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Ministry for the Environment  
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## TE HAU MĀROHI KI ANAMATA: HORIZONS REGIONAL COUNCIL SUBMISSION

Thank you for the opportunity to comment on *Te hau mārohi ki anamata*.

At Horizons Regional Council (Horizons) we strive to make our region a place where the land and water is healthy and the people are thriving. Our region extends from south of Levin to north of Taumarunui and from Whanganui across to the east coast – approximately 22,000km<sup>2</sup> in total. Horizons' responsibilities include managing the region's natural resources, flood control, monitoring air and water quality, pest control, facilitating economic growth, leading regional land transport planning and coordinating our region's response to natural disasters. Climate change has a bearing on many of those functions.

While so much of our recent attention has been devoted to the immediate challenge of Covid-19, climate change remains the biggest long-term challenge facing New Zealand's communities and environment.

We note that work remains to flesh out many of the strategies and options the plan envisages. We acknowledge that – in an area as wide-ranging as greenhouse gas emissions – aspects of any plan will be at different levels of maturity. There are many ways in which the tools at our disposal, role clarity, funding arrangements and process efficiency can be improved upon.

Complex challenges like reducing our carbon footprint do not adhere to administrative boundaries. The success of our response will rely on the initiative of many parties, and upon relationships that allow us to coordinate our efforts and respond flexibly as circumstances change. To that end, councils in our region have formed a climate action joint committee, with strong tangata whenua involvement. We were pleased to hear from Minister Shaw when the committee met in September, and would welcome the ongoing involvement of officials to ensure we understand each other and our efforts are aligned.

Rather than repeat points we have already made, we draw your attention to recent previous submissions to the Climate Change Commission and Ministry of Transport. Our comments here focus on a few key areas in which Horizons has direct experience and operational expertise. They coalesce into five main themes:

- We support urgent, systemic change.
- We support many aspects of the proposed approach, including integrated action on transport emissions.
- We encourage Government to consider a similarly integrated approach to address the multiple issues affecting rural communities.
- Like others local government leaders, Horizons is committed to tackling the challenges presented by climate change.
- We encourage Government to invest in a genuine partnership with local government to respond to these challenges.

We expand on each of these themes below, with recommendations as to how plans could be strengthened.

## **SYSTEMIC CHANGE IS NEEDED. NOW.**

The discussion document proceeds from the premise that deep and long-term systemic change is required, and that Government should take a central role in driving it.

We support this, including the need to reset planning frameworks and transport patterns, a greater emphasis on permanent forest sinks and the co-benefits they bring, rather than offsetting emissions with plantation forestry.

We also support attention to practice change and the range of tools – education, funding, other incentives, alongside regulation and pricing – that can be brought to bear to remove barriers and create enduring change. The support of the community is crucial – not least of all, because meeting our emissions budgets requires active intervention as well as commitment from individuals and businesses.

Given the scale and urgency of the challenge, the process will often be experimental. It is likely that we will have to try several “good” approaches and see what works, rather than attempting to craft the one, perfect solution. Essentially we are suggesting an adaptive approach. Horizons, like other regional councils, have experience with this sort of challenge, through our work on fresh water over the past ten to fifteen years. The plan will need to include both quick wins that make best use of existing assets and larger interventions for longer-term transformation. Progress needs to be made before every last detail has been pinned down. We are pleased to see these elements in the discussion document – if a little dismayed at how much strategy work remains to be done. Clear, consistent and timely signals are essential for the public, businesses – and local government – to adjust their plans and expectations.

Alongside regulation and pricing, funding is one of the key signals Government can send to encourage the action and investment it wishes to see. We note that elements of the plan are subject to future funding decisions. We trust that alignment with Budget 2022 will allow for many of these decisions to be made by the time the plan is released. In our experience, well-directed funding can support rapid and practical action on the ground.

