologies be received from Cr Gordon, and from Cr Sheldon for lateness.

CARRIED

PUBLIC FORUMS / DEPUTATIONS / PETITIONS

Mr Rudd had been granted a Public Forum to speak to Item 9, Integrated Sediment and Drainage Management plan for the Arawhata. In response to a query, Mr Grant (Group Manager Corporate & Governance), clarified a query from Mr Rudd about his speaking time of five minutes. Mr Rudd then outlined his concerns around the work undertaken by Horizons in regard to the Hokio Drainage Scheme, the issue of drainage and sediment management and its impact on Lake Horowhenua. He responded to Members' questions of clarification.

The Chair thanked Mr Rudd for his time.

SUPPLEMENTARY ITEMS

There were no supplementary items to be considered.

MEMBERS' CONFLICTS OF INTEREST

There were no conflicts of interest declared.

PX3

Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release

PX4

Members' Questions

The meeting adjourned to the Public Excluded part of the meeting at 12.51pm and resumed at 2.18pm.

FINAL REGIONAL TARGETS FOR SWIMMABLE LAKES AND RIVERS

Report No 18-201

This paper sought Council direction on final swimmability targets for the Horizons region. Dr Roygard (Group Manager Natural Resources & Partnerships) introduced the item and referred to the National Policy Statement for Freshwater Management (NPSFM) directive for all regional councils to set regional swimmability targets to be made available to the public by 31 December 2018. He then referred to the previous draft targets set by Council in March 2018 which recommended a target of 70 percent by 2030. An additional target of 80% by 2040 was recommended to provide for further improvement over the following ten years.

In discussing the item, Cr Barrow proposed that the recommendations be 'left to lie on the table' until Item 11, Freshwater management: Our Regional Approach, had been discussed. At the beginning of the meeting the Chief Executive advised that Item 11 had been withdrawn from the agenda, pending a Councillors' Workshop.

Cr Keedwell commented on the recommended targets and explained her reasons for proposing that the target percentage in the second bullet point in recommendation b, be set at 90 percent. Members provided their views either in support of or against the proposed amendment. In response to Members' concern around the economic impacts of increasing the target, and whether it could be reached, a further recommendation d. was proposed. During discussion, a further recommendation was foreshadowed, should the proposed recommendations be lost.

The Chair put the proposed recommendations. A division was requested.

Moved

Keedwell/Patrick

That the Committee recommends that Council:

- a. *receives the information contained in Report No. 18-201 and Annex.*
- b. *agrees to set regional swimmability targets, as required by the National Policy Statement for Freshwater Management, of:*
 - *70 percent of rivers and lakes suitable for swimming by 2030; and*
 - *90 percent of rivers and lakes suitable for swimming by 2040.*
- c. *acknowledges that additional work over and above current work programme will be required to meet these targets.*
- d. *notes that these targets may be aspirational for year round targets but are achievable as a seasonal swimmability target.*

For: Crs Keedwell, Patrick, Cotton, Naylor, Te Awe Awe

Against: Crs Barrow, Burnell, McKellar, Rollinson, Rieger, Sheldon.

LOST

Members then discussed the foreshadowed recommendation and provided their views either for or against. Questions of clarification were responded to Mr Bowen (Principal Advisor, Strategy & Policy). During discussion Cr Barrow requested that a Section 32 cost analysis be undertaken and explained why. Concern was expressed at the further unknown investment from Council to meet the proposed targets. Additional wording was then suggested for recommendation c.

The Chair put the recommendations.

SP 18-120 **Moved** **McKellar/Keedwell**

That the Committee recommends that Council:

- a. *receives the information contained in Report No. 18-201 and Annex.*
- b. *agrees to set regional swimmability targets, as required by the National Policy Statement for Freshwater Management, of:*
 - *70 percent of rivers and lakes suitable for swimming by 2030; and*
 - *80 percent of rivers and lakes suitable for swimming by 2040; and*
 - *90 percent of rivers and lakes suitable for swimming by 2040 (swimming season);*
- c. *acknowledges that additional work over and above current work programme will be required to meet these targets and that no analysis on community affordability has been undertaken in regard to meeting these targets at this stage.*

Against: Cr Barrow

CARRIED

At the 27 November 2018 Council Meeting, recommendation SP 18-120, Final Regional Targets for Swimmable Lakes and Rivers, Report No. 18-201, was amended as follows (listed in discussion order, recommendation a, b, d then c). Recommendation a, b, c, remained unchanged from the Strategy & Policy meeting, 13 November 2018 . A new recommendation d. was included.

FINAL REGIONAL TARGETS FOR SWIMMABLE LAKES AND RIVERS

Report No 18-201

18-395 **Moved** **Keedwell/Patrick**

That the Council:

- a. *receives the information contained in Report No. 18-201 and Annex;*
- b. *agrees to set regional swimmability targets, as required by the National Policy Statement for Freshwater Management, of:*
 - *70 percent of rivers and lakes suitable for swimming by 2030; and*
 - *80 percent of rivers and lakes suitable for swimming by 2040; and*
 - *90 percent of rivers and lakes suitable for swimming by 2040 (swimming season)*

CARRIED

18-396 **Moved** **Barrow/Burnell**

That the Council:

d. notes that these targets are aspirational.

Against: Crs Keedwell, Patrick

CARRIED

18-397 **Moved** **McKellar/Keedwell**

That the Council:

c. acknowledges that additional work over and above current work programme will be required to meet these targets and that no analysis on community affordability has been undertaken in regard to meeting these targets at this stage.

CARRIED

Cr Sheldon left the meeting at 3.16pm.

