



HAVE YOUR SAY:

**Draft rules for rural land
use in the Lake Rotorua
catchment**

**Land use is affecting the health of Lake Rotorua
and we all need to be part of the solution.**



**ROTORUA
TE ARAWA
LAKES
PROGRAMME**

Ko te wai te ora o ngā mea katoa
Water is the life giver of all things



New rules are being developed to reduce nitrogen losses from rural land within the catchment. Rural landowners, iwi and the wider community are invited to provide input on these rules.

The quality of water in Lake Rotorua has been improving but more needs to be done to reach targets the community has set. Support will be provided for landowners to help them meet the requirements of the rules.

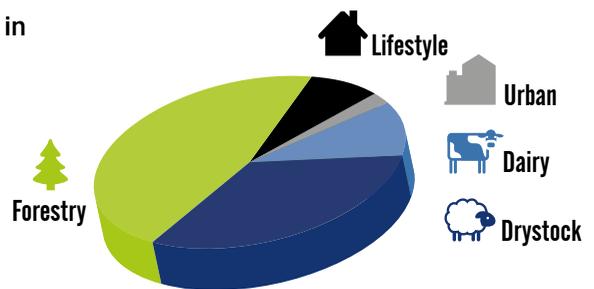
Lake Rotorua and profitable farming are important to our community. We need to ensure we have a healthy lake for the future. This means we need to reduce the amount of nutrients entering the lake. We also need to make sure the new rules which apply to all properties of more than two hectares within the Lake Rotorua groundwater catchment are reasonable.

These rules will support the work of the Rotorua Te Arawa Lakes Programme, a partnership between the Bay of Plenty Regional Council, Rotorua District Council and Te Arawa Lakes Trust, aimed at improving and protecting water quality in our district's lakes.

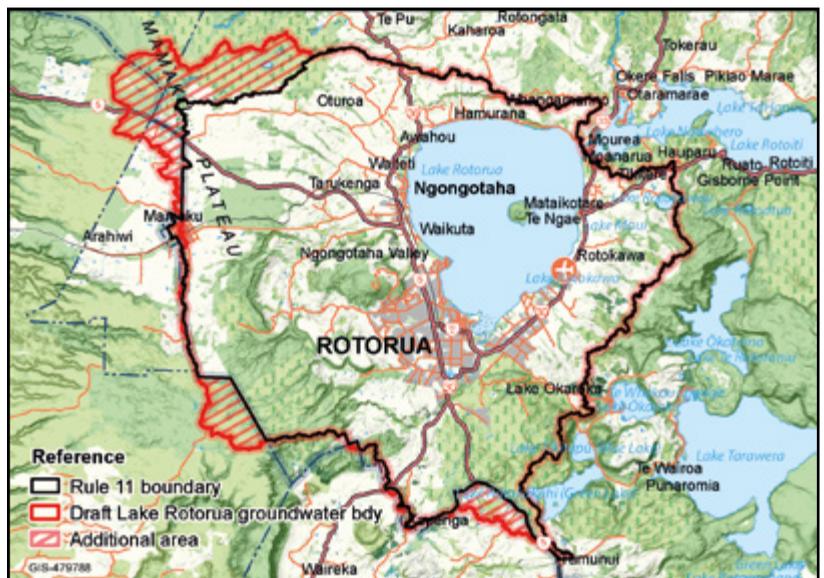
In summary

- We need your input to help develop the rules for rural land use in the Lake Rotorua catchment.
- The draft rules will affect all rural properties over 2 hectares in the groundwater catchment.
- Consent will be required for all properties over 40 hectares or those that have nitrogen losses of more than 10 kilograms per hectare.
- Properties requiring consent will be allocated a Nitrogen Discharge Allowance (NDA).
- Landowners will have until 2032 to meet their NDA.
- The draft rules put tougher limits on nitrogen losses from rural land with mandatory annual reporting for all properties over 2 hectares.

How land is used in the catchment



Draft Lake Rotorua groundwater catchment map



This is an indicative map of the Lake Rotorua groundwater catchment and is not finalised. Identifying the groundwater catchment is complex and we want to make sure the boundary is correct. Work is still in progress to confirm how far the groundwater boundary extends beyond the current Rule 11 boundary.

