Healthy Rivers PLAN FOR CHANGE | Wai Ora HE RAUTAKI WHAKAPAIPAI

Collaborative Stakeholder Group ("CSG") Workshop 20 Notes

(Day one) 9 December 2015, Don Rowlands Centre, Lake Karapiro, 9.30am – 5.00pm

---

Attendees:

CSG:	George Moss (Dairy), Gwyneth Verkerk (Community), Phil Journeaux – part (Rural Professionals), Ruth Bartlett - part (Industry), James Houghton (Rural Advocacy), Sally Millar (Delegate for Rural Advocacy), Charlotte Rutherford (Delegate – Dairy), Alamoti Te Pou (Māori Interests), Evelyn Forrest (Community), Dave Campbell (Delegate for ENV/NGO), Rick Pridmore (Dairy), Graeme Gleeson (Delegate - Sheep and Beef), Tim Harty - part (Delegate – Local Government), Weo Maag (Māori Interests), Garry Maskill (Water supply takes), Don Scarlet (Delegate – Tourism/Recreation), Garth Wilcox (Horticulture - Delegate), Stephen Colson (Energy), James Bailey (Sheep and Beef), Gayle Leaf (Community), Gina Rangi (Maori Interests), Tim McKenzie (Delegate – Energy), Chris Keenan (Horticulture), Liz Stolwyk (Community), Alan Fleming (Env/NGO), Matt Makgill - part (Community),
Other:	Bill Wasley (Independent Chair), Helen Ritchie (Independent Facilitator), Kataraina Hodge (HRWO Co-chair), Billy Brough (River Iwi Technical Advisor), Laura Harris (WRC), Jackie Fitchman (WRC), Will Collin (WRC), Janet Amey (WRC), Justine Young (WRC), Emma Reed (WRC), Ruth Lourey (WRC), Grant Kettle (Raukawa), Alan Livingston (HRWO Co-Chair), Ben Ormsby (WRC), Simon Bendall (Tuwharetoa), Poto Davies (Maniapoto), Stu Kneebone (HRWO deputy co-chair), Kura Stafford (Maniapoto), Jacqui Henry (WRC), Bruce McAuliffe (WRC)
TLG:	Dr Bryce Cooper - part (Chair),
Other staff (part):	Vicki Carruthers, Tony Quickfall, Sarah Mackay, Jon Palmer, Tim Manukau (Waikato-Tainui),

Apologies:

CSG:	Alastair Calder (Tourism and Recreation), Michelle Archer (Env/NGO's), Jason Sebestian (Community), Patricia Fordyce (Forestry), Sally Davis (Local Government), Sally Strang (Delegate – Forestry), Evelyn Forrest – for lateness (Community), Phil Journeaux – for lateness (Rural Professionals), Brian Hanna (Community), Al Fleming – leaving early (Env/NGO's), Ruth Bartlett – for lateness (Industry),
Other:	

Item	Time	Description	Action
1.	9.30am	**Opening waiata**	
2.	9.35am	**Intro to CSG20 process** CSG independent chairperson opened the workshop. CSG facilitator provided an overview of the two day workshop	
3	9.40am	**Qualitative feedback summary - Janet Amey, Will Collin (DM#3603167)** The Community Engagement team provided a presentation on the qualitative data results from the recent engagement period held in October/November. As noted in CSG19, a full feedback report and verbatim comments will be made available to the public once the complete analysis and write up has been complied. Key points from the presentation • The feedback ties in with the direction that the CSG have been moving in • There is support in specifying the different setback widths/lengths and having them included within property plans, although the scientific justification needs to be considered. • • In terms of timeframes 45% said that they felt the timeframes that the CSG were working to were about right, with the balance saying too slow/somewhat slow (36%) or too fast/ somewhat fast (19%). • In terms of setback it may be useful to look at setbacks and stock exclusion separately. This could involve covering stock exclusion with the catchment wide rules and then setbacks within the individual property plans. • Sectors might support a halt to land change but believe that you need flexibility, don't want to cap production – want to manage contaminants loss. • Intensification has to be considered carefully as this can occur on-farm and be managed through mitigation. Need a solid definition of what we mean by 'intensification', that relates to effect, not activity. • The '10%' needs to be equitable to where you	

