

Lake Rotorua Catchment Stakeholder Advisory Group

DRAFT Minutes for 24 September 2015

Sigma Room, Energy Events Centre, Rotorua. 10:00 am start

Chair: Tanira Kingi

Members Present:

- Collective: Gisele Schweizer, Neil Heather, Chris Paterson, Stuart Morrison and Jo Carr
- Te Arawa landowners: John Fenwick and Clinton Hemana
- LWQS: Warren Webber and Don Atkinson
- TALT: Roku Mihinui
- BOPRC: Cr Neil Oppatt
- RLC: Cr Karen Hunt
- Deer: Sharon Love
- Small Blocks: Graham West and Alison Bentley

Others Present: Mayor Steve Chadwick, Sir Toby Curtis, Cr Doug Leeder, Cr Lyall Thurston, Cr Paula Thompson, Cr Arapeta Tahana, Cr Mike McVicker, Cr Mark Gould, Cr Glenys Searancke, Geoff Williams, Jean-Paul Gaston, Lee Matheson, Francis Pauwels, Gwyn Morgan, John Green, Oliver Parsons, Te Taru White, Tony Cairns, Trish Fordyce, Wendy Roe, Jamie Warbrick, Tina Ngatai, Kiritapu Allen, Trish Hosking, Ian McLean, Geoff Rice, Christina Walker, Mark Dibley, Liz Love, Hilary Walker and Simon Park

BOPRC Staff: Mary-Anne Macleod, Warwick Murray, Helen Creagh, Stephen Lamb, Lisa Power, Alastair MacCormick, Hariata Ngatai, Sandra Barns and Mathilda Hasselman, Raina Meha (Richard Mallinson and Samantha Titze)

Apologies: Bill Young, Ben O'Brien, Don Hammond, Colin Maunder

Arriving Late: Jo Carr; **Leaving early but returning for afternoon session:** Cr Thurston

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| Motion: Apologies approved. Heather/Webber CARRIED |
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Item 1: Meeting Purpose and format

Chair Tanira Kingi welcomed StAG members and other attendees to the meeting and gave an outline on the meeting purpose and format:

To enable StAG member groups to present their views on:

- The Integrated Framework and the current Draft Rules
- Any preferred alternative/ amendment to the Integrated Framework and Draft Rules
- The main implications of their alternative for achieving a sustainable Lake Rotorua

The format of the meeting would be different to previous StAG meetings as this is a special meeting with a specific format for speakers to present their views.

Item 2: Minutes of previous meeting (18 August 2015)

Tanira noted that we would hold any matters arising and actions until the 13th October meeting.

Simon Park summarised one action from the 18 August meeting in regard to farmer concerns around different Overseer predictions of N loss for the same property:

- A meeting was held last week with Ballance, Ravensdown, PerrinAg and BOPRC staff to discuss this issue. It was noted that different Overseer predictions can arise from different purposes (fertiliser Vs regulatory) and different data inputs
- All parties would work towards consistent data input standards and BOPRC would make available its GIS data (soils, rainfall, slope). A protocol is being developed.

Comment that independent review may still be needed to resolve differences.

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| ACTION: Helen Creagh to explore use of independent Massey University expertise to resolve differences on Overseer assessments. |
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No discussion of the minutes was sought and no amendments were requested.

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| Motion: 18 August 2015 Minutes approved without amendment. Atkinson/Hunt CARRIED |
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Item 3: Summary of the Integrated Framework and current Draft Rules – Stephen Lamb

Stephen gave a brief summary of where we have come from and the milestones we have reached. It was identified that the key message on the Draft Rules was that everyone needs to be part of the solution.

Item 3a: Overview from Sir Toby Curtis

Sir Toby Curtis (Chair TALT) gave a statement on the Te Arawa and TALT position on restoring the lake to provide context to the presenters. Key points included:

- We need to consider the values we assign to our lakes, and what price are we prepared to pay
- In the hearts and minds of all Te Arawa, we are Kaitiaki (guardians) of our lakes for eternity - “mo ake tonu atu.” With this comes great responsibility. Councils will come and go - Te Arawa are here forever
- Our Mission therefore is "To support sustainable cultural, social, health, environmental and economic development for our people while maintaining the mauri of our lakes."
- We can accept nothing less. The rules framework before you, offers a solution that the Te Arawa lakes Trust has supported to date because its underlying outcome is a

clean lake. However we are all open to improvement. This is your opportunity to share your views.

