## Minutes for Lake Rotorua Catchment Stakeholder Advisory Group, 18 November 2014

**Rotorua District Council – Council Chambers**

**1061 Haupapa Street, Rotorua, 9:00 am start**

**Chair:** Tanira Kingi

**Members Present:**

* Collective: Tony Cairns, Jo Carr, Wendy Roe, Giselle Schweizer, Neil Heather
* LWQS: Don Atkinson
* RDC: Cr Karen Hunt
* TALT: Roku Mihinui
* Te Arawa land owners: John Fenwick, Clinton Hemana
* BOPRC: Cr Neil Oppatt

**Others Present:**

Sharon Love (deer sector StAG nominee); Angela Sharples and Gina Butterworth (small block sector StAG nominee and alternate respectively); Simon Park (StAG Secretariat); Gloria Zamora; Christine Paterson; Ollie Parsons (Dairy NZ); Gerard Fellowes; Don Love; Matt Pepper (Fonterra Shareholders Council); Pauline and Richard Kean; Sandra Barns, Anna Grayling, Sarah Omundsen, Hariata Ngatai; Sue-Ellen Craig; Alastair MacCormick, Dwayne McKay (BOPRC staff); Paulina Wilhelm (RDC staff).

**Action summary**

1. Sarah Omundsen: to return to StAG with a larger package on what the starting point options are for NDA’s in February not December.
2. Sue-Ellen Craig: to discuss at next StAG the new Comms strategy.
3. Gloria Zamora: to send StAG contact details to Hariata Ngatai.
4. Simon Park: to add incentives update survey to next StAG agenda.

**Item 1: Welcome, Karakia, Introductions and Apologies**

Chairman Tanira Kingi welcomed StAG members and attendees to the meeting and Clinton Hemana opened with a karakia.

Apologies for absence: Warwick Murray, Ben O’Brien, Leilani Ngawhika, Don Hammond, Warren Webber, Stuart Morrison, Hera Naera and Arapeta Tahana.

Apologies for lateness: Ollie Parsons, John Fenwick

|  |
| --- |
| **Motion: Apologies approved. Hunt / Heather, CARRIED** |

Chairman Tanira Kingi explained the purpose of StAG for potential new StAG members Angela Sharples, Don Hammond, Sharon Love and Gina Butterworth (as an alternate).

StAG came about after extensive negotiation during 2012 and its mandate was reinforced through the early 2013 Oturoa agreement which settled appeals on the Regional Policy Statement. StAG is about compromise and negotiation. Small blocks (under 40ha) represent around 17% of the catchment but knowledge of their land use is marginal. StAG’s main responsibility is to make recommendations on rules and incentives, not to write rules.

**Item 2: Minutes of previous meeting (22 October 2014) including Actions**

1. **Correction:** Remove the second sentence of the StAG recommendation on page 3 as follows: That the starting point for getting down to the Nitrogen Discharge Allowance will be the property benchmark. ~~Where no benchmark exists the starting point will be nitrogen loss associated with 2010-2013 activities.~~
2. Staff noted that for land that has not been benchmarked, Council needs to base allocation on the current activity as it does not have 2001-2004 data, other than aerial photography from 2003, 2007 and 2011 which can be used as a reference points.
3. There are still issues around allocation - these will be covered in a paper next year.
4. Confirmation that Karl Weaver has resigned from StAG.
5. Anna Grayling and Sue-Ellen have met with Arapeta Tahana to design a plan to further engage with iwi on rules and incentives.

**Action:** Sarah Omundsen to return to StAG with a larger package on NDA starting point options in February 2015.

**Motion: 22 October 2014 Minutes approved as amended. Schweizer/Atkinson, CARRIED**

**Item 3: General business items to add**

Rotorua District Plan progress - Paulina Wilhelm

**Item 4: Summary of the feedback on draft rules, next steps - Sarah Omundsen**

1. 330 submissions were received. There was a high-level of engagement and overwhelming opposition to the draft rules.
2. Key themes are covered in the presentation [here](http://www.rotorualakes.co.nz/vdb/document/864).
3. Council has agreed in principle to proceed with developing the draft rules although there may be a notification delay from 31 March to 31 May 2015 to allow consideration of the section 32 report, including the economic impacts assessment.
4. Members asked questions on the current economic impact study. Ollie Parsons noted:
	* 1. Farm equity changes and debt servicing implications would be considered.
		2. The economic model includes small blocks but lifestyle debt/equity impacts cannot be modelled due to lack of data and weak relationship between earnings and capital value for small blocks.
		3. A price of nitrogen will be generated.
5. Council is looking at changes in valuation although many factors impact value.
6. Cultural and social impacts will be covered in another part of the section 32 analysis
7. Next Steps: Draft section 32 package, including economic analysis, going to Regional Council meeting 9 December.