		start – inequitable if you start from a lower base (10% of 1 vs 10% of 100) • Tourism sector wants allowance for intensification e.g. on-site sewerage systems, don't want to be shut out, over next 10, 50, 100 years. • • Land optimisation can lead to efficiencies, can be misconstrued as intensification. • People support the property plan approach but do not want the rates increases that this may bring so how they are resourced needs to be considered carefully. • There were different views depending on the location of the event that the feedback was received at. Different views depending on those who will incur cost vs those who don't have to pay. We need to find middle ground • Helpful to know now where to target communications so as to provide context on the issues that the public are concerned about. • Have to differentiate between land use change and intensification. **Recommendation** 1. That the report be received and within the second recommendation that 'agree a definition of intensification' be included.	
	10.30am	**Morning tea**	
4	11.00am	**<u>Allocating responsibility for change</u>** This session was begun by CSG facilitator who noted that those who wanted to could present on their preferred allocation method. The facilitator talked about dialogue and how to create a safe space in which to have difficult conversations. Balancing advocacy and inquiry is an important aspect of this. There is a need to be able to discuss your own views (no dancing around the issues) whilst keeping an open mind regarding others views. Resources were contained in the agenda pack for the group to use when talking about allocation. This included: • River Iwi outctome statement and principles for implementing the Vision and Strategy • The theoretical catchment exercise and some sector views on this exercise Policy workstream lead gave a short presentation (DM#3625208) on the agenda pack report and noted in particular the River Iwi outcome statement and principles for implementing the Vision and Strategy and how they	

		are similar to principles the CSG has already identified. A key purpose of this report is to draw out the additional principles, over and above the policy selection criteria principles, which the CSG has talked about in their workshops relating to allocation. The report also sets out the broad pathway options in front of the group, when it comes to managing within limits. The managing within limitations principles as shown in the report were: • 'Good Management Practice' should be mandatory and landholders who are already operating under good management practice should be acknowledged • Allow some development capacity for underdeveloped land – this could be for Māori-held lands that for historical reasons have not been able to develop These are for the CSG to discuss, debate and agree upon. When talking about allocation we need to consider both what is the long term solution and also the transitional pathways to get there. <u>CSG discussion</u> Key points from the discussion following were: • It was noted that the principle of getting to good management practice has been a standard principle all around the country. • Is there a definition of good management practice? There are many definitions but the LAWF definition is : Good management practice (GMP) refers to the evolving suite of tools or practical measures that could be put in place at a land user, sector and industry level to assist in achieving community agreed outcomes (in this case for water quality). • Property plans will contain the good management practices for a given farm. • Good management practice should involve a commitment from sectors to support their people. • There are recommendations in the 4th LAWF report and upcoming amendments to the RMA that provide for greater tangata whenua and iwi engagement and involvement around management of water quality. This includes guidance around how to manage iwi rights and interests. The CSG will need to keep track of these changes as the reform progresses. • When referring to Maori owned land we need to look at flexibility and opportunity, not financial	

		compensation. <u>Presentations from CSG members on allocation approaches</u> Presentation 1: • Key aspect of the proposed approach is moving towards a natural capital approach over time. • This would involve beginning the catchment reduction in a timely manner, recognising current investment and existing land use and allowing opportunities for low intensity land use to increase in the future • This would create a pathway towards achieving the V and S that considers land use suitability • Natural capital for pastoral farming. Underlying capacity of soil to supply water, supply and retain nutrients, and sustain plant growth under the pressure of grazing animals. Contributing factors being soil type, rainfall and land use class (LUC) • This approach has been done in other catchments like Tukituki • • Comes back to farming to what the land is capable of. • Work to be done on refining the natural capital parameters in Waikato. • Recognise existing land use and investment – set targets and work towards natural capital through incremental steps. • Lower intensity land uses to get opportunity to come up to its natural capital. Reallocation of headroom can occur through an appropriate method. • Start with a max cap on N loss. Farmers have 5 years to get there. All others will be doing GMP and farm plans. Over course of time collate info then start applying reductions progressively. Recognise investment on farms and don't hit people too hard. Conversely others will get an opportunity to get towards the level of natural capital. This was related to the staged approach (10% in 10 years etc) and the policy selection criteria – highlighting their complementary nature to a natural capital approach. Presentation 2: • Looking for an allocation approach that causes the least economic and social disruption. • So far we have looked at catchment wide rules and tailored property plans. This would include timelines to achieve catchment wide rules. • Building on current change. Leveraging farmer progress and industry investment.	

		• Achieve as much buy in as possible for as long as possible by avoiding allocation of property rights. • Support initiatives that lead towards desired outcomes. • Those contributing bear relative burden of change. • Those benefiting help contribute to solutions so that community pain is reduced. • To support and expedite change there should be a catchment charge. How would we ensure change? • Have a catchment committee in each catchment, co-chaired by iwi. • Catchment actions such as wetlands, point source improvements, facilitating land swaps etc • Catchment implementation, triage catchments, targeting GMP and BPO. • Catchment success. Look at monitoring and reporting losses. Everyone one has to move down. Maintain at least current vibrancy of communities and create some headroom. Presentation 3: • Support an approach around striking a balance between high and low level leaching. • Start with principles, similar to principles from other sectors. • Pay more attention to the transition from one state to the desirable state. At some stage if you are going to have a limit then your need to apportion responsibility to achieve that limit. • Land is the most important thing to think about. • LUC is a system which favours production from a pastoral basis. • Natural capital - what is the risk of 4 contaminants to contributing to water quality degradation. • If we are going to encourage flexibility over time then we will require transferability or flexibility to move over time. • Polluter pays principle is really important. • You need to achieve a lot of things before you can move to a property level limit. • When you have a catchment that is significantly over allocated then you need to achieve equity over time. Presentation 4: • When you are trying to set a limit you are trying to apportion the load. • Once you set the limit you need to calculate the load to meet it. • However you have to achieve the community and economy side too.	