Once the boundary is confirmed an updated groundwater map will be available online or from Regional Council offices. Landowners between the Rule 11 boundary and the indicative groundwater boundary should contact the Regional Council for more information.

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Why we need rules

Bay of Plenty Regional Council is responsible for managing water quality in the region. A water quality target for Lake Rotorua was set in consultation with the community based on meeting the level of water quality experienced in the 1960s.

To reach this target we need to reduce the amount of nutrients entering Lake Rotorua. Nutrients come from a range of sources which include agricultural and horticultural activities, urban wastewater, native and exotic forests, and rain. The lake needs a certain amount of nutrients but too many causes toxic algal blooms.

Rules were introduced in 2005 which capped nutrient losses at their 2001-04 levels. Known as Rule 11, these set a discharge limit called a nutrient benchmark for properties in the Rotorua surface water catchment based on each property's land use between 2001-2004.

Sewerage reticulation of lakeside communities, upgrades to the wastewater treatment plant and engineering options to reduce geothermal nitrogen sources have been implemented.

In 2010, a nitrogen limit was set for Lake Rotorua, allowing only 435 tonnes of nitrogen to go into the lake each year. In order to meet this target:

- The amount of nitrogen going in to the lake needs to be reduced by 320 tonnes per year.
- 50 tonnes can be reduced through urban and engineering solutions.
- The remaining 270 tonnes of nitrogen can only be achieved through reductions from rural land.

The Regional Council has been working with a Stakeholder Advisory Group to develop the approach and rules to reduce nitrogen losses from rural land use.

We now want input from the community on these draft rules.

Potential impacts of the draft rules

The nitrogen reductions needed are significant and represent a big challenge. This reduction is additional to work already done by farmers, such as fencing off streams and planting trees.

We recognise that the draft rules will require much more than farmers simply achieving good or best practice. The draft rules will require system changes, or in some cases land use change, throughout the whole catchment.

The draft rules will have direct and indirect costs. Farmers will have substantial costs which include on-farm changes and potential loss of farm value. Beyond the farm gate indirect costs to industries such as suppliers, manufacturers, processors and contractors may occur. There may also be social and welfare impacts across the Rotorua community.



Approach to reduce nitrogen

An integrated programme of property nitrogen limits and incentives will be used to achieve the required reductions from land use.

Rules

New rules will be developed to achieve a 140 tonne reduction of nitrogen from land use. Rules will set a Nitrogen Discharge Allowance for each property.

Landowners will have until 2032 to meet the meet their individual nitrogen allocation.

Gorse conversion

\$2.5 million gorse conversion fund to remove 30 tonnes of nitrogen.

Regional Council has until 2022 to help landowners convert 870 hectares of gorse to production forestry, native bush or other low nitrogen leaching activities.

Incentives

\$40 million incentive fund to permanently remove 100 tonnes of nitrogen from the catchment.

An additional \$5.5 million to support landowners to make decisions about how to reach their Nitrogen Discharge Allowance.

Regional Council has until 2022 to achieve the 100 tonne reduction.

WE NEED INPUT

We need input from landowners, farmers, iwi and the wider community to make sure rules are workable and reasonable.



The **gorse conversion** fund was approved in March 2014 and is open for applications from landowners.



The **incentives** scheme has been approved and is funded jointly by the Crown and the Regional Council. Work is underway to set up the incentives scheme.

We are looking at all ways to reduce nitrogen inputs to Lake Rotorua. This includes reviewing the On-site Effluent Treatment Plan in 2016 which may mean additional rules applying to all septic tanks in the catchment.

Draft rules developed with stakeholders

The Lake Rotorua Stakeholder Advisory Group was formed in September 2012 to provide input, advice and recommendations on the development of new rules and incentives to help landowners achieve them.

The group includes 15 members from different sectors that will be impacted by the rules including:

- Lake Rotorua Primary Producers Collective
- Lakes Water Quality Society
- Te Tumu Paeroa Office of the Maori Trustee
- Forestry sector
- Te Arawa landowners
- Small block owners.

As partners in the Rotorua Te Arawa Lakes Programme, Te Arawa Lakes Trust, Rotorua District Council and Bay of Plenty Regional Council are also involved in the stakeholder group and in the overall governance of the Rotorua Lakes Programme.