## **SUPPORT THE FOCUS ON INTEGRATED ACTION ON TRANSPORT EMISSIONS**

We are encouraged by the focus on working closely with local government to reduce transport emissions while also enhancing urban environments and community wellbeing. We support the broad strategy of reducing the need to travel (through urban design) and shifting travel to low-emission modes, as well as improving the emissions efficiency of the vehicle fleet. As the discussion document notes, this will require alignment of planning, investment and other interventions across multiple domains. Since so much of this change is about individual choices, low-emissions options must be easy, attractive and social without prohibitive cost.

Alignment of planning regimes (including reconciliation of housing and environmental objectives) and removal of bureaucratic barriers to action are essential if we are to build more liveable, emissions-efficient towns and cities. The current process to unlock transport funding is long, cumbersome and expensive. We urgently need to find ways to accelerate delivery of improvements like public transport improvement, priority for bus and active transport facilities.

Other adjustments to regulatory settings may also support mode shift – for example, giving priority to buses merging into traffic and removing car parking spaces in CBDs. Making active transport attractive means making it safe. In many places, cyclists are required to share the road with motor vehicles. Unlike cars and trucks, they lack airbags and crumple zones. With the increase in uptake of electric micro-mobility devices such as e-scooters, we see this issue being exacerbated. Pedestrians and cyclists each need separate, well-designed lanes. Government might consider national policy to ensure that parking does not get in the way of

providing safe passage for active transport users. Government could also consider weighting the 'presumption of fault' in favour of active transport users where accidents occur. Funding will need to be made available (with a minimum of fuss) to support these changes. Government might consider allocating a proportion of the capital budget for transport to active modes. Equally, revenue from proposals such as congestion charging could be invested to enable a just transition to active transport modes.

Both regulatory changes and removal of other barriers may need to be accompanied by measures to ensure a mandate is built and maintained with the general public: allowing councils to reallocate street space, for example, is unlikely to be effective if they face backlash every time they do. Central government should take a lead in securing that mandate.

We also support the distinction drawn in the discussion document between rural areas – where fewer alternatives exist – and urban areas. This makes sense, given that the cities are where the largest gains are likely to be made. There is however, some risk that opportunities for mode shift outside main centres are overlooked. In medium-sized urban areas like Palmerston North and Whanganui, smaller populations and 'small town' expectations of lifestyle and convenience present a slightly different set of challenges than in the larger centres. Our region also includes some smaller towns (Levin, Feilding) that are growing: urban form will be important as they do so, to enable alternative modes of transport – but in the near term, populations do not support many viable public transport options due to constraints associated with the legislative and funding environment. In both scenarios, there would be merit in considering how to future-proof development and achieve emissions reductions in the interim, while Government's attention is focused on the metropolitan areas. Do we focus on decarbonising the existing public transport fleet, or on other modes of transport? How will the future funding model accommodate the needs and constraints of smaller centres? Guidance on questions like these would avoid duplication of effort and associated delays. That said, all regions will have a mix of things that will work and 'low hanging fruit'. There must be some flexibility in the framework. We are encouraged to see this recognised in the discussion document.

The document touches on the role freight will play in reducing emissions, however we consider the ambition associated with mode-shift for freight to be lacking. In short, mode-shift needs to be applied to freight as well as people and the Emissions Reduction Plan needs to address this. The document identifies the Rail Plan as a tool for reducing freight emissions. We support this, but note that the Rail Plan in its current form will struggle to deliver on this intent, since its focus is on passenger rail and maintenance. Large volumes of freight pass through the Horizons region, accounting for a significant proportion of our carbon emissions. Our current Regional Land Transport Plan identifies mode shift onto rail as a key lever for reducing freight emissions in our region. Funding, at present, is largely drawn from sources other than the National Land Transport Plan / Rail Plan, such as the Provincial Growth Fund. We suggest acceleration of the Rail Plan, along with more focus on freight movement by rail will need to occur in order to address freight volumes and funding constraints in this area. Hubs for efficient inter-modal transfer are critical. The region is working with central Government to construct a major new hub near Palmerston North (road, rail, air) and a secondary hub near Marton (road, rail). Rail could also play a greater role in inter-regional passenger transport. Further, we acknowledge and support the role coastal shipping could play in providing cost-effective, attractive alternatives for long-haul freight. Market and regulatory reform is needed to provide certainty to operators and incentivise change