		• Some things that are high intensity uses of land add lots of value. Trying to drive these uses down you lose all the economic benefits of these uses. • On having natural capital as an end point. Will it make rivers clean? Natural capital won't account for where the water drains into. We should be promoting high intensity land use where there is greater attenuation below the ground. If there is an opportunity to have high intensity with less impact then that is good. • All N loss is not equal. In some circumstances, high N losses go through the system very quickly and are not influencing ecological health. In other circumstances e.g. leaky ponds that leak through all summer, may have less in quantity but more impact on river. • We shouldn't curtail the ability to create economic benefit for no additional environmental gain. Presentation 5: • Favour a system in which each sector reduces by an amount which is proportional to their leaching rate, as well as point source reductions • Important principles are minimising disruption and no compensation for loss of future opportunity. • Bay of Plenty in the Rotorua lakes has taken a capped averaged within sectors approach. This is seen as the 'least worst' approach. • Need a tradeable system. The CSG then broke into small groups for further discussions. This involved thinking about what they had heard, imagining what it might look like from the speaker's point of view and why they said what they said. The group then did an exercise to look at some principles for allocation and to see where the group was sitting in terms of agreement with these principles. <u>Already agreed principles – from Policy Selection Criteria</u> 1- Gives positive social and community benefits – Does the policy; Minimise social disruption and provide social benefit? - Acceptable to the wider Community – Does the policy; Achieve sound principle for allocation, Recognise the efforts already made, Exhibit proportionally (those contributing to the problem contribute to the solution)? - Allows for the flexibility and intergenerational land use – Does the policy; Follow innovation, Encourage positive actions being taken?, Allow for change and review as new information and issue arise?, Provide flexibility of future land use (including Maori owned land)?, Take account of	

		complexity and difference between farming systems and farming enterprises. - Realistic to implement, monitor and enforce – Is the policy; able to be measured, monitored and reported, Implementable and technically feasible?, Administratively efficient? Other principles tested (strike-through text indicates changes made). Principles higher up the list (2,3) had stronger agreement; principles at the bottom of list had less agreement. 2 - Those who have already made positive changes should not be penalised/ those who have not should not be rewarded. 3- System should encourage land use that is best suited to land type (~~recognising natural productivity AND natural factors contributing to higher discharges across the 4 contaminants~~) 4- Allocation of responsibility should take into account the effect on water body of contaminants from that land. 5- System should take into account ~~protect current~~ investment - There should be a transition time from where things are to where you want to get to (to meet the limit) 6- Be cautious about financial compensation for lost future opportunity, Make exceptions for special cases separately.	
	12:45pm	**Lunch**	
5.	1:30pm	**<u>Continuation of problem solving with panel</u>** A panel consisting of all CSG who had presented on allocation was convened. They answered questions from the rest of the CSG. Key points from the discussion • Allocation needs to take place at both property plan and catchment wide levels. • Need to benchmark existing performance in order to achieve GMP. • Have reviews built into the time frame and a process in which they implemented. • Recognise that there is a relationship between sediment levels on land and in streams but they should be treated differently. • Plans should enable the steps towards improvement to start immediately. • Try to achieve as big a gain in water quality as	

		possible in the shortest amount of time. • Consider both low and high intensity land use • Establish a reallocation mechanism where people can apply for headroom as it is increased. • If work with natural capital from the start income will build, limiting the amount of 'pain' for those affected. • Resources going to those who can afford them (market trading system) does not necessarily mean that they are going to the right people. • The more information that is gathered, the better the plan that can be delivered and the better the position the scheme can be in within ten years. • Don't want to concentrate so much on headroom that it slows down aspiration on water quality. • Does the CSG make decisions based on current activities now, or what the land may do in the future? How is flexibility incorporated into the plan? • Whatever decisions are made need to ensure that they are made future proof. • Population growth needs to be factored in. • When making reductions, high intensity land users will be affected the most. • Limiting flexibility to land use changes will affect low intensity the most. • Not easy to measure the effect the catchment wide rules and farm plans will have on people and their businesses. • Goods, services and the benefits to the community as a whole need to be looked at together. Economic consequences can then be considered from this. • Regardless of sector, all should be left with an ability to grow. • Does/Can LUC take into account leaching? • Weigh attributes that make up natural capital - Individual elements not sufficient on their own • There is no scheme that can take everything into account. • Below ground contaminant levels must be taken into account in property plans. • Currently still working to natural capital and land use classifications from the 1970s which do not link to the current state and productivity of the land. • Try to achieve allocation that is not grandparenting. • Maybe required to take an initial 'hit' and then assess again following this. • The process needs to start as soon as possible, not wait until a 'perfect' solution has been found. • Build an information framework so that everything	

