



Report of the fifth meeting, eighth triennium of the Strategy and Policy Committee of Horizons Regional Council held in the Tararua Room, Regional House, 11-15 Victoria Avenue, Palmerston North at 10.05am on Tuesday, 10 May 2011.

PRESENT

Crs EB Gordon (Chairman), JJ Barrow, LR Burnell, VJF Chettleburgh QSM ED, GL Cox, M Guy, GM McKellar, MW Plowman, PW Rieger QSO JP, CI Sheldon, RG Walker JP, and JJ White.

IN ATTENDANCE

Chief Executive	Mr M McCartney
Group Manager Corporate and Governance	Mr C Grant
Committee Secretary	Ms K Booth

ALSO PRESENT at various times during the Meeting:

Mr G Carlyon (Group Manager Regional Planning & Regulatory), Mr C Mitchell (Group Manager Environmental Management), Mrs C Rowe (Media and Communications Manager), Mr A Cook (Group Manager Operations), Mr I Lowe (Coordinator District Liaison), Ms A Russell (Manager Environmental Protection), and Mr E Christiansen (EJ Consulting).

APOLOGIES:

There were no apologies.

PUBLIC SPEAKING RIGHTS

No requests for public speaking rights had been notified.

LATE ITEMS:

There were no late items notified, however the Chairman advised that in Members' Questions, Cr Plowman wished to discuss the matter of a legal opinion he sought from Council, and transfer of territorial authorities' functions as part of the legal opinion. The Chairman confirmed to Cr Plowman that the discussion on the matter would be minuted.

MEMBERS' CONFLICT OF INTEREST

There were no conflicts of interest noted.

The Chairman and Chief Executive advised there were copies of the following at the meeting, available for interested Members, and noted that the Land and Water Forum report had been superseded by the NPS:

- final '*Report of the Land and Water Forum – a Fresh Start for Freshwater*';
- the press release from the Minister for the Environment, and the Minister of Agriculture, dated 9 May 2011, entitled '*A fresh start for fresh water*'
- the '*Freshwater Management 2011 NPS*' to be gazetted on 12 May 2011

The Chairman advised that Mr Errol Christiansen would be joining the meeting for the discussion on the Whanganui River Pathways Investigation. He also commented that a folder containing copies of 880 submissions to the Draft Annual Plan 2011-2012 would be available for Councillors after lunch.

CONFIRMATION OF MINUTES

SP 11-27

Moved

Guy/Sheldon

that the minutes of the meeting held on 12 April 2011, as circulated, be confirmed as a correct record.

CARRIED

CODE OF CONDUCT

Report No. 11-73

This item presented, for the Committee's consideration and approval, an amendment to the existing Code of Conduct for Horizons Regional Council. The Group Manager Corporate and Governance (GMCG) drew Members' attention to the suggested wording in paragraph 5 of the Report. Members fully discussed the suggested wording for paragraph 24 of the Code of Conduct, asked questions of clarification, and amended the recommendation accordingly.

SP 11-28

Moved

Rieger/White

that the Committee recommends that Council:

- a. **notes** that the Code of Conduct was adopted on 21 February 2011 with the exception of paragraph 24; and
- b. **approves** the following paragraph 24 for inclusion in the approved Code of Conduct for Horizons Regional Council.

"Where prolonged leave of absence has been applied for, the Chair will give consideration as to whether it be recommended to Council that the leave of absence should be given without pay".

CARRIED

WHANGANUI RIVER PATHWAYS INVESTIGATION – SH4 RAIL OVER-BRIDGE WANGANUI TO UPOKONGARO

Report No. 11-74

This item informed Members of the findings of the Whanganui River Pathways investigation Report and sought guidance in regard to options available for the implementation of the Report's findings.

Mr Lowe (Coordinator District Liaison) explained the background to the investigation, and highlighted key points in the Agenda item. He commented on the importance for working with Wanganui District Council (WDC) on this matter. He then introduced Mr Errol Christiansen (EJ Consulting) author of the Investigation Report, which was annexed to the item. Mr Christiansen demonstrated on an enlarged version of the map included in the Agenda, where the pathway route was proposed and explained the options, why the proposed route was in stages, where the pathway went close to existing houses, eligibility for funding assistance, and opportunities through tourism. He explained that some of the proposed work was already being undertaken by other agencies, and it was important that they were able to consider the proposal when planning their work. It was explained that no community consultation had yet taken place, as it was important that both councils (Horizons and WDC) had an opportunity to discuss the matter first of all.

Crs Walker and Cox, the two representatives from the Wanganui constituency, asked questions of clarification, and commented on Mr Christiansen's presentation.

Members asked questions of clarification about where the pathway went over private land, and the possibility of flood damage to the pathway. It was clarified that some of the money that had been approved by Council through the 2009-2019 Long Term Council Community Plan consultation process for river enhancement activities on the Lower Whanganui River, had been used for the Upokongaro Landing project and Pathways scoping report, however the remaining funds were being held until a decision was made, at some stage, by Council regarding an appropriate project. It was explained that the pathway extended into the rural sector to link up with the Upokongaro Landing, however it was Members' decision as to whether future enhancement activities should be confined to the urban sector only. There was discussion about funding for the project and it was agreed that the first step was for discussions to take place between the two councils. There was a reminder about future consultation on Stage 2 of the flood protection work.

Members discussed the recommendations, amended (b) and deleted (c).

SP 11-29 **Moved** **Burnell/Cox**

that the Committee recommends that Council:

- a. **receives** Report No. 11-74 and Annex A; and
- b. **instructs** the Chief Executive and Chairman to liaise with Wanganui District Council to discuss the report in detail with a view to recommending a preferred approach by both councils for implementation of the Pathways report and to report back to Council on the outcomes of those discussions before any further action is taken.

