

Minutes for Lake Rotorua Catchment Stakeholder Advisory Group 16 September 2014

Rotorua District Council – Council Chambers

1061 Haupapa Street, Rotorua, 9:00 am start

Chair: Tanira Kingi

Present:

- Collective Reps: Stuart Morrison, Jo Carr, Wendy Roe, Gisele Schweizer, Neil Heather
- LWQS: Don Atkinson, Warren Webber
- RDC: Cr Karen Hunt
- TALT: Roku Mihinui
- Te Arawa land owner reps: John Fenwick, Clinton Hemana
- Te Tumu Paeroa: Te Uraura Nganeko (Taranaki)
- Small Blocks: Karl Weaver
- BOPRC: Cr Neil Op, Warwick Murray, Anna Grayling, Sarah Omundsen, Stephen Lamb, Sandra Barns and Lisa Power,
- Others: Simon Park (StAG Secretariat); Gwyn Morgan (Fed Farmers), Ben O’Brien (Beef + Lamb NZ), Ollie Parsons (DairyNZ), Robin Connor (MPI), Gerard Fellowes (farm consultant).

Action summary

1. Anna Grayling: Discuss at next StAG the whole package process of the Entity Board and how many people can apply for funding.
2. Gloria Zamora: Circulate Incentive Board member ad with these minutes
3. Ollie Parsons: Circulate the GHG emissions data
4. Tanira Kingi: Ask the project management team of the SFF Dairy Nutrient Reduction Project to look at the information on the 14 dairy farms modelled in the project and give a status report on current systems and N leaching levels to next StAG
5. Sarah Omundsen: Speak at next StAG on different “starting point” options for NDA allocation (land use) and farm plans (nitrogen loss).

Item 1: Welcome, Karakia and Apologies

Chairman Tanira Kingi welcomed StAG members and attendees and opened with a karakia
Apologies for absence: Te Taru White and Gloria Zamora; For lateness: Ollie Parsons, Ben O’Brien, Robin Connor, Giselle Schweizer and Warwick Murray; For leaving early: Cr Karen Hunt and Cr Oppatt.

Item 2: Minutes of previous meeting (19 August 2014)

Correction: Verbal apology for Cr Hunt needs to be corrected in minutes.

Motion: Approved 19 August 2014 Minutes, Roe/Atkinson, CARRIED

NB: These minutes follow the agenda order, even though items were rearranged on the day.

Item 3: General business items to add

- a) Farmer mental health development: Gwyn Morgan
 - b) TDR update: Don Atkinson
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Item 4: Meeting catchment nitrogen targets in 2022 and 2032

- a) **Update on policy development process:** Sarah Omundsen noted:
 - i) The Section 32 evaluation report will be a compilation of many relevant reports, including the new economic analysis being led by DairyNZ
 - ii) The decisions that have been made over the last 24 months, as a result of the iterative policy development process, are all part of the section 32 package. Some decisions – such as the nitrogen limit, and requiring reductions by way of rules – were made as part of the RPS and will not be revisited as part of the section 32 package.
 - iii) The farm and district economic analysis focuses on different nitrogen allocation scenarios not the whole rule framework. Results may impact on the preferred approach to allocating nitrogen which could affect notification dates.
 - iv) A Councillor workshop is planned for 6 November to report back on feedback received during consultation and discuss appropriate responses and changes to the rule framework..

Discussion points:

- v) Farmers are concerned that DairyNZ's economic analysis is following the rule process, not driving it – we don't know the social impact or relative sector impacts of different allocation scenarios
 - vi) Much economic analysis has already been done and it will remain a balancing act for politicians, even with the new economic catchment modelling.
 - vii) Understanding at last week's drystock farmer meeting was very low – when communities understand the impact, they may not want the TLI at 4.2.
- b) **Options if catchment targets are not met:** Lisa Power spoke to her precirculated paper:
 - i) Recap on the framework and the 2022 70% target, including 44 tN from pastoral farmers meeting rules. Staff's suggestion is to set a quantitative 2022 target in addition to the 2032 NDA, giving certainty to farmers and Council – see example in Lisa's paper, where 44 tN by 2022 is 31% of the 140 tN reduction (from rules) by 2032.