		is recorded • Look at the Vision and Strategy now and then when x% is reached reassess and make changes if needed. • How can we create headroom? No easy way but can allocate responsibility to hopefully achieve this over time. • Should we be taking different approaches to different nutrients? • Should there be incentives for those that perform the best? What we can all agree on; • Transition • 5 to 10 year timeframe • Knowledge will evolve • Importance of property plans • We are setting the direction to a property based allocation framework • Transitioning towards a property level limit • Keep people focused on achieving the vision and strategy • Transition towards a system with flexibility .	
	3:00pm	**Afternoon tea**	
7.	3:20pm	**<u>Allocation continued</u>** Recap on where the CSG had got to before afternoon tea. Key points included: • Agree there is some sort of transition timeframe • In that time science and knowledge will evolve • People with high losses need to come down to industry standard/average • Keep focused on achieving the Vision and Strategy • Have to link what people are doing on the land with what we want to achieve in the water (noting that catchment wide rules and property plans are our main mechanisms to achieve this) • Not sure yet on a property level limit. However we need to signal something now as people will want to know what the situation will look like in 10 years, e.g. if they know some type of natural capital system is coming or we are looking at a % reduction in load this will translate to a range of actions taken on the land. This is the signal to incentivise the right behaviour. • Can't measure/model *E.coli*, sediment and maybe not P, so looking at needing to define a % reduction in load required in the water and then say 'to achieve that we're likely to need to do these things on the land' (e.g. fence stock out of water, retire marginal lands etc). Make sure these	

		identified actions guide the farm planning process (have a very clear criteria/guidelines for farm planners to follow) Additionally some matters needing further discussion included: • How do we relate load reduction in water to what individuals have to do? (how does this risk assessment/ triage analysis occur?) (property scale/catchment scale) • This should include allocating responsibility for the overall catchment target. • Address the matters that cause the most impact initially and then go from there. Those that cause the biggest problems should have to move the most. • Need to think about the scale to work at – where to set the limits. Should this be at the 74 subcatchments, FMUs or some other scale? Should the scale differ from contaminant to contaminant? Q (previously raised by a CSG member) – If you take this approach for P, sediment and E. coli, why would you have a different approach for N? (i.e. a property level limit?) A – This would be an output based rule. The alternative would be more prescriptive input based rules. Would you rather see input based framework? A2 – It is most important to achieve the maximum gains for swimmability, fishability and ecosystem health. Everyone should be on a continuum of self improvement. Once you allocate a right then the incentive to move beyond that is removed. At tomorrow's workshop there will be an opportunity for small groups and River Iwi will be welcome to join in.	
8.	4:00pm	**<u>Point sources and targets and limits – Emma Reed and Ruth Lourey (DM#3604675)</u>** This session was presented by policy work stream team with support from TLG chair Bryce Cooper. Bill Vant from WRC was also in the room for this session and he CGS posed questions to Bill. Purpose of the report is to provide the CSG with a checkpoint on what we have so far in terms of point sources. Namely: • What are the point sources and where they are • How are they managed • How much do they contribute • Cost and effectiveness of reducing contaminants	

		Ultimately the CSG will need to determine by how much should they reduce. <u>What are the point sources</u> • There are 22 point sources in the economic model, 12 municipal and 10 industrial. <u>How are they currently managed</u> • Point sources are already controlled by the current Waikato Regional Plan. Most are under rule 3.5.4.5 which is a discretionary activity rule • Along with the review clauses specified in each consent s128(1)(b) in the RMA provides 'as of right' the ability for a council to review conditions in light of new standards or limits in a plan. • Point sources are managed via consents. These consents typically have review clauses and dates. The consents typically limit the amount of the 4 contaminants that can be discharged. <u>How much do they contribute?</u> • Bill Vant has written a technical report on this matter for N and P. This was presented some time ago at CSG5. Altogether the point sources in Bill's report contribute 7% of the N and 18% of the P. <u>What is the cost and effectiveness of reducing contaminants from point sources.</u> • Point sources have been analysed for when they 'kick in' as most cost-effective mitigations under the scenario modelling. This is not only about the load they contribute but the cost to reduce that load and how that compares to the other mitigations, whether that is on farm or another point source. Point sources will only 'kick in' when it is optimal. • The model is not saying who should pay, just saying where it is cheaper to remove contaminants from. • There are some point sources that didn't kick in. This could be for a variety of reasons including that some of the point sources are already doing land treatment or land disposal (the highest mitigation option in the model). • It is worth noting that the assumptions around land treatment mitigation efficacy are quite high.	