ESSENTIAL FRESHWATER: ANNOUNCEMENTS ON GOVERNMENT POLICY DIRECTION

Report No 18-199

This report provided an overview of the Government's 8 October 2018 *Essential Freshwater and Shared Interests in Freshwater* announcements, and discussed implications for Horizons. Mr Bowen (Principal Advisor, Strategy & Policy) introduced the item, gave an overview of the key points in regard to how the policy had the potential to impact on Horizons' work programme, the recognition of iwi interests, and responded to Members' questions.

SP 18-121 **Moved** **Keedwell/Te Awe Awe**

That the Committee recommends that Council:

a. receives the information contained in Report No. 18-199 and Annex.

CARRIED

MEMBERS' REPORTS

Cr Rollinson reported on a Freshwater Improvement Fund meeting in Ohakune.

Cr Patrick attended a Bushy Park Annual General Meeting, a Sustainable Whanganui Annual General Meeting, and attended the Aotearoa Social enterprise Forum in Wellington.

Cr McKellar presented the Horizons award at a Young Achievers Award ceremony, attended a Reid's Line update with Manawatu District Council, the Waikato Tour, and the 2018 River Symposium held in Sydney.

Cr Cotton highlighted meetings held with the Manawatu District Council and with the Foxton Drainage Scheme. He thoroughly enjoyed the Waikato Tour.

Cr Barrow attended a couple of Scheme meetings and reported on his attendance at a Sheep and Beef Field Day held in Pahiatua.

Cr Rieger attended the Waikato Tour and reported on a New Zealand Transport Agency workshop which consulted on the difference between speed and speed limits.

CHAIRMAN'S REPORT

The Chairman's report had been tabled at the meeting and was taken as read.

MEMBERS' QUESTIONS

In response to a query, the Chief Executive commented on the Horizons district advice function and explained the advice provided to district councils around modelling on flood risk and stormwater control in regard to large areas of new urban development.

The meeting closed at 3.40pm.

Confirmed

CHIEF EXECUTIVE

CHAIR



CHAIRMAN'S REPORT TO STRATEGY AND POLICY COMMITTEE

Tuesday, 13 November 2018
Bruce Gordon – Chairman

Meeting Attendance

- 17 October**
 - MWRC Holdings Ltd Meet and Greet with Lara Ariell, Inland Revenue
 - On-site meeting at the property of Euan Grant, re Mangatikotoko Stream, Turakina & Flood Detention Dam
- 30 October**
 - Fortnightly Regional Chiefs' Teleconference
 - Council Meeting
 - Councillors' Workshops
 - Audit, Risk & Investment Financial Briefing
- 31 October**
 - Interview with local radio station, MPR Radio
 - Councillors' Workshop
 - MWRCH Holdings Ltd AGM
- 1-2 November**
 - Zone Three hosted by New Plymouth City Council
- 2 November**
 - CB Norwoods – 70 Year Anniversary
- 7 – 9 November**
 - Councillors' Tour of the Waikato hosted by Waikato Regional Council
- 13 November**
 - Fortnightly Regional Chiefs' Teleconference
 - Councillors' Workshops
 - Strategy and Policy Committee
 - New Zealand River Awards, Wellington

Upcoming meetings

- 14 November**
 - *Catchment Operations Committee*
- 16 November**
 - *Manawatū River Leaders' Accord*
- 19 November**
 - *CentrePort Ltd AGM*
- 20 November**
 - *Passenger Transport Committee*

Report No.	18-236
Decision Required	

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.

Tom Bowen
PRINCIPAL ADVISOR, STRATEGY & POLICY

ANNEXES

- A Draft Progressive Implementation Plan

Implementation of the NPSFM in the Horizons Region

Freshwater planning is guided by the National Policy Statement for Freshwater Management. In our region, the One Plan addresses most of the NPSFM's requirements. It identifies community values and numerical objectives, and takes an integrated approach to improving water quality. The main requirement of the NPSFM that the One Plan does not address is catchment limits, which link instream outcomes with actions on land.

While most of the One Plan works well, there are issues with its nutrient-management provisions. We also have more work to do to keep our plans up-to-date with national policy and community expectations.

Horizons' is taking a catchment-based approach to freshwater management. Over the next few years, we will work with communities to take stock of what progress we've made so far, confirm what outcomes we are seeking to achieve, and check that we have the right set of measures in place to get there. Changes in regulation (the One Plan) are likely, to implement our catchment strategies.

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.

In addition, strategies will be developed for the following areas:

- Manawatū
- Horowhenua
- Rangitīkei-Turakina
- Kai Iwi
- Coastal Tararua

We aim to have completed catchment strategies, and notified changes to the One Plan, by 2025.

Subject to statutory processes, the NPSFM (2017 version) would be fully implemented in the Horizons region by 2027.

Public Excluded Section

RECOMMENDATION

That the public be excluded from the remainder of the Council meeting as the general subject matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution follows.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by section 6 or section 7 of that Act which would be prejudiced by the holding of the whole or relevant part of the proceedings of the meeting in public, as follows:

General subject of each matter to be considered	Reason for passing this resolution	Ground(s) under section 48(1) for the passing of this resolution
PX1 Confirmation of Public Excluded Meeting held on 13 November 2018.	s7(2)(h) - the withholding of the information is necessary to enable the local authority to carry out, without prejudice or disadvantage, commercial activities.	s48(1)(a) The public conduct of the part of the meeting would be likely to result in the disclosure of information for which good reason for withholding exists under section 7.
PX2 Council / Committee to consider whether any item in the Public Excluded minutes can be moved into the public domain and define the extent of the release		
PX3 Members' Questions		