



STAFF REPORT

TO: Environment & Planning Subcommittee

FROM: J T Thomas – Resource Scientist - Water

REFERENCE: W301

SUBJECT: **SUSTAINABLE WATER PROGRAMME OF ACTION (SWPA) – REPORT EP06/08/10** – Report prepared for 2 August Meeting

1. BACKGROUND

The government has been working on the SWPA since 2003. This programme specifically relates to freshwater quantity and quality and includes all freshwater i.e. rivers, springs, lakes and groundwater. The SWPA is a government initiative and is jointly lead by the Ministry for the Environment (MfE) and the Ministry of Agriculture and Forestry (MaF). The programme has produced various documents ranging from allocation to water quality in New Zealand. A discussion document on SWPA was released in November 2004. Early in 2005 MfE/MaF followed up on the discussion document with a series of regional workshops throughout the country including one in TDC (for top of the south Councils) and one at Seifried's for regional water users to gather input and feedback and request submissions. TDC has submitted on that document so have several users from the region. A series of national workshops with industry and iwi have also taken place. MfE/MaF have published summary documentation on the consultation undertaken late last year and since then have been working on details for Cabinet to make decisions on. The government has now agreed to a strategy to protect and improve New Zealand's freshwater resources and Hon David Benson-Pope who is the Minister of Environment announced this on 10 April 2006. This announcement was accompanied by the release of several supporting documents.

The following parts of this report is a summary of the key aspects of the SWPA. I have summarised the information provided on the various action items, the timelines and tools mentioned and commented on where TDC is relative to these. It is important for TDC to be involved in the SWPA and to keep a watching brief as it is progressed by Government.

2. SWPA – KEY ELEMENTS – SUMMARY

The Government has identified three national outcomes to be achieved through SWPA:

- Improve the quality and efficient use of freshwater by building and enhancing partnerships with local government, industry, Maori, science agencies and providers, and rural and urban communities.

- Improve the management of the undesirable effects of land-use on water quality through increased national direction and partnerships with communities and resource users.
- Provide for increasing demands on water resources and encourage efficient water management through national direction, working with local government on options for supporting and enhancing local decision making, and developing best practice.

Key Actions to achieve the national outcomes identified in SWPA:

Leadership

Establish, within three months, a leadership group reporting to the Ministers for the Environment and of Agriculture. The group will be drawn from and will build on existing partnerships with local government, industry, Maori, science agencies and providers, and rural and urban communities. It will advise on the priority that should be accorded to various water management issues and methods to address them.

National Direction (scoping & Drafting)

Scope and draft the following:

- National Policy Statement on managing increasing demands for water;
- National Environmental Standard for methods and devices for measuring water take and use;
- National Environmental Standard on methods for establishing environmental flows.

Consider the potential value of and options for a National Policy Statement on nutrients and microbial contaminants and sediment.

National Priorities

- Identify catchments that are sensitive and 'at risk' from rural and urban diffuse discharges.
- Establish criteria for identifying nationally outstanding natural water bodies.

Tools to Assist Regional Councils

- Investigate current practice and develop enhanced methods for transferring water consents
- Investigate the role of water user groups in managing water under cooperative management regimes
- Improve methodologies for applying environmental flows to water bodies.
- Develop methods to assist regional councils to recover costs for water management.

- Develop methods for identifying and protecting natural character and biodiversity values.
- Develop methods for managing over-allocated catchments including examining the possible effectiveness of alternatives to first-in-first-served allocation mechanisms.
- Develop model resource consents and consent conditions for water.
- Develop strategies for better alignment of science priorities and the Programme.

Regional Management of Freshwater

Strengthening regional management of freshwater with government providing solutions and tools to help. Primary responsibility for water management kept at regional level.

Timeframes

Reporting to Cabinet Feb 2007 – options for supporting and enhancing local decision making.

March 2007 – reporting to cabinet on the need for and proposed content of national instruments and strategies for engaging with science agencies and providers.

