

## **Minutes for Lake Rotorua Catchment Stakeholders Advisory Group, 13 August 2013**

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**Rotorua District Council – Committee Room 2**

**1061 Haupapa Street, Rotorua, 9:10 a.m. start**

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**Chair:** Tanira Kingi

**Present:**

- Māori Trustee: Arapeta Tahana (arrived 10:05 am)
  - Te Arawa Lakes Trust: Hera Smith
  - LWQS: Don Atkinson (left 12:05 pm)
  - RDC: Cr Karen Hunt, plus staff: Liam Dagg (arrived 9:25 am)
  - Māori landowners: Arthur Warren
  - Collective reps: Joanna Carr, Stuart Morrison, Wendy Roe, Gisele Schweizer
  - Small block holders:
  - BOPRC: Cr Neil Oppatt, plus staff: Anna Grayling, Sarah Omundsen, Jenny Clarke (Minutes Secretary), Karen Parcell, Warwick Murray
  - Others: Warren Webber; Sharon Morrell, Ollie Parsons, Kevin McKinley (DairyNZ); John Fenwick (Waerenga Inc.)
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**Item 1: Karakia and Welcome**

- Karakia by Arthur Warren, welcome by Tanira Kingi
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**Item 2: Apologies**

- Colin Maunder, Gwyn Morgan, Terry Tapsell
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**Item 3: Minutes of previous meeting** (from 16 July 2013)

**Discussion on previous minutes:**

Some members expressed concern that several points were not adequately covered in the Agreed Statements section.

**Amendments to previous minutes (Agreed Statements section):**

(Page 4, additions to “Other discussion” list)

- lack of farmer accountability in the Collective Proposal
- that a 35/13 allocation represented a ‘soft target’, and that drystock would be disadvantaged at a 13 NDA by comparison with dairy at 35
- the certainty of reaching catchment targets (70% in 2022, 100% in 2032) if compliance was to be voluntary through to 2032
- the need for review provisions which oblige farmer accountability to meet the sustainable load

- that higher level allocations were OK through to 2022 only (with a perhaps unstated, but certainly implicit, caveat that this was not OK through to and beyond 2032)
- concern that the Collective's proposal for responsibility and liability was being challenged

**Discussion on subcommittee minutes:**

(Warren circulated 16 July and 30 July subcommittee meeting notes)

- Not all statements were agreed with in the subcommittee notes; however, it was generally acknowledged that the notes were intended to be 'soft minutes' rather than a comprehensive record of all discussion points, so that participants could feel less constrained to comment

**Motion: Accept amended minutes of main StAG meeting 16 July as accurate**

**Moved Wendy R / seconded Don A / CARRIED**

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**Item 4: Request for General Business items**

- Adjustments to Agenda order and new General business items
  - Update on Te Arawa Hui, 12 August (Tanira K)
  - Update on proposed Gorse Programme (Anna G)

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**Item 5: Strategy, Planning & Policy meeting (SPP) 17 September.** A brief outline of process and documents going forward to SPP meeting (Anna G / Sarah O), including timing.

- The Staff Paper to SPP will consider both allocations and incentives (but the latter only in relation to the StAG position proposal for partial funding of the rules programme). There will be three appendices to the Staff Paper (a. Initial Staff Allocation proposal, b. Collective Proposal, c. StAG Position Paper)
- Timing – 03 Sept, draft papers due; 10 Sept, final papers due
- A 'decision in principle' from the SPP meeting is prerequisite to a more comprehensive consideration of incentives, and will be the subject of a subsequent and separate discussion paper to StAG (probably for 23 Sept StAG meeting)

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**Item 6: 'StAG position Paper – Allocations and Incentives'.** Consideration of tabled paper. Aim to achieve StAG feedback / endorsement, including a position on principles of funding allocation between the Rules & Incentives programmes.

Summary of discussion points

- Some modifications have been made to goals and timing, including greater accountability for farmers / landowners
- Collective is concerned with Nutrient Reduction Plan (NRP) terminology that may be used in resource consent.