Item 4: StAG member/group presentations on the draft rules and alternatives

Forestry: Trish Fordyce

Trish Fordyce presented on behalf of forestry and tabled copies of her slide show, noting:

- The substantial economic contribution of forestry, based on realistic returns on investment – but not from land value appreciation as helped drive pastoral farming
- Forestry incorporated environmental costs (e.g. sediment control) as a matter of course. If those costs were too high, then further forestry rotations were unlikely
- There are broader NZ Inc and environmental benefits of natural capital N allocation
- Perceived “windfall gains” to forestry owners under natural capital contrasted with opportunity costs (to forest owners) and cross-subsidies (to pastoral farmers) under the current draft N allocation
- Te Ngae nursery remains a non-benchmarked anomaly (it is not Overseer-compatible), yet it is strategically important for the wider region.

Discussion

- Noted that the Natural Capital model would be a better fit for forestry
 - While farmers see the sector allocation as a hybrid, the forestry sector see the allocation as grand-parenting i.e. locked into ~3 kgN/ha/yr.
 - Overseer does not model forestry well and unclear consequences if a more intensive future forestry regime leached 5-6 kgN/ha/yr, when it is capped at 3.
 - Trish noted the sector’s main concern was the allocation method. Beyond that, there was nothing else in the proposed draft rules that needed to be amended.
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Deer: Sharon Love

Sharon Love presented on behalf of deer farmers but noted that she didn’t represent ALL deer farmers as not all of them know how the draft rules will affect them. Sharon noted:

- The current rules are not fair on deer farmers due to their complexity, lack of consistency and questionable science underpinning them. Fairer and more affordable rules are needed.

Discussion

- In response to a question about a possible alternative, Sharon suggested forming a new advisory of people that represents all farmers, shares knowledge, works with scientists directly and moves forward.
- In addition to a new group to represent the community, Sharon felt changes should be made to the draft rules, including no N allocation and no use of Overseer.
- In response to a question Sharon recommended that the draft rules be abandoned and that StAG be replaced with a group that is “more representative”
- Sharon advised there are 12-15 deer farms in the catchment.

Small Block Owners: Graham West and Alison Bentley

Graham West and Alison Bentley presented on behalf of small block owners with input from Don Hammond who was unable to attend. Points included:

- There is not one shared view of all SBOs as it is a large group with varied land uses.
- Most SBOs were late in realising the rules impacted them also and had little spare time to grapple with complex rules. Due to the large numbers of SBOs, BOPRC should support greater SBO engagement.
- Draft data on SBO numbers and sizes was presented, with 1488 properties <40ha, many <2ha. Overall, this was more than previously thought.
- Council should consider a more pragmatic “permitted activity” area threshold such as 10 ha (recent Ecan decision cited) and more flexibility on the stocking tables, not just an “instantaneous” maximum rate.
- Alison presented a personal perspective on owning a small block, noting the wide range of activities on single small blocks. She provided an outline of the diverse activities on the small blocks on the road she lives on
- It was noted that Don disagreed with the draft rules and N allocation, and felt a science review was needed before any new rules were notified.

Discussion

- Members discussed the relative size of small blocks, the arbitrariness of the 40 ha threshold, and what sizes should be subject to rules.
- A concern was raised that 40ha blocks can still be intensive and leach a lot of N.
- Under the current rules, there is limited N to go around and most SBOs don't need consent till 2022. What happens if there's insufficient N left for SBOs? We need to accept that a certain amount of N needs to be allocated to this group.

While there has been a paper done on the potential impacts of sale on SBOs (plus other land, see [Telfer Young report](#)), there is nothing concrete to show the extent of this impact.