Discussion points:

- ii) Some farmers are opposed to specific 2022 farm target which is seen as contrary to the RPS's policy for the "catchment" to achieve 70% progress towards 435 tN.
- iii) However, some farmers could support a 2022 farm target as it is a way of ensuring that everyone is doing something

- iv) Some farmers could already be at “2022 levels” i.e. about 30% below Rule 11 N losses. However, there is no clear evidence of this and the farm planning process will help to understand where everyone is at compared to their 2001-04 benchmarked losses.
- v) Quantitative evidence of farmer progress with reducing N loss would be useful but has not been available to date.

c) **Risks to achieving the 100 tN reduction, including N trading:** Robin Connor, MPI

- i) Robin spoke to his paper pre-circulated paper to StAG titled “Lake Rotorua: Completing the Policy Framework for Nitrogen Reductions”

Discussion points:

- ii) Ollie Parsons elaborated on his previous email to StAG:
 - There are number of 2022 options, not just one
 - Don’t need to panic about 44 tonnes by 2022. Regional N load reductions (in the email) come from national GHG emissions data, with Bay of Plenty and other regions showing long-term declines in sheep and cattle (not dairy) emissions (or at least steady). Only regions with major land use change (Canterbury, Southland) had increasing N loss trends. Ollie agreed to circulate this paper to the group.
 - This trend is a natural result of managing on-farm costs and more efficient N use
 - Getting 10% N reduction by 2022 OK for Rotorua as there is no reason to believe it does not align with regional figures.
 - Therefore there is no need to mandate quantitative 2022 farm N targets
- iii) Ben O’Brien noted that:
 - the issue is uncertainty, including current N losses, especially for drystock
 - voluntary 2022 targets are much more flexible than regulatory
 - Also science review may modify lake science – avoid locking people in too early.
- iv) Tanira Kingi gave a summary: Voluntary gains may exceed catchment 2022 targets but we lack of understanding of current N status and practices.

Other discussion:

- i) Farmers opposed to Public Works Act purchase of land (as per Robin’s paper).
- ii) Dairy has a better understanding of nutrients than others. B+LNZ know this, hence LEP roll out to improve drystock farmer understanding.
- iii) Consider merits of targets in 5 year blocks i.e. 2017, 2022, 2027 & 2032.
- iv) The 2015 FNP is target is too tight but we need quality information prior to 2017.
- v) Two farmers: I could live with a 2022 rule as a portion of the 2032 NDA, provided I have a long term consent and any 100 tN fund shortfall isn’t put onto farmers.
- vi) Need to revisit total vs effective hectares, including recent conversions to dairy that are within their Rule 11 benchmark i.e. consider compliant area

d) **A possible StAG Position:** Simon Park

- i) We are still working towards a StAG position around 2022 - key issues are:
 - What “guarantees” can be given to Council, community and farmers?

- What policy trade-offs will deliver a workable package e.g. will a voluntary approach with greater farmer buy-in achieve the 2022 target?
- ii) We are handicapped by not knowing current N loss. Although there is some evidence (e.g. Farmer Solutions Project, SFF work) of modest dairy farm N reductions since 2001-04, that may be cancelled out by greater drystock/dairy support N losses – we don't know.
- iii) Assessing current N losses is urgent – we can expedite dairy SFF work on this
- iv) Dairy 2022 reductions “easier” due to higher cropping during benchmarking.
- v) Warwick Murray noted Council is committed to getting 130 tN at Council's cost. Robin's paper considers alternative mechanisms if there is a deficit.
- vi) Cr Oppatt: Council is clear that the pastoral target is 270 tN with some money to get there. The 2022 Council must look at it in 2022 and come to fair decision.
- vii) If the incentive fund only gets to 90 tN by 2022 then flexibility appears warranted

Action: Ollie Parsons to circulate the GHG emissions data report

Action: Tanira Kingi to ask the project management team of the SFF Dairy Nutrient Reduction Project (Simon Park along with Lee Matheson) to look at the information on the 14 dairy farms modelled in the project and give a status report on current systems and leaching levels to next StAG

Action: Sarah Omundsen – Report to next StAG on different “starting point” options for NDA allocation (land use) and farm plans (nitrogen loss).