Target date

2032

The 435 tonne sustainable nitrogen limit must be met by 2032, with 70% of the catchment target to be reached by 2022.

Managing nitrogen loss through resource consents

The Regional Council is considering a new resource consent system for the Lake Rotorua catchment to manage nitrogen loss from rural land. The Resource Management Act provides for different consent types, or “activity classes” - such as permitted activities or controlled activities.

For the Lake Rotorua catchment, the new resource consent types being considered will be based on an assessment of:

- Property size
- Rate of nitrogen loss for the property
- Whether or not managed nitrogen reduction is planned for.

What does “managed nitrogen reduction” mean?

We understand that not all landowners will make changes at the same pace, but across the catchment steady progress needs to be made to meet the target by 2032.

As part of the resource consent conditions landowners will need to show a planned and progressive approach to reduce nitrogen losses from current levels to their Nitrogen Discharge Allowance in 2032.

How is nitrogen loss assessed?

We intend to use the Overseer® nutrient budget model which is used by Council, other regional councils, farm consultants and fertiliser companies to assess farm nutrient inputs and losses.

For more information about Overseer, see www.overseer.org.nz. A report on how Overseer can be used in rules is at www.rotorualakes.co.nz/vdb/document/735



Resource consent types being considered

Type	Process	Consent criteria
Permitted	No resource consent is needed but landowners must meet rule conditions.	<ul style="list-style-type: none"> • Properties up to 2 ha or properties between 2 ha and 40 ha that discharge less than 10 kg of nitrogen per hectare per year or land in forestry or bush
Controlled	Resource consent is needed and must be granted if activity meets the rule conditions. Consent duration of 20 years.	<ul style="list-style-type: none"> • Properties larger than 40 ha or properties between 2-40 ha discharging over 10 kg nitrogen per hectare per year with approved Farm Nutrient Plans showing managed reduction to reach the Nitrogen Discharge Allowance (NDA) by 2032.
Non-Complying	Resource consent needed and can be declined. Consent duration of 5 years.	<ul style="list-style-type: none"> • Properties that do not meet above rule requirements or properties that have increases in nitrogen loss that are not offset elsewhere in the catchment.

Additional option to consider

Restricted discretionary	Resource consent needed and can be declined. Consent duration of 5 years.	<ul style="list-style-type: none"> • Properties that are larger than 40 ha or properties between 2-40 ha discharging over 10kg nitrogen per hectare per year but do not show managed reduction. • Consents may be granted for 5 years depending on the catchment wide progress to achieve the nitrogen target.
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What the draft rules will mean for landowners

Property size	Nitrogen discharge limit	Current Rule 11	Draft rules
Less than 2 hectares (20,000m ²)	N/A	Properties over 1 acre (4,000 sq m) are covered by Rule 11 but have not been actively managed.	Permitted Properties under 2 hectares will have no nutrient limit rules or reporting requirements.
2 - 40 hectares	Less than 10 kg/ha/yr	No resource consent needed. No reporting required from landowner.	Permitted No consent will be needed for properties between 2-40 hectares that discharge less than 10kg N/ha/year. Landowners must provide annual information detailing land use including stocking rates. The Regional Council will be required to monitor all permitted activities.
Over 40 hectares (or properties over 2 hectares that discharge more than 10 kg N/ha/yr)	Over 10 kg/ha/yr	All properties over 40 hectares have been benchmarked and must not exceed nutrient loss based on 2001-2004 land use. No reporting required from landowner.	Controlled Resource consent will be needed for all properties over 40 hectares or those that have nitrogen losses of more than 10 kg N/ha/year. The resource consent will set out the current nitrogen discharge rate on the property and the Nitrogen Discharge Allowance that must be met by 2032. A condition of consent will be the Farm Nutrient Plan which will show managed nutrient reductions over time. The landowner must provide annual information on nitrogen losses. The onus is on the landowner to show they are on target to meet their Nitrogen Discharge Allowance by 2032.
Over 2 hectares	Over 10 kg/ha/yr	N/A	Non-Complying Properties that have nitrogen losses of over 10 kg N/ha/year and do not provide a Farm Nutrient Plan showing managed reduction or properties with increased nitrogen losses where those losses are not offset elsewhere in the catchment. Resource consent is needed and may not be granted.