Collective: Gisele Schweizer and Neil Heather

Gisele Schweizer and Neil Heather tabled the Collective's paper and noted:

- Key changes have occurred since the RPS established the 435 tN target, being:
 - Changed understanding of lake science, and recent TLI target success
 - Proven economic impacts on the Rotorua economy of the proposed rules
 - Overseer issues and version changes problems
- Although StAG has done a good job, it is limited by its ToR and N focus
- The Collective wants the optimal mix of on-farm N and P mitigation, combined with alum dosing, to reduce costs to farmers and the community
- Two alternatives were proposed:
 1. Retain Rule 11, use non-regulatory farm plans, review the science no later than 2017 (plus 2022), then review plan options in 2022.
 2. Proceed with current rules & incentives to 2022 only, then use the science reviews to inform need for further plan change for 2022-2032 reductions

Discussion

- The Collective membership was explained, its focus on larger commercial farms, how the paper was developed and the intent to call a Collective special general meeting.
 - While both the Dairy and Drystock farmers are in the Collective, it is difficult to get some farmers to engage, especially more individualistic drystock farmers.
 - Clarification that there was no shifting of any targets to later dates, but a deferral of locking in the 2022-2032 reductions via the current plan change process.
 - Clarification was sought on the potential impact of these rules on drystock farms. It was noted that a number of modelling exercises showed a large variation in economic impact. The NMP process will help to better understand this for each farm.
 - The Collective equally support both alternatives, however the first approach is assuming that time is not an issue which may make the second more feasible.
 - The Collective consider that Government funding should not be jeopardised by either one of these proposals.
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Lakes Water Quality Society: Warren Webber and Don Atkinson

Warren Webber and Don Atkinson presented on behalf of the LWQS, noting:

- To do less than the Integrated Framework would put at risk not only the funding commitments of district, regional and central government, but also sustainable economic growth and responsible environmental stewardship.
- Major ongoing public investment in sewage treatment greatly reduces N and P
- Improvements to the rules are possible but we should stay the course.

Discussion

- There was debate about whether the 435 tN was superseded by other alternatives in the latest Science Report, and the reliance on alum to meet the TLI.
- Noted that most reductions to 2022 will come from gorse, incentives and engineering with ~44 tN from farming – this gives us adequate time to do the science reviews and change course if need be. LWQS feel the best science supports 435 tN and any significant change will jeopardise the funding commitments in place.
- A Collective member stated that there is little difference between their second proposal and that of LWQS, except for the presumption on 2022-2032 N reductions.
- Several StAG members emphasised the potential to get sustainable phosphorus reduction coming into Lake Rotorua as a partial alternative to alum, and scope for a less onerous N target.
- In response to a question on soil science in the catchment, the Chairman noted that the formation of Land TAG should enable more research into catchment soil characteristics, the influence of production systems on these characteristics and how this ties in with N leaching and P loss. StAG members asked for clarity on how the lake responds to different farm systems.
- The issue of the rules having a greater economic impact than originally anticipated was discussed. LWQS responded that all economics research seen to date is suggesting that targets that we have set for agriculture are very achievable and therefore there shouldn't be a major economic impact.

Te Arawa Landowners: Tina Ngatai and Kiritapu Allan

Tina Ngatai presented on behalf of Te Arawa and was supported by Kiritapu Allan of Te Tumu Paeroa. They tabled copies of their presentation and noted:

- The Te Arawa context was critical – people needed to understand that Te Arawa multiple-owned freehold land could not be sold and capital did not drive decisions
- Te Arawa landowners cannot walk away – they are here to stay
- Engagement with most Maori landowners has been poor
- There is a mix of developed corporate-style farms and underdeveloped land – the latter is poorly understood and needs a detailed investigation into the impacts of the Draft Rules and Rule 11 benchmarks
- Te Arawa has grave concerns about continued alum dosing.
- Te Tumu Paeroa administers 81 entities comprising 3436 ha in the catchment – much of this will be underdeveloped. Such land faced an unduly onerous N constraint and this clashes with Government policy to better utilisation Maori land
- Te Arawa landowners and Te Tumu Paeroa support the purpose of the draft rules to restore the mauri of Lake Rotorua, the 435 tN lake target and its supporting science, a balanced approach to N & P and the rules to 2022 provided the rules do not impede the future use of under-utilised Maori freehold land. Te Arawa proposed the establishment of a working group to:
 - Determine the impacts of the draft rules on underdeveloped Maori land, and;
 - Develop options to mitigate those impacts
- The working group should comprise members from BOPRC and representatives of underdeveloped Maori land, and report back to StAG in December 2015.

