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| Report No. | 20-04 |
| Decision Required | |

DRAFT NATIONAL POLICY STATEMENT FOR INDIGENOUS BIODIVERSITY: CONSULTATION DOCUMENT

1. PURPOSE

- 1.1. This report summarises the key issues identified in the draft **National Policy Statement for Indigenous Biodiversity (NPSIB)**, and discusses the potential implications for the management of biodiversity in the Horizons Region and the work that may be required from the region's territorial authorities. The report seeks council agreement to key themes for Horizons' submission on the NPSIB and the process for councillor input into finalising the submission.

2. EXECUTIVE SUMMARY

- 2.1. A discussion document and the draft NPSIB was released for consultation on 26 November 2019. The draft NPSIB aims to provide a comprehensive, nationally consistent approach to addressing the decline of indigenous biodiversity. This focus on improving biodiversity outcomes is a welcome step that could provide greater focus, and support and recognition for indigenous biodiversity initiatives. Indigenous biodiversity is one of the four key issues identified in the Horizons One Plan.
- 2.2. The draft NPSIB could have a significant impact on how we manage and regulate indigenous biodiversity in the Horizons Region, changing the way we manage biodiversity through the One Plan. Further financial resource will likely be required to implement the draft NPSIB and this may come at the expense of on-the-ground biodiversity protection, maintenance, enhancement, monitoring and research.
- 2.3. Council staff have engaged with officials throughout the development of the draft NPSIB and are working with the Ministry for the Environment to "road test" the draft version. Horizons is also currently reviewing the Horizons non-regulatory biodiversity programme, including the sites that are targeted for protection and community projects that are included in the programme. This work will assist in positioning Horizons for changes signalled by national policy direction.
- 2.4. A copy of the proposed NPSIB and discussion documents can be found on the Ministry for the Environment website <https://www.mfe.govt.nz/consultations/nps-indigenous-biodiversity>.

3. RECOMMENDATION

That the Committee recommends that Council:

- a. receives the information contained in Report No. 20-04; and
- b. notes that the draft National Policy Statement for Indigenous Biodiversity (NPSIB) could have a significant impact on how the council manages and regulates indigenous biodiversity in the Manawatū-Whanganui region;
- c. agrees to the following key themes to be progressed in the development of the submission for the council on the draft:
 - i. sets out the approach to indigenous biodiversity regulation and management in the Horizons Region and discusses the efficiency gains that can be realised when taking an adaptive management planning approach;
 - ii. demonstrates the estimated financial impact for councils within the region to implement the draft NPSIB and the trade-offs that may need to be made;
 - iii. demonstrates the importance of non-regulatory interventions and partnerships in realising biodiversity gains.
- d. directs the Chief Executive to circulate the submission to council for comment via email and to finalise the submission with the Chair.

4. FINANCIAL IMPACT

- 4.1. There is no direct financial impact on existing budgets as a result of this report. However, if the draft NPSIB is implemented as proposed, there is likely to be significant implementation costs for Horizons, well beyond the existing resourcing for biodiversity activities. These costs have not been budgeted for in the Long-Term Plan.

5. COMMUNITY ENGAGEMENT

- 5.1. Community engagement and stakeholder consultation is the responsibility of the Ministry for the Environment, as this is a national direction tool under the **Resource Management Act (RMA)**.

6. BACKGROUND

- 6.1. In the development of the One Plan, Horizons identified threatened indigenous biological diversity as one of the four keystone issues that was important to address. The One Plan took a new and innovative approach of adaptive management, clarifying roles and responsibilities of Horizons and the territorial authorities. Horizons, through the One Plan, established itself as a lead agency in the region to control activities in specified habitats and work with land owners to protect and enhance these habitats. The newly proposed NPSIB identifies territorial authorities as the lead agencies for a range of biodiversity planning work.
- 6.2. The Government has developed new draft national direction under the RMA that aims to halt the decline of indigenous biodiversity. This is a welcome step that could provide greater focus and support for indigenous biodiversity initiatives and recognise its importance as part of our natural environment.
- 6.3. The Government consulted on its first iteration of the draft NPSIB in 2011. However, this version was set aside following public consultation (thought to be primarily due to stakeholder reaction to the proposals contained in the draft document). The current

process began in 2016 and its aim was to reduce the variability between different local authorities' approaches to, and effectiveness in, providing for indigenous biodiversity and preventing decline. This work was supported by the inputs from the Biodiversity Collaborative Group, a pan-sector group that delivered a report with proposals and recommendations to the Government in 2018.