Additional option to consider

Over 2 hectares	Over 10 kg/ha/yr	N/A	Restricted Discretionary Properties where owners do not want to make any nitrogen reductions until closer to the 2032 deadline. Resource consents will only be issued for 5 years. If the catchment wide target is not being met, this type of resource consent will not be granted.
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WHAT DO YOU THINK?

Your input is needed on the proposed resource consent process.

Do you think this is reasonable? Do you have any reservations? Do you support a short term consent?

Use the attached feedback form or complete online at www.rotorualakes.co.nz

WHAT DO YOU THINK?

Your input is needed on allocating nitrogen among landowners

Setting nitrogen loss limits among landowners

The way nitrogen is allocated is extremely important because it determines who gets what. With such a big reduction required, there will be no winners but different approaches will impact people in different ways. A range of options have been considered for allocating NDAs in the catchment. For more detail on the assessment of options please read the Nitrogen Allocation Approach fact sheet available online.

Suggested approach

All properties over 2 hectares in the Lake Rotorua groundwater catchment that have nitrogen losses of more than 10kgN/ha/year will be issued a Nitrogen Discharge Allowance (NDA). This will set the total amount of nitrogen loss allowed by 2032.

It is proposed that the NDA will be calculated by determining the effective land use area of dairy, dry stock and forestry for each property at a specified date. The final NDA will be a "sum" of all the allowances relevant to the property.

NDAs will be calculated based on a sector average range.

Sector	NDA range (kg N/ha/yr)	Average reduction (%)
Dairy	30-40	30% reduction from current Rule 11 benchmark
Drystock	10-20	20% reduction from current Rule 11 benchmark
Forestry	3	No reduction

Ranges allow for a combination of factors to be taken into account when allocating NDAs for individual properties including:

- Historic nitrogen losses on the property (Rule 11 benchmark)
- Sector (dairy, dry stock, forestry)
- Effective areas of pastoral activities on the property.

Alternative options considered to set the NDAs:

Fixed sector averages – This is where a fixed limit per hectare applies to each sector. The allocation of the nitrogen load would mean sector nitrogen allocations of 35 kg/ha for dairy and 13 kg/ha for drystock.

Grandparenting – All properties would need to reduce current nitrogen loss by a set percentage. To achieve the 140 tonne nitrogen reduction target all properties would need to reduce current nitrogen losses by 27%.

Implementing the NDAs

The owners of all properties that are issued with an NDA will need to apply for resource consent by December 2017. An important part of the resource consent will be the Farm Nutrient Plan. This will set out the current nitrogen loss for the property, what the nitrogen discharge allowance will be and what steps will be taken for managed reduction over time to meet the NDA by 2032.

A property's compliance with the Farm Nutrient Plan will be monitored and landowners will be required to report annually.

Single fixed pastoral average – Where the sustainable load is divided equally throughout the catchment to give a nitrogen loss rate to all landowners of about 18kg/ha.

Natural capital – Higher quality land that is able to support more intensive land uses while also being less prone to nitrogen leaching gets a higher NDA allocation.

Do you support the suggested approach? Are the average reductions for dairy and dry stock sector reasonable? Would you prefer an alternative allocation method? What else should be considered in setting individual Nitrogen Discharge Allowances?

Use the attached feedback form or complete online at www.rotorualakes.co.nz

Sector definitions

Dairy: includes the effective pasture area in the milking platform, fodder and effluent but excludes run-off (e.g. dairy support) and forest.

Drystock: includes the effective pasture area in sheep, beef, deer, horticulture, cropping and dairy support but excludes forest.

Forest: includes native bush as well as forestry.

We recognise that some existing land uses do not fit into the above sectors. The allocation these land uses receive would need to be worked through on a case by case basis and the landowner will still be expected to reduce nitrogen loss.

All nitrogen discharge numbers referred to in this document are based on estimates using versions of Overseer 5. The Regional Council is in the process of updating all benchmark files and NDA analysis to the latest Overseer version. It is expected that discharge estimates will change accordingly, and the proposed numbers will need to be revised with the best available information.