Item 5: Updates

a) Update on Land TAG - Andy Bruere

- i) Land TAG scope and selection process outlined
- ii) Approved members are: Dave Clarke (interim chair), Suzie Greenhalgh, Phil Journeaux, Greg Lambert, David Houlbrooke, Gina Mohi, Tim Payn, Neels Botha
- iii) The ToR gives Council the right to co-opt others as required.
- iv) The draft first meeting agenda discussed.
- v) Request that Stuart Morrison attend first meeting on 8 October 2014.

b) Nitrogen allocation workshop

- i) Sarah Omundsen has asked Warren Webber to organise the allocation workshop
- ii) Tentative date is 31 October 2014, members of subcommittee invited
- iii) Any specific comments should be sent to Warren Webber.
- iv) Material to circulate likely to be a collation of other NZ allocation approaches plus material presented to StAG.

c) Catchment Economic Analysis

- i) Need to assess out what mitigations will fit in each biophysical zone.
- ii) Initial work complete, need to assess lifestyle blocks and test that with people.

- iii) 2nd part – split catchment into zones, soil rainfall etc, with defined farm systems in each zone (dairy and drystock).
 - iv) Three farm size tiers: 14 large farms will be used, and replicated with similar parameters for medium sized farms but with lower profits. The 3rd scale is much smaller and has mixed use – still to be developed
 - v) Farmer: Request not to forget about heifer grazing.
- d) **Farm nutrient plan requirements** – deferred to subcommittee due to lack of time.
- e) **Advice and Support:** Anna Grayling
- i) GETS tender out this week seeking “approved providers”, closing 10 October with applicants advised of result by 31 October 2014
 - ii) Comment: Advice on alternative land use investigations needs priority to assist individuals where there is a lack of available information.
 - iii) If farmers want to be reimbursed for advice, obtain prior agreement with Council. If urgent advice is needed before the service is running, talk to Council.

Action: Anna Grayling: to discuss at next StAG the whole package process and how many people can apply for funding.

- f) **Incentives:** Stephen Lamb
- i) On 28 August 2014 BOPRC approved establishment of an incentives entity with 5-7 board members
 - ii) Government funding sign off needed for this financial year – this is around details and is not a significant risk – no need for StAG members to influence process.
 - iii) More information is at www.rotorualakes.co.nz/Governing_Incentives_Scheme

Action: Gloria to circulate the advertisement for board members to StAG (as a pdf)

Item 6: Draft Rules Consultation and what is needed by 14 October

- i) Efforts to consult Maori landowners has been a struggle - John Fenwick, Clinton Hemana and Arapeta Tahana working on how engage with as many people as possible between now and end of submissions.
- ii) Drystock meeting organised by Federated Farmers on 8 September attracted 89 people. The level of awareness was much lower than for dairy farmers, with opposition to needing a resource consent. Feedback is being collated by the Collective and will be used to by farmers to help their “Have your say” responses.
- iii) Further dairy and drystock meetings planned by the Collective and Fed Farmers
- iv) BOPRC is running a series of open days, particularly targeting small block owners

Item 7: General Business

- a) **Transferable development rights (TDR) update:** Don Atkinson
- i) The Proposed District Plan will go out in two stages, with the “substantive” part October this year, and the TDR and Rural Subdivision chapter later as TDR decisions need to wait for Regional Council rules

- ii) Otherwise, aim to finalize decisions on district plan by 31 October 2014. During this process Cr Hunt is unable to answer questions.
- b) **Farmer Mental Health:** Gwyn Morgan
 - i) A letter has been sent to Strategy Group and Councils
 - ii) Rural Support Trust has said that this type of support outside their scope – they normally focus on severe adverse weather events.
 - iii) A meeting has been set up with MPI's Hillary Conwell. MPI realise there is a national gap in this type of support so they are elevating this internally.
 - iv) Anna Grayling advised that Council is looking into alternative support frameworks in case MPI do not assist – to be discussed at StAG Subcommittee.
 - v) Key support contacts can be put on the Rotorua Lakes website when available
- c) Simon Park spoke about the Collective's new website www.rotoruafarmers.org.nz

Meeting Concluded 12.30pm

Attachment: Lake Rotorua Incentives Board Member Position Description