We encourage the Government to consider alignment of plan development and funding cycles. At a local level, action on transport emissions will likely be through the 2024 review of RLTPs and LTP redevelopment. To make best use of that opportunity, we will need to understand what funding is available and what criteria will be applied well in advance. If criteria

for investment in roading are to change, we suggest that it be strongly signalled through the Government Policy Statement on Land Transport. More broadly, we suggest that reform of the public funding system, and of cumbersome investment / business case processes, is also necessary to ensure funds are levied fairly and available where – and when – they are required. A comprehensive approach to funding should include review of tax incentives (and disincentives) to support low-carbon choices at an individual level.

## **ENCOURAGE SIMILAR INTEGRATION OF RESPONSE FOR RURAL COMMUNITIES**

A similarly integrated approach would have merit to address the challenges confronting rural communities and ensure transition delivers positive outcomes.

Agricultural communities face pressure on a number of fronts as we move to tackle greenhouse gas emissions, improve fresh water, and restore biodiversity. Farming systems also have to adapt to the effects of a changing climate including drought, flooding, and water availability. Transitioning the rural sector through these challenges demands a coherent response across agencies and policy domains. We encourage Government to work with regions to connect land use transition that may occur in response to climate change with desired outcomes for freshwater, biodiversity, and communities.

When the Climate Change Commission consulted on its advice earlier this year, we expressed concern about the effects of poorly placed plantation forests on local communities, and the missed opportunity of poorly managed forests (and pests) for the environment. We are pleased to see these issues reflected in the discussion document. Permanent forest sinks have the potential to contribute to biodiversity and the health of catchments as well as sequestering carbon. Pests and weeds need to be managed to realise that potential. Forms of forestry can be integrated into other farm systems to achieve better environmental and business results. Nonetheless, setting the right incentives and enabling conditions to encourage forest establishment in places that optimise environmental and community outcomes presents some significant challenges. Policy around carbon farming will be crucial to avoid creating new legacy issues.

We acknowledge and support work being conducted through He Waka Eke Noa in partnership with industry to tackle on-farm emissions. Involving those impacted in developing solutions is much more likely to result in enduring change.

By its nature, He Waka Eke Noa focuses on improvements within an industry. It relies principally on price signals and new technology. That is crucial. But we are not certain it will be enough.

The discussion document asks how Government can help reduce barriers to lower-emission farming systems and products. Alongside He Waka Eke Noa, we see a need for a coherent response to support more fundamental changes where they are necessary. We are aware of several barriers facing landowners considering diversification or changes in land use away from traditional industries. Information – about the commercial feasibility of alternative crops, suitability of soils and climate, and future availability of water – may be hard to access. Supporting infrastructure (processing, pack houses, etc) may be lacking in the local area. Of greatest significance is understanding markets and the demand for new products. There may be a lack of confidence in the direction that policy and regulation will take and, at times, a lack of trust in government. Investment in these areas would help to deliver on policy objectives across fresh water, climate, biodiversity, and other issues, and support an equitable transition for farmers and their communities.

## LOCAL GOVERNMENT CAN HELP

The emissions reduction plan is a national plan, but local government will play a significant role in its delivery. Regional councils contribute directly in areas like transport, resource management planning, pest control, and afforestation. As the gap between identified policy interventions and the carbon budget for 2022-25 makes clear, success will also depend on the actions of businesses, institutions, and the wider community. Local government helps to set the context within which businesses invest and citizens make choices.