31 October 2006 – Reporting to cabinet on meeting the timeframes above.

Principles Used in Developing SWPA:

- water will continue to be managed as a public resource;
- freshwater management will be improved under the Resource Management Act;
- regional councils will continue to have primary responsibility for managing freshwater;
- clear environmental limits will be set for water quality and the quantity available for allocation;
- enhancements to existing mechanisms and the provision of incentives will improve efficiency of water use;
- resource users will be encouraged to take responsibility for their actions and will be given the flexibility to develop appropriate solutions;
- nationally outstanding natural water bodies will be identified and better protected;
- the best available information will be used for decision-making processes; and
- community involvement and confidence in decision-making processes will be maximised, building on the opportunities for participation in the regional planning process.

3. ANALYSIS AND COMMENTS ON THE GENERAL AND POLICY INITIATIVES OUTLINED IN THE SWPA

Note: Interpretation/comments are in italic

GENERAL OVERVIEW:

Having reviewed the various documents that have been released by SWPA, the important issue for Tasman District is to be aware of is the details that may entail from the SWPA. Much of these have yet to be developed with SWPA outlining only broad policy outlines. The development of the National Environmental Standards in the areas specified is one to be followed through closely. Many of the other key factors that have been identified for example in the tools package are already in-place in some form in Tasman. Hence any government initiative in the tools area would need to be scrutinised closely, on how it may affect the existing systems in place here.

Building and Enhancing Partnership:

Summary:

The key issue in this arena is the proposal to develop a leadership group comprising local government representatives and key stake holders reporting to the Minister of Environment & Agriculture.

KEY POLICY DEVELOPMENT PROPOSAL THROUGH SWPA:

National Policy Statement (NPS) for managing growing demands for water

Summary:

The NPS proposal is to provide guidance on managing demand, including methods of allocating water to environment, cultural, social and other uses (?implied consumptive) through a public process of regional planning.

Comment:

Our plan development already involves this

National Environmental Standard (NES) on methods for establishing environmental flows by Regional Councils

Summary:

This NES is to cover rivers, lakes, wetlands and groundwater resources

Comment:

There are many methods for establishing environmental flows for rivers/streams. Tasman already applies various techniques for this. Issues with lakes, wetland and groundwater are not straight forward especially in interconnected system. Tasman has a dynamic method where flow studies and hydraulic modeling has enabled us to set flow and abstractions limits for surface and groundwater/springs in an integrated way e.g. Waimea & Motueka Riwaka Plains. The key is what the NES specifies and how flexible it is to existing good practices. A prescriptive NES could cause serious issues if regional context and resource dynamics are not taken into account.

National Environmental Standard for methods and devices for measuring water take and use**Summary:**

They key here is for accurate information on volumes of water actually used to help policy and decision making. Current information nationally on water uses is inconsistent and variable. The NES will establish methods, criteria and rationale for councils to require water measuring devices for consented water takes. Individual households will not be required to install water measuring devices.

Comment:

This NES proposal for this is unclear, whilst it clearly refers to water metering the details seem more to imply consideration of criteria and rationale when water metering may be required. The key issue is what the standards cover and the accuracy and methodology of metering? The only reference to this is a best practice guidance developed in partnership with regional councils. Tasman is way advanced in metering and already has criteria and rationale when metering will occur and has developed standards and specifications for water measuring devices.

The potential value of and options for a National Policy Statement on nutrients and microbial contaminants and sediment will be considered**Summary:**

The government seems to not have committed to this. The intended task is to consider the specific management intentions for regional and local authorities when developing policy statements and plans. The intention seems to be that national instruments will provide greater government direction for strong environmental limits to be set at the local level that will promote integration between local and regional approaches to managing landuse. The package is also intended to endorse and extend existing initiatives led by local government for managing water quality. Within the scope of this there is mention of developing of targets and programmes in partnership with local government and sector organisations. The clean stream accord is quoted as a partnership approach. The section also talks about targeted assistance and management including through partnership, providing information and advice to landowners to reduce levels of contaminants entering water bodies. There is mention of potential government funding and or regulation. There is also mention of a national programme to be undertaken to identify and assess water bodies that are sensitive and at risk from rural and urban diffuse discharges.