		<u>How much should point sources reduce by and why</u> Key points to consider include: • Point sources are already controlled via consents • However these consents will eventually expire and the dischargers will need new consents • Scale is important. At a catchment scale the current contribution of the total load of N and P to the river from point sources is less significant than diffuse sources. However they can be important within an FMU or a sub-catchment. Also in order to achieve the desired limits we must look at the manageable load (i.e. excluding background load) – point sources become more important in this context. • Upgrades and treatment systems differ between point sources <u>Questions and discussion points</u> Q – The modelling just looked at the large point sources not all of them, yes? A – Yes the modelling just looked at the largest point sources. There are likely 1000s of other, smaller point sources in the catchment. Q – Where do farm effluent ponds fit in? A – Included as part of the farm part of the modelling. These are also already covered by the regional plan and would be covered by farm plans. Q – Is *E.coli* and other contaminants measured in point sources? A – The TLG are currently working to bring all consented and monitored info together. But yes *E.coli* does come from some point sources and is monitored. The mitigations for points sources also include *E.coli* Municipal discharges are consented and capped – can't increase even when the population increases. Q – Where does stormwater runoff fit in? How many towns manage there stormwater runoff? A – All do. They have consents for this. Generally these are comprehensive consents and in general they are focused on matters other than the 4 contaminants, such as heavy metals. Stormwater consents don't usually have *E.coli* as a consenting parameter. Most consents also stipulate that you must control wastewater and don't	

		allow movement between the wastewater and stormwater systems. Stormwater and wastewater connection is generally a historic issue. The model includes what has been measured, which could be well below what is consented. It should come back to simple maths around what works best for the community. It comes down to what mitigations will we put in place to achieve the outcome. Q – How is road runoff in rural areas dealt with? Such as rural runoff into streams, who monitors this? A – Certain networks are controlled by district councils but others are controlled by NZTA. Any work on roads or upgrading roads is subject to consents and consent conditions e.g. no net impact on flow. Some of the changes that have occurred have directed stormwater onto private land. This alters the flow of water and could result in significant downstream impacts. Need to contain within our policy framework an allowance for offsetting. We will need a mechanism to allow this tool. For those point sources that are already at high levels of discharge , further improvement is costly – then look at offsets , however, will be some with less effective treatment – can work on those <u>Feedback from Industry/Energy forum (DM#3665332)</u> • CSG members representing these sectors presented the following feedback regarding point sources Point source discharge upgrades will be required in the future. • In the first instance allocation should reflect consented rather than monitored amounts. • Monitored amounts being less then consented amounts is due to the efforts of operators or because operators are looking to increase their discharge over time as their scale of operations increase. • Investment in technologies takes money and time. • There have already been reductions in point	

		sources. • There was strong sentiment that the amount of contaminant already being reduced from point sources should be under consideration. Many point sources have already advanced tertiary treatment, and the incremental costs of improving treatment beyond this level are high. • On the other side we have those who are somewhere between secondary and tertiary. It will be important to target these slower movers early and leave the leaders till later in process. Some general discussion followed. Key points from this discussion included: • There is an expectation of continual improvement from consent phase to consent phase. Where consent-holders were discharging below their consented amount and the monitored amount was used to set an even lower amount, even thought they were putting in efforts to reduce, this is a disincentive to reduce discharges. • Is there a more equitable way i.e. define a contribution point sources have to make rather than always ratcheting back to maximum extent? • Consent conditions currently set for major municipals are at the edge of technology and the expectation of further change is built in over the years. Cambridge plant upgrade is costing $25 million. To go further, biological and chemical mitigations are needed. Further than that is land based disposal and there are concerns around this with some councils backing out of using this method. There is a high cost associated with land disposal and what you can do with land after having disposed waste on it is pretty minimal. • Offsets –If offset funds land use change then merit around that. Accept high costs and communities make judgements about what is least cost option overall. • Offset would need to demonstrate equivalent discharge mitigation. • Offsets also relevant at ecotourism level, and relevant for septic tanks on farms. Process of continuous improvement is hard to deal with in that situation. • Allocation - consented vs monitored discharge volumes. If you take allocation at consented	

		levels then you don't get any reductions from that if they are much below their consented level. • Consented vs monitored. There are different reasons or rationale for why. Some are larger due to spikes etc. Model hasn't factored in growth of Hamilton/Cambridge etc Those discharges are consented according to assumptions of growth. Need to discuss further • Need some proper numbers around it • We are pulling severe restrictions or growth of other activity. Consenting process has happened in the absence of NPS and granted before V and S. What is the opportunity to ensure drainage capacity is suited to the agricultural land use? (to avoid drains overflowing and causing issues) **Recommendations** 1. That the report [Point source discharge information] (Doc #3604675 dated 2 December 2015) be received, and 2. That the Collaborative Stakeholder Group use the information contained within this report (and subsequent information which is currently in development) as part of their deliberations on setting limits, targets and policy, and the allocation of responsibility for reducing discharges Moved by George Moss / Seconded by Rick Pridmore	
	5.00pm	**Close – Note WRC staff day on tomorrow**	

Healthy Rivers PLAN FOR CHANGE | Wai Ora HE RAUTAKI WHAKAPAIPAI

Collaborative Stakeholder Group ("CSG") Workshop 20 Notes

(Day two) 10 December 2015, Don Rowland Centre, Lake Karapiro 8.30am – 4pm

---

Attendees:

CSG:	George Moss (Dairy), Gwyneth Verkerk (Community), Phil Journeaux (Rural Professionals), Ruth Bartlett (Industry), James Houghton - part (Rural Advocacy), Sally Millar (Delegate for Rural Advocacy), Charlotte Rutherford (Delegate – Dairy), Alamoti Te Pou (Māori Interests), Evelyn Forrest (Community), Dave Campbell (Delegate for ENV/NGO), Rick Pridmore (Dairy), Graeme Gleeson (Delegate - Sheep and Beef), Weo Maag (Māori Interests), Garry Maskill (Water supply takes), Don Scarlet - part (Delegate – Tourism/Recreation), Garth Wilcox (Horticulture - Delegate), Stephen Colson (Energy), James Bailey (Sheep and Beef), Gayle Leaf (Community), Chris Keenan (Horticulture), Liz Stolwyk - part (Community), Alan Fleming (Env/NGO), Matt Makgill (Community), Brian Hanna (Community),
Other:	Bill Wasley (Independent Chair), Helen Ritchie (Independent Facilitator), Billy Brough (River Iwi Technical Advisor), Laura Harris (WRC), Jackie Fitchman (WRC), Will Collin (WRC), Janet Amey (WRC), Grant Kettle (Raukawa), Alice Barnett (Tuwharetoa), Jacqui Henry (WRC), Tony Quickfall (WRC), Jo Bromley (WRC), Michelle Hodge (WRA)
TLG:	Dr Bryce Cooper - part (Chair)
Other (part):	Vicki Carruthers (WRC), Kura Stafford (Maniapoto), Poto Davies (Maniapoto), Emma Reed (WRC), Ruth Lourey (WRC), Ben Ormsby (WRC), Bruce McAuliffe (WRC), Sarah Mackay (WRC), Adrian Brocksopp (Dairy NZ)

Apologies:

CSG:	James Houghton – for lateness (Rural Advocacy)

Item		Description	Action
9	8:30am	**Waiata and CSG-only time** CSG independent chairperson opened the workshop. CSG-only discussion	

10	9:45am	**Allocation** The process for this session was outlined. Firstly the group of CSG members who presented on a particular allocation method would talk with each other about similarities and divergences and come back to the full CSG with a list of these. Meanwhile the other CSG members, River Iwi technical staff and WRA technical staff will work in small groups on thinking about how to approach allocation. Before this began Helen noted the areas of agreement and divergence from yesterday workshop and summarised the discussions that have happened so far. CSG Agreed that; -Need to benchmark for accounting purposes, not allocation -Highest emitters have to come down (eg top 25%ile) - and everyone does 'GMP' (to be defined by sector) THEN move towards ultimate allocation regime. Ideas so far: - System based on natural capital (of some kind to be defined), or; - Capped sector average (those above sector average come down to average; others stay put). No allowance for headroom, or; - Everyone makes a % reduction (could be same % across the board or different % for each land use), AND/OR; - Communities create unique solutions in each sub-catchment, AND; - Make a mechanism for re-allocation of headroom/flexibility to increase (how-to be defined), WHILST; - Point sources get their proportional reductions via best practicable option (BPOs) and contribute to offset for land use change. A summary was also presented of the strengths of each of the allocation methods discussed and some questions that need to addressed for each of them. | | Why you probably like this | Questions for you to ponder | | --- | --- | --- | | Natural capital | Based on what's beneath your feet, natural underlying factors. Opportunity for underdeveloped land | How do you avoid major social disruption? How can you have higher leaching land uses? |	

		Capped sector average	Existing businesses adjust. Those now emitting less are not pushed further	How can flexibility be created?
		% reduction	Existing businesses adjust, everyone contributes	How can you give flexibility/opportunities to those who haven't intensified yet?
		Work it out as catchment	Strengthens local buy-in, creative solutions	How can locals be supported to do this.
		CSG small group discussions continued through to morning tea.		
	10:30am	**Morning tea**		
11.	11:00am	**Implementation considerations – property plans – getting to scale – Presentation, Adrian, Dairy NZ (DM #3632004)** **Key points for Dairy NZ presentation;** • Plans allowed owners to look at their farms and make their own plans for change with the help of a consultant, who role was to assist and advise. • Clear objectives were given for both consultants and farmers • Make a plan that is sustainable. • Use GMP (Good management practices) to highlight certain areas and the risks involved. • 648 farm plans now complete • 10% of those in the trial did not engage • Cost of implementing plans is hard to establish, AgResearch will carry out audits on sample farms. • Cost to prepare farms is around $2400 for the 3 days with the consultant, which included support and follow up; some chose to spend more on consultants. • Q CONZ carried out audits on 5% of farms. • Worked with other programmes to see what other farmers have done. • Still developing how to track progress on all contaminants, will publish the approach. • AgResearch modelled/ estimated the likely reductions in contaminants based on a sample of the plans. • Showed that change is possible and it has resulted in a decrease in levels of containments. • Improve the capability of farmers and this improves all aspects of their work. **Horticulture presentation – Chris Keenan (DM #3656116, DM#3636117, DM#3656119)**	