- 6.4. A copy of the proposed NPSIB and discussion documents can be found on the MfE website <https://www.mfe.govt.nz/consultations/nps-indigenous-biodiversity>.
- 6.5. Horizons is currently undertaking a review of our non-regulatory biodiversity programme, including the priority sites and community projects that are targeted for inclusion in the programme. To assist this, Horizons has undertaken a desktop regional stocktake of biodiversity that is tenure neutral (i.e. includes all land in the region, not just rateable land and includes (for example) the conservation estate). This provides us with a valuable opportunity to achieve a nationally consistent and systematic approach to the management of biodiversity including early identification of any gaps that need to be addressed, positioning the organisation in advance of the NPSIB.

7. **SUMMARY OF THE DRAFT NATIONAL POLICY STATEMENT FOR INDIGENOUS BIODIVERSITY**

- 7.1. The draft NPSIB outlines six objectives:
- to maintain biodiversity;
 - to take into account the principles of the Treaty of Waitangi in the management of indigenous biodiversity;
 - to recognise and provide for Hutia Te Rito (see below 7.3) in the management of indigenous biodiversity;
 - to improve the integrated management of indigenous biodiversity;
 - to restore indigenous biodiversity and enhance the ecological integrity of ecosystems; and
 - to recognise the role of landowners, communities and tangata whenua as stewards and kaitiaki of indigenous biodiversity by:
 - a) allowing people and communities to provide for their social, economic and cultural wellbeing now and into the future; and
 - b) supporting people and communities in their understanding of and connection to nature.

Policy considerations

- 7.2. The draft NPSIB includes direction around providing for social, cultural and economic wellbeing, for example by enabling existing activities. Regional councils and TAs must also have regard to opportunities for development and customary activities on Māori land.
- 7.3. It also specifies that local authorities will recognise Hutia Te Rito, a concept which encompasses the broader connections between indigenous biodiversity, the wider environment and people, and the role of kaitiakitanga and stewardship in the maintenance and enhancement of mauri. There are requirements for local authorities to involve tangata whenua and incorporate mātauranga Maori in RMA processes and biodiversity management; identify and manage taonga species and ecosystems; and to provide opportunities for sustainable customary use and take.
- 7.4. The draft NPSIB requires that regional councils, territorial authorities, tangata whenua and the community work together to prepare a regional biodiversity strategy to promote landscape scale enhancement and restoration. Further, it also sets out new biodiversity programme requirements, including:
- recognising and protecting taonga species and ecosystems
 - surveying and managing highly mobile fauna;
 - integrating decision making between TAs and regional councils;

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- promoting maintenance, enhancement and restoration of **Significant Natural Areas (SNAs)** and other areas important for connectivity or buffering; and
- extended monitoring and reporting.

Responsibilities and timelines

- 7.5. Overall the NPSIB outlines a collaborative approach to the implementation of most policies with local authorities working together and with others. Where there is an indication of a lead agency these are noted below. Several of the policies have implementation timeframes, whilst others require local authorities to determine the timeframes for implementation. All councils are to implement the NPSIB in full by 2028.
- 7.6. Territorial authorities will undertake a districtwide assessment to identify and map SNAs within five years. Any plan change necessary will be notified within six years of the NPSIB commencement date. Additionally, every two years territorial authorities must notify a plan change to add any area that has been identified as an SNA in the meantime, and every ten years will undertake the districtwide SNA assessment and update district plans.
- 7.7. Regional councils will work collaboratively with territorial authorities, tangata whenua, communities and stakeholders, initiate a Regional Biodiversity Strategy within three years for completion within six years. Policies without set timeframes include: working with territorial authorities and tangata whenua to identify indigenous taonga species and ecosystems; working with territorial authorities to source and disseminate data for highly mobile species; assessing and setting restoration targets for urban and rural areas within the region where indigenous cover is less than ten per cent; and developing a plan, with territorial authorities and tangata whenua, for monitoring indigenous biodiversity.