Commitment to science and policy reviews

We do not want landowners to make changes unnecessarily. At this point in time there is no other way to achieve the nitrogen reductions other than substantially reducing rural nitrogen loss in the catchment.

But we recognise that information, science and technology are continually evolving and may provide new solutions in the future. The Regional Council has committed to undertake five year reviews of farmer progress against Farm Nutrient Plans, progress against gorse and incentives targets, the science underpinning policy, and the overall effectiveness of the policy.

In addition the Resource Management Act requires 10 year reviews of the Regional Policy Statement and the Regional Water and Land Plan.

What we need from you

We want to ensure you have all the information you need to get involved in the consultation process – we want to know what you think.

How you can find out more:

- A range of fact sheets are available online or can be collected from the partner agency offices
- Visit www.rotorualakes.co.nz
- Call or arrange to come in and see Regional Council staff on 0800 884 880
- Attend the Open Day on Wednesday 30 July at the Novotel from midday.
- Te Arawa Lakes Trust, Federated Farmers, Dairy NZ and Beef + Lamb are holding briefing sessions for their members. Please go to www.rotorualakes.co.nz for the details of all meetings.

How to have your say:

- Fill out the tearaway feedback form and freepost it to us before 14 October 2014.
- Visit www.rotorualakes.co.nz and complete the online feedback form.

Feedback closes 5.00pm Tuesday 14 October 2014.



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What's next?

The public consultation period on the draft rules ends 14 October 2014. All feedback received will be reviewed and analysed by Council staff.

Any changes to the suggested approach from feedback received during consultation will be worked through with key sector stakeholders. In December, revised rules will be provided to Regional Council with the intent to publicly notify proposed rules in March 2015. You will then be able to make formal submissions and present your views to a Hearings Panel.

July - October 2014

Consultation to get input from landowners and community.

October 2014

Review and analysis of input.

November - December 2014

Sector stakeholder input.

December 2014

Council approves proposed rules for notification.

March 2015

Notify proposed rules.

Feedback form

We welcome any input you provide and you do not have to answer all questions.

You are not limited to the space on this form and can attach additional pages and send to us freepost in an envelope.

Contact information

Name: _____

Address: _____

Email: _____ Phone: _____

Can a staff member contact you to ask questions about your responses and find out more about how the rules might impact you? YES / NO

Please indicate how the rules will affect you:

- | | Sector | Property size |
|--|-----------------------------------|---|
| <input type="checkbox"/> Rural landowner | <input type="checkbox"/> Dairy | <input type="checkbox"/> Under 2 hectares |
| <input type="checkbox"/> Farmer | <input type="checkbox"/> Drystock | <input type="checkbox"/> 2-40 hectares |
| <input type="checkbox"/> Iwi | <input type="checkbox"/> Forestry | <input type="checkbox"/> Over 40 hectares |
| <input type="checkbox"/> General community | <input type="checkbox"/> Other | |

Managing nitrogen loss through resource consents

To reach the target significant nitrogen reductions are needed from rural land use. Do you think the proposed consenting process is a reasonable approach to manage nitrogen loss in the Lake Rotorua catchment? Why/why not?

Do you have any reservations about the proposed consenting process and what it means for landowners? If so, what are your reservations?

Do you support including a short term consent (Restricted Discretionary consent) for farmers who do not want to make planned, progressive nitrogen reductions?

Nitrogen Allocation among landowners

Do you support the suggested approach to allocate nitrogen to land use? Why/why not?

Do you think an average 30% reduction for the dairy sector and an average 20% reduction for the drystock sector is reasonable? Why/why not?

Would you prefer an alternative method be used to allocate nitrogen to the rural sector and if so, what alternative?

Is there anything else that should be recognised in setting individual Nitrogen Discharge Allowances (NDA)? For example, if a landowner voluntarily undertook nutrient mitigations (ie retired land) before 2001 when the Rule 11 benchmarks were set, should this be recognised when their NDA is set?

General comments

Do you have any other comments about the proposed rules?

FreePost Number 122076



Lake Rotorua Draft Rules Consultation
Bay of Plenty Regional Council
PO Box 364
Whakatāne 3158