The discussion document acknowledges that a strong commitment from local government leaders is critical to success in confronting the challenges presented by climate change. With other local government leaders, we expressed that commitment in signing the Local Government Leaders' Climate Change Declaration in 2017. We have followed up on that commitment through our last long-term plan and by establishing a climate action committee together with the region's territorial authorities. Government could consider having officials be active observers in these meetings helping to connect local, regional and national action.

There are barriers that Government could remove that would enable us to contribute to emissions reduction more effectively. Some of these have been identified above – and some are acknowledged in the discussion document itself. These include competing drivers in the planning system, and consistency of purpose between departments. Planning and decision-making processes could be made more efficient. Funding mechanisms need attention. We have touched on this in relation to transport above; the point holds more generally. Councils, Government agencies, iwi and other groups will need to be appropriately resourced if we are to deliver the intended effect. Some organisations will need more support on some aspects of the low-emissions transition than others.

There could be more attention to national guidance and investment in data sets to make information available for local decision making. Regional greenhouse gas inventories being produced by Stats NZ are a positive development, though at the moment they do not connect well to action. There may be merit to changes such as reporting to a district or city level in future.

An area that would merit closer attention, and in which local government is well-placed to help, is in empowering communities to make positive changes. Government could, for example, consider greater use of community grants and funding for low-carbon initiatives – perhaps administered through local government. We are aware that some councils run schemes to support clean heating, solar power, and home insulation; there may be merit in funding initiatives like these at a national level to support an equitable transition and reduce household emissions.

Given the importance of human behaviour, individual choices, and social norms to change, we suggest national investment into social science research to inform intervention at national and local scales.

There may be other areas in which local government could bring resource and expertise to bear as part of a coordinated, cross-agency effort.

## GENUINE PARTNERSHIPS BETWEEN CENTRAL AND LOCAL GOVERNMENT

Business as usual won't do if we are to deliver the scale of change required within the time available.

Horizons enjoys positive, productive relationships with many parts of Government. In most contexts, though, those relationships fall short of their potential. The discussion document



acknowledges this, observing that bold decisions and strong collaboration with central government will be required of local government to ensure a joined-up approach to decrease emissions.

Partnership goes beyond “mobilising resource” from local government. It requires trust. We echo comments by the Local Government Review Panel emphasising the need to address issues impacting on relationships – and limiting our collective impact.

We agree that role clarity is important and processes and accountabilities can be better aligned. Nonetheless, we – along with industry and other groups – will often have to use tools in concert to achieve a result. Since so much of the transition will happen at a local scale, this means investment of time and personnel to understand local issues. It requires regular and ongoing dialogue about how best to integrate national and local responses and about the suite of measures that will best achieve change.

Tools (including regulation) to be deployed by local government should be developed with the involvement of local government. The recent project to generate national guidance on local climate change risk assessments was a positive example in this regard, with work commissioned by the Ministry for the Environment and informed by the close involvement of a local-government reference group.

We also note the importance of local iwi and hapū in terms of the Treaty partnership in general and to local decision making in particular. We all have work to do to find ways to give expression to that partnership in ways that deliver on our respective aspirations and enable us to respond effectively to the challenges that confront us. Recognition of relationships between people and the environment, as expressed in legislation specific to Te Awa Tupua and Te Waiū o Te Ika, for example, will have a bearing on how that partnership develops.

We commend you on the thought and effort that has so far gone into New Zealand’s first emissions reduction plan and thank you for the opportunity to comment. We look forward to working with Government and communities across our region to transition to a low-emissions and climate-resilient future.

Thank you again for the opportunity to comment on *Te hau mārohi ki anamata*. Should you have any questions relating to our submission, feel free to contact Tom Bowen at Horizons Regional Council ([tom.bowen@horizons.govt.nz](mailto:tom.bowen@horizons.govt.nz)).

Ngā mihi,

Rachel Keedwell  
**CHAIR**