8. CURRENT APPROACH TO INDIGENOUS BIODIVERSITY MANAGEMENT IN THE HORIZONS REGION

- 8.1. Like many other councils, Horizons has an indigenous biodiversity management framework that includes both regulatory and non-regulatory aspects as outlined in the Biodiversity Strategy of the One Plan. This strategy recognises regulatory and non-regulatory methods are complementary and necessary to maintain both biodiversity patterns and processes across the region's diverse landscapes.
- 8.2. There are two key aspects to the One Plan's approach that differ from the approach taken by other regions making the Horizons approach to biodiversity unique within New Zealand.

Adaptive management

- i. Regulation is based on an adaptive management approach. SNAs are not identified or mapped in the One Plan; instead it sets out criteria to assess the significance of areas of indigenous vegetation or habitats (Policy 13-5, One Plan) and describes an extensive range of habitat types that are considered to be significant i.e. rare, threatened or at-risk (Schedule F, One Plan). Resource consent is needed for activities that adversely affect any area of indigenous biodiversity or habitat that meets the criteria of rare, threatened or at-risk.
- The two main reasons for using an adaptive approach rather than specifying mapped SNA to underpin the regulatory framework were:
 - the inherent errors associated with relying on a desktop exercise to identify the sites; and
 - the cost (both time and money) that would be required to carry out an in-field assessment of all sites and areas in the region.
 - Adaptive management provides a range of effective mechanisms for management and protection of indigenous biodiversity, and this rationale was tested through appeals on the One Plan to the Environment Court.

- The advantage of this adaptive management approach is that it recognises that some ecosystems are unlikely, due to rarity, location or size, to have been mapped and allows for their protection under One Plan rules.
- The disadvantage is that this relies on a proactive approach, to identifying protected ecosystems within an area, prior to activities being undertaken.

Leadership in regional biodiversity protection and management

- ii. The regional policy statement (Part I, Chapter 6) within the One Plan sets the framework for maintenance and enhancement of indigenous biodiversity in the region, establishing that *Horizons is responsible for providing the regional approach, including the policy framework and methods (rules and non-regulatory programmes)*.
- 8.3. The One Plan identifies territorial authorities in the region are responsible for notable and amenity trees, but not indigenous biodiversity generally. However, the policy recognises that both the regional council and territorial authorities have responsibility to give effect to Part 2 of the RMA. This requires that protection of significant indigenous vegetation and significant habitats of indigenous fauna is recognised and provided for as a matter of national importance. In practice, this generally results in district plans retaining the territorial authority's ability to consider the impacts of activities that Horizons has no role in, such as subdivision, on indigenous biodiversity.
 - 8.4. The High Court, as a part of the One Plan process, confirmed that this allocation of responsibilities is appropriate and lawful under the Resource Management Act (section 62(1)(i)(iii)).
 - 8.5. Further, Horizons has a non-regulatory programme to support its indigenous biodiversity work. The core goal of the non-regulatory biodiversity programme is to maintain and enhance the full range of indigenous biodiversity across the region which is consistent with requirements under the RMA 1991. This includes all the voluntary methods by which Horizons assists landowners and communities in the protection of indigenous biodiversity. Examples of activities include protective fencing, planting of native trees and shrubs and plant pest control (i.e. weeds).
 - 8.6. Currently we aim to achieve this by delivering work across three components:
 - The biodiversity priority sites programme – a site led programme working with landowners to maintain and enhance priority sites on private land;
 - The biodiversity partnerships programme – where projects extend beyond the boundary of a single landowner and/or involve community groups or external agencies;
 - Management of the regional park – Tōtara Reserve.
 - 8.7. Other programmes within Horizons also contribute to biodiversity outcomes; for example the implementation of the regional Pest Management Strategy which controls plant and animal pests across the region.

9. KEY ISSUES OF THE DRAFT NPSIB AND IMPLICATIONS FOR THE ONE PLAN AND BIODIVERSITY PROGRAMMES

Recognising te ao Māori and the principles of the Treaty of Waitangi

- 9.1. The draft NPSIB aims to provide clarity to councils as to how they can meet RMA obligations to the Treaty of Waitangi. It provides a strong focus on providing for te ao Māori, mātauranga and tikanga Māori in decision making about indigenous biodiversity and recognising tangata whenua as kaitiaki. These objectives and policies are important, and it is recognised that the mahi, for iwi, involved in consultation and the work required to implement the draft NPSIB within the timeframes proposed may not support meaningful

and authentic engagement, especially given the potential workloads around treaty settlements and other consultation, e.g. freshwater policy.