		CSG member Chris Keenan gave a presentation based on the horticulture sector approach and their progress. <u>Key points from presentation</u> • Farm plan advisor produces a template to work from • All involved have to understand the risk assessment, codes of practice and have 3rd party assurance. • Certification for those involved. • Complete approach requires confidence, core elements, compliance. • Core-competency based. • Still no quality assurance as yet • Cost $1200 - $4800 to produce plan for a farm up to 660 ha, certification costs from $600. • Horizons – needs a plan lodged with consent application, council can do checks on certified plans • Industry takes on part of the role to lower the cost for grower/farmer. • Example of what farm plans look like is available • Confidence in the audit process is important. • Look to regional council to aid in managing non-compliance. • Mapping, soil types, how they are managed, information on cropping cycle, what is being grown, soil tests, nutrient plans are all being recorded. • Can't always model but can keep detailed records. • Visits from farm consultant, management actions become part of the consent, dictates what the auditors need to check. • 75% of problems occur from water getting in the first place. • Would want 100% audited within a 3 year time frame but done at random. • Fruit sector are not as well prepared as arable, although N and P are less of an issue for them. **<u>Property plans draft rules</u>** The policy team presented a summary report on Property Plans DM# and what the CSG still need to work through develop up the property plan approach. The group further discussed and asked questions. <u>Key points</u> • Think about refining the requirements about who requires a property plan. • What a staged roll out process will look like. • How much detail is required and how much change is needed? What are the circumstances and how frequently should plans be reviewed. Should it be every 3 years and what would trigger the review? • What time frames should be worked to? Some general discussion followed. Key points from this	

		discussion included: • What happens if a risk is identified that cannot feasibly be mitigated? • Sediment comes off industrial land also, are the property plans only limited to farming? • Does council retain the decision making? • Should whether something is permitted or consented differ from sector to sector? • Should there be basic criteria and rules, and these are then audited against a template of the sector's existing plan? • The policy should state the minimum criteria for auditing. • By the end of January, a well formed set of ideas need to be agreed by the CSG so that members can take these back to their sectors for consultation in February Sub-group to be formed to consider farm plans further, consisting of George, Gwyn, Charlotte, Graeme G, Sally M and James H.	
	1:00pm	**Lunch**	
13.	1:45pm	**Allocation – CSG small group reporting back** Group 1: Why is N different from other contaminants? • Need to deal with it differently, variability between subcatchments and load to come in groundwater • Want an approach that allows holistic actions for all contaminants • Approach things by subcatchment but still need a regulatory base. • Subatchments where land uses are variable. Trading could work if land use in subcatchment is homogoneous but not for other subcatchments which have a mix of things like point source and life style blocks. • Could be facilitated by subcatchment groups, but may not suit wider trading. Could be a reallocation within subcatchment. • Benchmarking is important to understand what the actual discharges are and to increase our accuracy of information • Trading at FMU level to get to targets could be an option. Would need to be of a certain size to be successful and would need time to get a scheme operating. • Issue is to get rid of over allocation. • Headroom and the need to protect important activities from a social disruption perspective. Perhaps put aside areas that could have higher emissions, then through	

		economics this would be passed on and consumers would pay more. • Plan change should be 'simple'. Needs to be acceptable to the community and have a transition period with specified parameters and checkpoints Group 2: • Need to have agreed limit steps along the way towards V and S. • Natural capital – correct term? Natural capacity might be better term. • Benchmarking is important, however some questions remain. How does benchmarking account for different soils? What is done with info when it's collected? • Benchmarking does not equal an entitlement or right. • River iwi governors do not support pure grandparenting. • Could have a consumption tax on people who were leaching more N than their farm plan and the money could go towards catchment efforts. • Need funding to audit farm plans and need to decide when the transition period should start and finish. • Natural capacity type approach. LUC system - dated but does have good aspects like sediment loss and erosion. Refine to natural capacity approach. • TLG should provide a paper on what natural capacity is. • Bring high leachers down Group 3: • Talked about natural capital and realising economic potential of underdeveloped land. Need to confirm is this just Maori land or whether this involves other land. • LAWF report notes that Treaty partners need to come to some agreement about that and therefore is it out of scope for us? • Iwi have little confidence with dealing with Crown over this. • Some thought that we do have to deal with Maori land in the Healthy Rivers process – it is something that River Iwi want us to discuss. • Discussion between tāngata whenua and Crown and rights associated. Social cohesion to achieve water quality. Through settlement that River Iwi are part of this process. • Individual based allocation. Attach to the land rather than attaching to different sectors. Group 4 (team who went to downstairs room):	