Discussion

- There was debate around the need for compromise due to economic impacts with a healthy lake being the ultimate end goal. The TLI 4.2 target was contrasted with swimming and drinking water quality, even though a drinkable standard was not seen as realistic in the short term.
- Asked if a delay until 2022 would jeopardise the availability of the \$40m, including to Māori owned land, Tina responded that the lake is Te Arawa's imperative and compromises may need to be made around the rules. Also, Te Arawa did not want to put the incentives fund at risk.
- The potential for significant economic impact on Māori land was discussed – there needs to be thought into possible mitigation strategies.
- Identified that we need to work and engage with Māori landowners and some thought needs to go into what might be the best way forward with this.

Item 5: Summary of stakeholder views and potential common ground

Tanira gave a summary of the StAG views and identified the following common themes:

- **Funding:** The funding package needs to be retained, this includes the Incentives scheme, Gorse funding, Advice and Support and funding for Engineering works.

- **Science Reviews:** The commitment to science reviews must be upheld as we need to have policy that is strongly influenced by science.
- **Maintaining progress** to 2022 to achieve the 70% reductions.
- **A more balanced programme** going forward that looks into more resourcing for Phosphorus mitigation.
- **Thresholds on SBOs** – looking at the flexibility around this and possible adaptations to the stocking rate table.
- **Better engagement** with the entire community and in particular with SBOs and Māori landowners.
- **More clarity on catchment information** to inform policy. This ensures we have the right picture rather than designing policy based on assumptions.
- **Greater consideration of landowners** that have been disadvantaged by historical and political factors. We need to ensure there is more support for these groups.

Tanira thanked the presenters and asked that StAG members and the observers present today respect the information and perspectives provided, and that people refrain from debating these in the media. Minutes and presentations will be posted online prior to the 13 October StAG meeting.

Tanira opened up the floor for general comments:

- Doug Leeder noted that:
 - Ultimately BOPRC is going to have to make a decision and it is important to recognise The Oturoa Agreement and Te Arawa's position.
 - BOPRC is confident it is making decisions based on the best science available but is committed to science reviews and willing to change if the science supports that.
 - StAG still needs to try and get to a position where they can make a recommendation to BOPRC for them to wholly or partially adopt. There needs to be good and clear open communication between StAG and BOPRC.
 - BOPRC is also listening to other feedback on the draft rules
 - It is important to have factually correct information available, including on social media, and the reputations of individuals should not be unfairly questioned. This issue is ultimately a community problem.
- Mayor Steve Chadwick noted that:
 - We have an active three-way partnership with RLC, BOPRC and Te Arawa Lakes Trust, plus Government representatives.
 - Noted that Rotorua Lakes Council had not firmed its view on the rules and wants to ensure information is openly shared between the parties.
 - There had been more commonalities than differences expressed today and the challenge is now to reach the end goal.
 - The \$45m should also be seen as an opportunity, with scope to leverage other investment.
 - It is important we must understand what we are dealing with, understand all the impacts and work out the best way forward.
 - The Government funding is essential to moving forward so it is important we use the best possible advice.

- Sir Toby Curtis thanked the presenters and noted that we need to maintain progress towards restoring our lake, and remember our commitments. We are being watched by Government who are also our partners in the Lakes Programme.
 - Other comments were generally that there was a good deal of common ground expressed today and that StAG needs work on any possible consensus view.
 - StAG members were asked to consider each other's perspectives and bring those thoughts to the next StAG meeting on 13th October.
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Item 6: Process from here – Warwick Murray

- Warwick thanked StAG members for the amount of effort it has taken to reach this point.
- He noted that the 13th October meeting was another opportunity to see if we can reach a consensus.
- There has been a lot of feedback received from recent feedback sessions and the BOPRC staff are currently working at pulling this together.
- At this stage no decision has been made by BOPRC on when it will look to finalise and notify the draft rules.

Sir Toby closed the meeting with a karakia.

Meeting ended 2.45pm