- Flexibility must be built into the farm plans, eg. timings on start point (knowledge of where at in 2015), including whether there will be staged reductions or just an end point
- Generally agreed that each farm is different, therefore each farm plan will be different and allow for flexibility
- Farm plan for each farm will be required, including individual plans for nitrogen reduction
- Farmers are anxious to get certainty on targets so they can make plans
- The gorse programme will require extra funding in addition to the incentives scheme. This could come from separate deed project funding that has not been used
- Concern with 30T gorse removal by 2022, some think that the 38T for farmers should be set higher. It was informed that these quantities are dependent on final allocation of incentives fund
- Council keen to see the 130T (from gorse and incentives programmes) achieved sooner, rather than later
- Risk / responsibility shared. Eg. risk is on the farmers to achieve targets, if reductions delayed, they will suffer later. Likewise, risk also on Council, to achieve gorse reductions and incentives programme reductions
- May need more resources to achieve these goals
- Need clarity of the review dates, eg. at 2017 and five-yearly thereafter.
- It is the spirit and intent of the Oturoa Agreement is to achieve 70% of the catchment target by 2022, and 100% by 2032.
- Discussion about whether 70% of the rules target should be expected by 2022, as a component of the RPS 70% of catchment target by that date
- \$45.5 has been allocated for expenditure by 2022 - what happens if all the incentives funds are not spent by 2022? Informed that money can also be spent after this date.
- Points which Councillors may consider include: feasibility of achieving 100 tonnes from the incentives programme by 2022 and 2032. WM confirmed staff need to give Councillors as much certainty as possible that the incentives targets can be met. Also considered administration costs of \$5m funding, equity in distributing funding and how it relates to time of required reduction.
- It was noted that Taupō reductions have cost approx. \$400/kg. Suggestion made to include some reduction payments. However, Rotorua is very different to Taupō as they bought low hanging fruit.
- There is a need to clarify Terms of Reference (TOR) for review clauses
- It was proposed that \$5.5M be available to assist farmers achieve rules targets and that \$40M be allocated to the incentives programme. For one member, support for this proposal was conditional upon there being flexibility in the attainment of targets

**Proposed: That \$5.5M be available to assist farmers achieve rule targets and that \$40M is allocated to the incentives programme.**

**Moved Don / seconded Karen / CARRIED**

**Action: Report to RTALSG agenda due 20 August (seven working days in advance of 30 August 2013). Secretariat to assist with drafting of this paper. Chair to sign-off.**

**Item 7: 'Draft Framework for Allocations & Incentives'.** Discussion of this staff paper which will go to SPP on 17 September (paper needs to be finalised in the Council system by 10 September).

- Update given by Sarah Omundsen and discussed by StAG. Any comments to be forwarded directly to Sarah.
- A draft paper will be circulated prior to subcommittee meeting of 27 August and discussed further at that meeting.
- It was noted that a separate, high-level paper on nitrogen trading would also be presented to SPP on 17 September, to get direction on whether or not to investigate trading options. A draft of the trading paper would also be circulated prior to the subcommittee meeting of 27 August.
- Presentation of paper to SPP on 17 September, several members indicated interest to attend; Gisele, Liam, Karen, Stuart, Wendy, Warren, Ollie (as observer).

**Item 8: Sector definition for policy on allocations and incentives.** What issues to be addressed? Further information required? Workplan?

- Discussion of sub-sector definitions, including dairy support and smaller landowners, and how a change of sector definitions could change sector averages.
- It was noted that some dairy support blocks are under 40ha.
- These definitions will be worked on by subcommittee.

**Action: Present status summary on <40 ha properties at 23 September StAG meeting**

**Action: Staff to provide information on sectors and potential definitions at 15 October StAG meeting**

### Item 9: General business

- a. Update on other work (eg. OVERSEER® configuration for catchment, Motu work, Landcare etc.) – update from Sarah
- b. Te Arawa Hui on 12 August – update given by Tanira and John Fenwick. It was decided to have more frequent update meetings (next for early September)
- c. Report to RTALSG meeting 30 August – StAG can give update on progress. Warren to write up Chairs report to RTALSG (Stuart to present)
- d. Gorse programme updated

### Item 10: Upcoming meeting confirmations:

27 August: Subcommittee	29 October: Subcommittee
10 September: Subcommittee	5 November: Subcommittee
23 September: StAG + Subcommittee	18 November: StAG + Subcommittee
2 October: Subcommittee	17 December: StAG + Subcommittee
15 October: StAG + Subcommittee	

Meeting finished at 12:30 pm