**Item 5: Further Engagement with Landowners – Sue-Ellen Craig**

1. BOPRC Communications strategy changing. The focus will be 3 fold - serve, inform and influence. Key points:
	* 1. Messages will be consistent
		2. Tonality will change, with language to suit farmers and wider community.
		3. Include Te Reo approaches
		4. Focus on meeting people as newspapers and the website have limited reach.
		5. Links with industry partners

**Action:** Sue-Ellen Craig: to discuss new Comms strategy at next StAG.

**Action:** Gloria Zamora: send StAG contact details to Hariata Ngatai.

**Item 6: Farm Nitrogen Plans Update – Sarah Omundsen** (see [presentation](http://www.rotorualakes.co.nz/vdb/document/865))

1. Note the name change to Nitrogen Management Plan (NMP)
2. Farmers have asked Council to reduce the level of detail required for NMP actions
3. The consent will still set the direction to the NDA, while the NMP will indicate how that will be achieved, with NMPs to be updated every 5 years.
4. Monitoring of compliance against the FNP will occur throughout the duration of the consent, not at the point of updating the FNP. The purpose of updating the FNP every 5 years is simply so landowners can adjust their plans without having to apply for a change to the consent.

Discussion points were:

1. Collective StAG members felt farmers cannot have certainty from 20+ year consents if every 5 years Council can reject NMP actions – this is seen as “micromanaging our businesses.” It will also be impractical to define actions to meet 2032 targets. Is there a middle ground?
2. A plan is useless unless you can measure it. Therefore a simple Overseer file confirming a property is doing what the NMP says should be sufficient. The difficulty will be reaching agreement on what the NMP *should* say and whether or not some flexibility is required for farmers to change plans (i.e. update every 5 years)
3. There was some discussion about whether or not landowners need to show any reduction pathway given the rules make it incumbent on individuals to reach the NDAs by 2032. Chairman Kingi reminded StAG that the “managed reduction” commitment came from the Oturoa agreement which was part of a negotiation to settle the RPS and extend the 435 target from 2022 to 2032. The agreement was signed and it is important to maintain that partnership which subsequently enabled the Regional Council and Government to commit to reducing 130 tons N through the incentive and gorse schemes.
4. A question was raised around whether it would be acceptable for the 2022 reduction of 44 tonnes to be managed collectively rather than it be an individual responsibility?
5. Most farmers who participate in Council’s incentive scheme will also be contributing ‘above the line’ reductions (from current levels to NDA levels) so combined with reductions already made there is little risk to the 2022 targets.
6. Cr Hunt stated the community needs commitment. Individually everyone is responsible and collectively everyone is responsible. After 5 years it’s your chance to put your hand up.
7. Consider limiting compliance tests to 2022 and 2032 only with annual Overseer reporting to track and report progress. Given Fonterra and fertiliser companies are doing annual Overseer budgets already, this is achievable.
8. Farmer Max Winters challenged the current focus on farm nutrient losses.
9. It was agreed that further discussions would be progressed at StAG Subcommittee.

**Item 7: Catchment Economic Analysis – Ollie Parsons and Sandra Barns**

1. Ollie recapped the methodology and presented some interim results for farm mitigation cost curves derived from large numbers of Overseer and Farmax model runs across multiple farm types. Some key points:
	* 1. Farmer skill and productivity factors are held constant for future N mitigation scenarios even though both factors will undoubtedly continue to improve. This enables a fair comparison between future and status quo scenarios. A consequence of this assumption is that reduced N loss correlates well with reduced profitability.
		2. The next steps are to apply the NDA constraints from six different NDA allocation options and model these across the whole catchment.
		3. Project is on time and will be delivered by early 2015.
2. Modelling for small blocks is not possible in terms of N reduction related to profit.
3. Small block holders reminded Council that this doesn’t address 1100 families affected.

**Item 8: Updates**

1. Roll out of Advisory Services – Anna Grayling
	* 1. BOPRC has entered into agreements with 7 of 10 entities for Nutrient Assessments and Business Plans
		2. Aim is to complete contracts December 2014 with service beginning in January.
2. Clarifying nitrogen loss levels – Simon Park on behalf of Ben O’Brien
	* 1. Aim to adapt Overseer dairy analysis (presented at October StAG) for drystock
		2. Carry out early 2015 and focus on about 20 larger dry stock farms
		3. Requires negotiation with BOPRC to utilise advisory service capacity.
3. Incentive Board - Anna Grayling
	* 1. First meeting held 17 November 2014.
		2. Lots of work to do: develop plans and develop process.
		3. Board members are Judith Stanaway, Geoff Rice, Tanira Kingi, Tony Petch and Cr Colin Holmes.
		4. A survey of the likelihood of incentives uptake was undertaken by APR and will be presented at the next StAG.
4. “Opportunities Symposium” for February/March 2015 - Simon Park on behalf of Warren Webber (presentation [here](http://www.rotorualakes.co.nz/StAG_2014))
	* 1. Working group identified and needs meet early December to define the scope
5. Land TAG - Simon Park
	* 1. First meeting was held 8 October 2014, focusing on research priorities.
		2. Second meeting will be 26 November 2014.
6. Allocation Workshop - Sarah Omundsen
	* 1. Workshop will be held on 11 December 2014.

**Action:** Simon Park: Add incentives update survey to next StAG agenda.

**Item 9: General Business**

* 1. Rotorua District Plan - Paulina Wilhelm
		1. RDC district plan has been now released - decisions on the RDC website.
		2. TDR framework group has met once and needs to meet again and then present to StAG before RDC’s Hearing scheduled for late March 2015.
		3. Some TDR decisions have been delayed and they are highlighted in the Plan.
		4. Neil Heather noted that most Federated Farmers submission points were not addressed and farmers are planning to go to mediation. If you read the plan and have comments, please send them to Federated Farmers.

**Meeting Concluded 12:20 pm**