Comment:

This is the least clear of the policy instruments mentioned. Landuse and water quality impacts is a complex issue especially if regulations alone would provide the desired outcomes in a set timeframe or at all. Partnership in this is a key there are already so many good practice experiences and information on on-farm land management. Partnership and guidance with monitoring is probably a better approach. More information on the assessment of water bodies that are sensitive and at risk from rural and urban diffuse discharges would be useful. CLUES (Catchment Landuse for Environmental Sustainability) a cross department research project is considered one option to build on. CLUES itself has limitations in its current state.

ANALYSIS AND COMMENTS ON THE TOOLS SECTION OF SWPA:

Investigate current practice and develop enhanced methods for transferring water consents

Summary:

The documentation states that transfers including temporary transfers of consents within a catchment to be potentially beneficial i.e. improving efficiency. The government sees the use of transfers as complementary to the current practice. The issue of take and use being separated is discussed but no clear direction is provided. The proposal is for government to investigate current and emerging practices on transfers and make recommendations for enhanced and sophisticated use of transfers

Comment:

Tasman already allows for short term transfers. We have also have had debates of take and use and its benefits and limitations. Looks like a very Tasman based idea!

Investigate the role of water user groups in managing water under cooperative management regimes

Summary:

It talks about a greater role for water user groups (WUG) to collectively manage the water resource and is proposing to investigate how water users groups could operate and how the joint management agreement provisions of the RMA could apply.

Comment:

Tasman has a history of WUG and working together in managing resources. There seem to be nothing new here for Tasman. Greater legal scope in the RMA for WUG could be helpful. Government needs to be mindful how WUG are set up/terms of reference. The case of how WUG's work here may not apply nationally!!

Improve methodologies for applying environmental flows to water bodies

Summary:

The SWPA documentation states that the key is to assess the validity of all aspects of environmental flows within regional plans. Comments are made that setting just minimum flow has been inadequate without how the water is then allocated for a range of uses. The use of the term minimum flow is to be reviewed in the RMA, a shift to environmental flows may be broader and more enabling in terms of taking into account the changing availability of the resource under all hydrological conditions.

Comment:

Sounds a good approach. Need to see details including those in the proposed NES.

Develop criteria for identifying nationally outstanding water bodies

Summary:

This does not appear in the tools section but is in the released SWPA documentation. SWPA admits there are currently no national criteria or methods to identify nationally significant water bodies and protecting these apart through special means e.g. Water Conservation Orders. SWPA states that outstanding natural water bodies could be identified through a single strategic and consultative process undertaken in partnership with local government, environmental/recreation and industry sector groups, maori and other water users in the community. Proposal is development of a set of criteria for consultation followed by identification of natural water bodies worthy of high levels of protection. Once this list is developed range of options for their protection would be considered

Comment:

Good proposal but many uncertainties e.g. who develops criteria and how you are going to have criteria accepted at a national scale? Who develops the list of outstanding water bodies? How then is the list of water bodies to be protected?

Develop methods to assist regional councils to recover costs for water management

Summary:

Currently Councils can use Sec 126 of the RMA for water management activities (investigations, monitoring, compliance and management). Sec 108 of the RMA can also be used to require financial contributions. Council however can't charge for water on a volumetric basis. SWPA states that some Councils are looking at the current funding of water management including their ability to charge for management on a volumetric basis as a means to encourage efficient use. SWPA states that the government is to explore current and alternative options for funding water management – including if the proportion currently paid by those who hold permits is appropriate.