SNA identification, mapping and protection

- 9.2. The framework of identifying mapped SNAs in district plans in the draft NPSIB is fundamentally different to the existing regulatory framework of the One Plan and second generation district plans within the region. This would require significant changes to the One Plan (both the Regional Policy Statement and Regional Plan) and the District Plans of territorial authorities across the region. Implementation timeframes following gazettal of the NPSIB are proposed to be five years for identification and mapping of SNAs and six years to notify a plan change.
- 9.3. Significance is defined in the draft NPSIB using a standard set of ecological criteria, allowing national consistency in the identification of SNAs. The thresholds for identifying what is a SNA could potentially include a substantial area of land. These thresholds when combined with the proposed effects management policies this may be unduly restrictive. The identification and mapping of all SNAs within each district in the region is required for inclusion in a territorial authority plan by 2026.
- 9.4. Rare, threatened or naturally uncommon ecosystems are amongst the most challenging to predict using current identification, mapping methods and technologies. The draft NPSIB accounts for continued discovery and regulatory protection of newly identified SNAs, an approach consistent with the adaptive management approach taken in the One Plan. However, under the draft NPSIB new SNAs will need to be progressed through district plan updates every two years, which could be cumbersome and costly.
- 9.5. Although a mapping approach is often claimed to provide greater certainty to landowners, there is little evidence to suggest that mapping sites results in better outcomes for biodiversity. While mapping provides a regulatory marker indicating that there may be an area of interest, the static nature of the mapping approach and process associated with the biennial plan updates may not necessarily be effective. Both the NPSIB and One Plan require a proactive approach to ensure that no area eligible for protection is present prior to activities being undertaken. An additional challenge may be the ability to gain access to land to undertake such assessments. There is also some concern as to whether Horizons may have to undertake consequential plan changes as a result of work undertaken by territorial authorities in the region.
- 9.6. Horizons' knowledge of the spatial distribution of biodiversity within the landscape has grown significantly over the past ten years. A key focus of the biodiversity programme over the past 18 months has been implementing a nationally consistent approach to improve processes around the identification of biodiversity in the region as the organisation prepares itself for expected national changes. Recently completed modelling and mapping work has identified further sites for the biodiversity team to assess. This has led the implementation team to completing two to three times more Rapid Ecological Assessments (REAs) than in recent previous years. However, we acknowledge there will likely be important biodiversity sites across the region that have not yet been captured by site visits or modelling.
- 9.7. Improvements in remote sensing technologies, combined with existing technologies such as LiDAR and oblique photography are likely to increase detection of and changes to biodiversity across the region. However, until high value biodiversity areas are able to be accurately identified, they remain vulnerable and the need for proactive identification of these areas prior to activities being undertaken will remain necessary, regardless of the policies in place to protect them.

Skills and expertise in biodiversity identification and management

- 9.8. In the Horizons Region there is an acknowledgement of the limited capability and capacity of territorial authorities to identify and manage biodiversity, particularly in the smaller

councils that are resource constrained, but can have large areas of biodiversity within their district. Horizons houses a small specialist biodiversity team and a combination of strong integrated and related functions across land management, freshwater management, biosecurity and science to support the front facing role required to effectively manage indigenous biodiversity in the region. Horizons also recognises the need to grow capacity and expertise in order to better understand, respond to and provide for mātauranga Māori.

- 9.9. While districts may in some cases have comprehensive knowledge of the biodiversity in their area, regional councils have a better understanding of the diversity and spatial extent of regional biodiversity. The broad range of functions undertaken by territorial authorities does not easily lend itself to this level of specialisation, and mapping of sites may be difficult given the financial cost of undertaking the work and the availability of suitably-qualified ecologists available to implement these policies nationally within the timeframes outlined.