		• Agree about concept of transition to allocation system at a property level. Needs to be signalled. Indicate to wider community what direction of travel is. • Stage 1 (first 10 years) – during this stage build the science and develop an accounting framework at catchment level. • Benchmarking is essential; need to understand nutrient losses coming from farms. • Endorse farm plan approach to cover all sectors. • Farmers need to do GMP and this would be a base to start with. • Trading system – couldn't happen until you have capped the system and got into allocation. Can't have a trading system at a small level. If you are going to do a transfer system you will need to do another plan change to design system. • Have a cap that you can't go above. • Attempted to define natural capital as the ability of land to avoid contaminant losses. • Want land to be farmed where it is suitable to be farmed. Farming system related to land was agreed. • Create headroom for a variety of purposes. It will be difficult to create some headroom. • Timeframe of 80 years and creating headroom. Could create headroom but may need to extend timeframe longer. It will take longer to reach the limit if headroom is created. Acknowledged that the V and S is not purely environmental, has every wellbeing encapsulated. • Weighting of priorities important across the 4 contaminants. Further commentary: • Need to have a different way of thinking. • Time vs N load. For last 30 years growing N load. Been mostly land conversions. • We are making decisions not knowing where we are going. We want a lower limit so how do we drop down? How do we allocate the responsibility? Then leads down pathway of allocation types. • For communities their economic status was not as good in the past. Now in order to improve water quality we need to drop back down, but they want to stay up. Community expectations are high. They are happy going up but not back down. • One of our goals to get better water quality and the other goal is achieving community values. What are the consequences of moving things to better the	

		community? • We are trying to grow and shrink. • In Canterbury they brought in commissioners and their task was to grow the economy and to make environmental improvements. • In Selwyn and Waihora there were farms by the lake and farms further away. The best way to achieve the goals was to move them further away over time. They understood the flow patterns underneath and that nutrients go a different way. They were able to maintain the same amount of growth with better water quality. • Another thing is managing aquifer recharge. Keep recharging the aquifer. Manipulate the system so can both grow and shrink. • There is a way of thinking about these problems. We hear little about how we improve the social attributes. For example we have underdeveloped land and lands you want to develop in a catchment. The trick is to be clear about what you want to grow and then work out a plan to get there. • Understand the tragedy of the commons – if we leave people to do what's in their best interest then societal attributes won't get improved. • If we allocate a personal property right we may find that people won't do the best for the greater good. Say what you want and then make a plan to get there. • The only way we are going to meet the V and S is to change the land use in the next 10 years. Allocate too soon and people won't look at that option in the near future. • We have to think differently. Link between N loss and making a profit. If we drop N then profit declines and eventually a farm becomes unviable. If we say let's get everyone down to that spot, what are we sacrificing as a society? • Do we want 300 farms down there or do we want fewer farms on less area but more economic farms. Farms that might lose more N but have less area, instead of making everyone go as low as they can go. Think about growing and shrinking at same time. <u>Discussion and Q+ A</u> Q – Does natural capital include capital of mitigations? A – No that is introduced capital. Q – What is difference between GMP and BMP? A – GMP is minimum expected practice for a sector. BMP	

		includes practices at a higher level that not everyone might be doing. Q – What about a low intensity farmer who is operating profitably? What is the difference? A – Big farmers, because of volume they cause more economic activity. Tragedy of the Commons problem is actually about when a resource which doesn't belong to anyone is then over utilised by some to make money at the expense of the common good. Individual interests create benefits to society. If people pursue individual interests this will create benefit to other people. Need to look at how you keep what you value at the expense of what you don't want. Accept that there will be sacrifices. You will never give a clear signal if you don't tell people what you want. Think of clever was of achieving what you want. Reallocate the resource in a better way. We are tasked with dealing with over allocation. In terms of growth, land uses and land management changes could look different in future. Could be lot of things. Low input farming shouldn't stifle this and allow for that change. How do you get that land use change? Move them somewhere else. There are growth and aspirations under that and we either facilitate it or it will be death by 1000 cuts. Thinking about how you would get optimum land use in the right place. How you would decide that and how you would signal that and make policy to make it happen. Could explore appropriate land to place. Use a spatial planning tool for example. Could look at what the land use capacity is and what currently land use is. <u>Where to next?</u> Helen asked the group where they needed to head to next. • Need to look at things spatially, get our heads around the heat maps and so on. • Discuss what does 10% and 25% mean on the ground. • Look at the catchments. Is it the sectors or the nature of the catchment that is causing the issues. • Need to understand what iwi governors views are on allocation, how much headroom they might want for their lands and how comfortable they are if creating headroom led to an extension of the overall timeframe.	

		Ask Billy to coordinate this input. • We want economic development but also want to have environmental improvement. Have to make a decision can't go on about it forever. Can't hold up process. Figure out where that middle ground is.	
14.	3:00pm	**Approvals** CSG 19 workshop notes (DM#3629626) were approved. CSG asked that legal opinion be sought on moratorium on conversion, what are the implication of each (10% intensification rule vs rule land use change/conversion) of the options? **Phil Journeaux/George Moss** **Carried**	
15.	3:15pm	**Wrap up session** The CSG were thanked for their hard work over the last two days.	
	4pm	**Chair closing comments** **Karakia**	