CARRIED

KEY MILESTONES TO THE EMISSIONS TRADING SCHEME AND POTENTIAL IMPACT ON HORIZONS' FORESTRY HOLDINGS

Report No. 11-77

This report served a number of purposes. It provided a background to the Emissions Trading Scheme (ETS) and its relevance to Horizons, particularly as it related to its forestry holdings. It also updated Members on upcoming milestones and opportunities within the ETS, while making recommendations to Council on potential responses to these opportunities. The Group Manager Environmental Management (GMEM) introduced the report, drew Members' attention to the risks outlined in paragraph 40, and explained the recommendations.

Members asked about the likelihood of deforestation, potential issues around not registering, the costs for replanting, and whether or not Horizons' owned land qualified for offset credits. The GMEM clarified their questions.

SP 11-30 **Moved** **Guy/Burnell**

that the Committee recommends that Council:

- a. **receives** the information in Report No. 11-77;
- b. **noting** the key risks and returns associated with carbon trading;

that the meeting moves out of Public Excluded.

CARRIED

The public part of the meeting resumed at 12.01pm.

MEMBERS' QUESTIONS

The Chair explained that the issue Cr Plowman wished to raise referred to a motion requesting a legal opinion in regard to the role of the regional council in biodiversity. The Chair commented that at the past two meetings he had provided updates to Members on that matter, and asked them to consider best use of money. The lawyer had commented his legal opinion would reiterate what he had told Members at the meeting on 8 February 2011, and it was only an opinion, whilst the Environment Court would make a ruling. The Chief Executive asked Members to instruct him whether they wished him to obtain a legal opinion, or wait for the Environment Court ruling.

The Chief Executive referred to evidence that had been submitted to the One Plan Hearing process by the TAs in the region, and noted that they included the phrase, "...District Council agrees in principle with the lead agency being held by the Regional Council". He advised Members that a copy of the evidence was in a folder in the Councillors' Lounge for them to read and form their own views.

Cr Plowman referred to the motion which was moved, seconded and approved at the meeting on 22 March 2011, and said it should be rescinded if it was decided that a legal opinion would not be sought. He referred to notes he had made when he was a Hearing Commissioner on the One Plan Hearings on biodiversity and said the TAs had stated quite clearly, that should Schedule E fall over they wished to retain the right to control the effects of the use and development of land, in this case, biodiversity. Cr Plowman mentioned the presentation by the lawyer, Mr Maassen, and that he was congratulated by some of the Horizons' councillors for his interpretation of the Resource Management Act, which was different to that expressed by Mr Maassen. He referred to the choices of either a legal opinion or waiting for a determination by the Environment Court, and believed there was no sense in putting the ratepayers to a cost of 'potentially millions of dollars' in litigation before the Environment Court, when it could be sorted out for a few thousand dollars here and now. He said that either the One Plan was a legal document with the backing of the Court, or it was not. He believed there was enough evidence to suggest the One Plan was an unlawful document.

There was full discussion by Members on whether to obtain a legal opinion, or wait for the Environment Court to determine. There was also a third option of requesting a declaration from the Environment Court, although the Chief Executive explained that while it would be the clearest way of dealing with the issue, it would also be the most costly as it was a formal Court hearing process, which would still be followed by the Environment Court hearing on the One Plan.

During discussion on whether to proceed with an Environment Court ruling, there was a preference expressed for the Environment Court to hear the biodiversity issues first. It was clarified that the hearing schedule had been set with the Biodiversity chapter to be heard first.

Members discussed the wording of a proposed recommendation.

that the Committee recommends to Council:

- a. *that motion 11-109 from the Council meeting of 22 March 2011 that a legal opinion be sought with regard to the Regional Council's jurisdiction in biodiversity matters, be rescinded*
- b. *that the legal assessment as to the jurisdictional role of Regional Councils and Territorial Authorities in biodiversity matters be dealt with as part of the One Plan Appeal Hearing.*

Against: Crs McKellar, Plowman, Walker
CARRIED

The Chief Executive made copies available to Members of the submissions made by Tararua, Manawatu, Rangitikei and Ruapehu District Councils to the proposed National Policy Statement on Indigenous Biodiversity, and noted their comments on the role of Horizons Regional Council in biodiversity.

Cr Chettleburgh commented on the Reel Earth Environmental Film Festival which was being held in Palmerston North in May 2011. He had been asked by members of the public why Horizons Regional Council was not involved with this Festival. The Chief Executive suggested that the organisers be invited to speak to Council before the 2012 Festival was arranged.

Cr Chettleburgh commented on the bid from Palmerston North City to SPARC to have the Cycling Velodrome built in Palmerston North (PN). The decision from SPARC was currently on hold. He asked if there was any way to address the way the process was being handled; the Chairman offered to take the matter to the Regional Forum.

Cr Plowman explained he had been contacted by a constituent expressing concern about funding being cut for the Kia Wharite project. The Chairman said he would respond to Cr Plowman once he had the information, and reminded Members to put questions of a technical nature in writing, the day before a meeting. Cr White (Chair of Environment Committee) said if Cr Plowman put the request in writing that day, it could be put to the Environment Committee meeting the following day.

The Chairman then gave Members an approximate idea of where the Draft Annual Plan Submissions Hearings would be held over the three days of Hearings: Monday, 23 May, Wednesday, 25 May, and Thursday, 26 May. Details were yet to be finalised. The Group Manager Corporate and Governance advised Members that folders containing copies of all submissions received to date, were being prepared for them. He added that the Draft Annual Plan Submissions Hearing Agenda would contain copies of the submissions that were being spoken to by submitters.

The meeting closed at 12.35pm.