Restoration and enhancement of biodiversity

- 9.10. The draft NPSIB promotes the restoration and enhancement of degraded SNAs; areas that provide important connectivity or buffering functions and wetlands and former wetlands. It also requires that in urban and/or rural areas with less than 10 per cent indigenous cover, a percentage-based target is set to increase indigenous cover.
- 9.11. Whilst restoration is an important part of biodiversity management, the priority should be the protection (including maintenance and enhancement) of existing high value sites. This is particularly important in areas with high proportions of remaining indigenous vegetation where resources may already be thinly spread managing existing sites. The council already experiences resource constraints when attempting to protect and manage the important biodiversity sites already identified for attention. Over time, through annual plan processes, targets for priority site programmes have been revisited and longer timeframes adopted. Restoration and enhancement work requires continual maintenance to reap the benefits for indigenous biodiversity. In general, the more sites that are added to the programme the greater the ongoing maintenance cost. Where this maintenance has lapsed or is not sufficiently allocated the areas run the risk of becoming infested with weed and pest species.
- 9.12. The non-regulatory biodiversity programme review has begun a process to classify ecosystems present in the region by International Union for Conservation of Nature (IUCN) threat rankings. This allows for the prioritisation of critical ecosystems for protection (including maintenance and enhancement) and for potential restoration. Additionally, a system to identify management goals and costs for individual sites is being trialled. These steps, combined with recently introduced reporting on the level of maintenance across all sites, work to provide greater transparency around the level of active management of priority sites. This system of priority based protection, followed by the restoration of priority ecosystems (those with high IUCN threat rankings), is likely to yield better outcomes for biodiversity than the broader approach to restoration outlined in the NPSIB.

10. DISCUSSION

- 10.1. The draft NPSIB sets ambitious goals which will require considerable increases in local government resourcing, along with workforce capability and capacity development if they are to be implemented successfully and within the timeframes proposed in the document. Some policies, including both protecting highly mobile indigenous fauna and comprehensive monitoring, would require a level of national collaboration and central government support and coordination to ensure consistency and avoid duplication of effort. The Government has acknowledged this, but is not yet able to outline what this implementation would mean in practice.
- 10.2. Work improving Horizons biodiversity monitoring programme is ongoing, but current monitoring is limited, focusing on irregular assessment of specific types of habitat.

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Nationally consistent approaches to monitoring are yet to be developed for many ecosystems. There is much work to be done locally and nationally and standard monitoring, standard information management processes and systems would also be beneficial.

- 10.3. The financial resource associated with implementing several of the NPSIB policies (particularly SNA identification, mapping and plan changes) may well come at the expense of on-the-ground biodiversity protection (compliance enforcement, maintenance, enhancement), education and support of community projects, and risks a decline in indigenous biodiversity protection across the region if resources are directed away from on-the-ground activity.
- 10.4. Council staff have utilised several opportunities to provide feedback during the development of the draft NPSIB to the Ministry for the Environment who are leading the development of this new policy. While the fundamental approach has remained largely the same, some minor changes have been made. We have also taken up the opportunity to road test the provisions with the Ministry for the Environment and the Department of Conservation, and this will be provided to the Ministry for the Environment, to guide ongoing policy development.
- 10.5. Submissions on the draft NPSIB are due by 14 March 2020 and there is a sector submission being prepared by Local Government New Zealand. Annex A provides an outline of the issues LGNZ is considering in their submission. Given the importance of indigenous biodiversity as an issue within our region and the regulatory leadership role Horizons has established in the One Plan for the region, this is an important issue for Council to formally consider and provide direction on the content of the Horizons submission.
- 10.6. Council staff propose that Horizons' submission should cover the following themes:
 - the approach to indigenous biodiversity regulation and management in the Horizons Region and the efficiency gains that can be realised when taking an adaptive management planning approach;
 - the estimated financial impact for councils within the region to implement the draft NPSIB, and the trade-offs that may need to be made (that could impact on indigenous biodiversity);
 - the importance of non-regulatory interventions and partnerships in realising biodiversity gains.

11. CONSULTATION

- 11.1. No consultation was required for the development of this report.

12. TIMELINE / NEXT STEPS

- 12.1. Submissions on the draft NPSIB are due by 14 March 2020. Following the direction of council on the content and context of the submission, council staff will provide a draft submission letter for consideration to councillors for comment by email and will work with the Chair to finalise the submission.

13. SIGNIFICANCE

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

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ANNEXES

There are no attachments to this report.