Comment:

Strengthened mechanism for this should be encouraged. Tasman is one of the few Council to charge Sec 136 charges. It be interesting how the SWPA is going to assess what resource consent user pays as only a few Councils have any direct Sec 136 charges. What basis is going to be used for cross comparisons and what is appropriate?

Develop methods for identifying and protecting natural character and biodiversity values

Summary:

The documentation states that SWPA already identified a set of water bodies that are nationally important because of particular values (Note: This contradicts the item before but is referring to the sector group analysis of water bodies that were supporting documentation prior the consultation round. That classification can be debated as was produced by vested interest including government depts.) SWPA recognizes the difficulty in systematically identifying and describing freshwater biodiversity and translating this to a finite list of water bodies. SWAP intends to follow options identified to improve methodologies in conjunction with local government, Doc and science providers. The aim is to ensure the RMA process allows biodiversity values to be considered.

Comment:

Good idea. Keep watching brief on what develops. Ensure that biodiversity also links with other values and uses and a tangible nett outcome is achieved.

Develop methods for managing over-allocated catchments including examining the possible effectiveness of alternatives to first-in-first-served allocation mechanisms

Summary:

The SWPA describes overallocation from both the water quantity perspective where consumptive use is too much such that there is insufficient protection for the environmental values of the waterbody and also quality perspective where a water body receives an over input of contaminants or discharges for the system to deal with. The SWPA program intends to explore if existing mechanism for addressing overallocation can be extended. Methods mentioned include methods to adjust existing consents, consent replacement in overallocated catchments as well as considering alternatives to first in first served mechanism. Equity issues arising from any measures will also be investigated. Further mention is made of the cap and trade approach used in lake Taupo (i.e. this for discharges where a maximum amount of discharges that could enter the lake was set and transfers of discharge consents between land users allowed for). SWPA states that this kind of mechanism can be readily applied to other catchments and also to transfer of water use. There is also proposal to explore other tools to address overallocation, gold rush issues (competition for last bits of water) and also when consents are freed up when consents expire or environmental flows change.

Comment:

There are lots of proposals to explore various things in this area and some of the identified areas look promising. The example of Lake Taupo being a good example and readily transferable is a matter of perspective. Huge monitoring and compliance cost is a real issue. Is central government prepared to put up that kind of \$'s elsewhere? Surprising in this section there is no mention whatsoever of where augmentation sits!

Develop model resource consents and consent conditions for water**Summary:**

SWPA talks about consistency of consent conditions for water take and use and mentions that nationally different regions grant consents in many different forms e.g. volumes, use, areas, use. It states that the mixture of approaches complicates catchment management and transfers. SWPA intends to develop a best practice guide for consent structure and consent conditions. This is to complement parallel investigations into transferability which would include the concept of separating the take and site specific use.

Comment:

There seem to be a very strong signal here for better enabling transferability of water take. Concept of separating take and use is a good one and should be driven by the resource bottom lines and in our experience it can work in some areas and not others. In most cases it should still be a discretionary or controlled activity as permitted status could cause problems as all of the water resource idiosyncs can't be thought about and written down.

Develop strategies for better alignment of science priorities and the SWPA Programme**Summary:**

The section principally talks about better partnerships between central government, local government and science agencies/providers so that the science and research funding is better aligned with the needs of end users. SWPA action acknowledges that some of the science is technically challenging (especially some of diffuse source contamination). It suggests a co-coordinated approach to this would enhance the work programme. Among actions suggested is promoting and extending national databases and ensuring they are co-coordinated for easy access, ensuring science supports the development and implementation of some of the SWPA initiatives e.g. NES, environmental flows, extending Envirolink, develop networks for better information sharing, promoting centers of excellence.

Comment:

All matters raised in this section are logical and should be supported. It's many of the things we raised through the consultation/submission on the SWPA! Regional Council Scientist should have a better role in co-coordinating science investment that benefits regional water resource management work. There also needs to be better policy setting and monitoring by MORST on central government investments.

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