Ministry for the Environment
Manatū Mō Te Taiao

Ministry for Primary Industries
Manatū Ahu Matua

National Policy Statement for Freshwater Management Implementation Review

Hawke's Bay

New Zealand Government

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Manatū Mō Te Taiao

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Ministry for the Environment
Manatū Mō Te Taiao

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Regional overview

The Hawke's Bay region covers over 14,000 square kilometres of the North Island's east coast, from the Mahia Peninsula in the north to just south of Pōrangahau. Bordered by the Ruahine, Kaweka, Kaimanawa, Huiarau and Ahimanawa ranges on the region's western and northern fringes, more than 80 per cent of the area is hill country or mountainous. These hills surround fertile plains and coastal lowland areas.

Nearly half of the land area is used for pastoral farming, primarily sheep and beef with some dairy farms and deer.[1] One-third of the land cover is native vegetation, around 12 per cent is exotic forestry and the remainder is divided among horticulture, urban and industrial and other uses. Although they represent a relatively small proportion of the land area, the highly productive Heretaunga and Ruataniwha plains are essential to the region's strong horticulture industry, known for its orchards, vegetable growing and viticulture.

Of the region's 160,000 residents, nearly 80 per cent are concentrated in the urban and suburban areas of Napier, Hastings and Havelock North in the Heretaunga Plains.[2] Agriculture is the largest employer in the region and also the basis of much related industry, including fruit and vegetable processing, wine and transport.

Hawke's Bay has several major river catchments, generally with headwaters in the inland mountains and hills leading to fast-flowing gravel-bottomed rivers with braided lower reaches (figure 1). The Wairoa and Mōhaka rivers drain catchments from the northern and western hills into northern Hawke's Bay. The Tūtaekurī and Ngaruroro rivers flow from the Kaweka and upper Ruahine ranges through the Heretaunga Plains, merging just before their mouth near Clive, and the Tukituki flows from the Ruahine Range across the Ruataniwha Plains towards Cape Kidnappers.

The largest lakes in the region are lakes Waikaremoana and Waikareiti, the Kaweka Lakes, Lake Poukawa and Lake Tūtira. The region also contains important wetland areas including the Pekapeka swamp and Lake Poukawa, Lake Hatuma, Lake Rūnanga and Lake Oingo, as well as several coastal lagoons and estuaries.

The largest and most productive groundwater reserves are the semi-confined aquifers found under the Heretaunga and Ruataniwha plains, but there are also several smaller aquifers around Mahia, Nūhaka, Wairoa, Esk, Poukawa, Papanui and Waipukurau. The Heretaunga Plains groundwater system is complex, with multiple layers and river connections.

The climate is temperate, with variable rainfall. While the western and coastal hills receive 1600 to 2400 millimetres per year, the central plains average only half as much due to a rain-shadow effect. Many parts of the region are vulnerable to droughts and summer dry spells, including the Ruataniwha and Takapau plains areas in Central Hawke's Bay. These conditions have increased dependence on groundwater and led to interest in various water-storage options, such as the proposed Ruataniwha Water Storage Scheme, to create certainty in water

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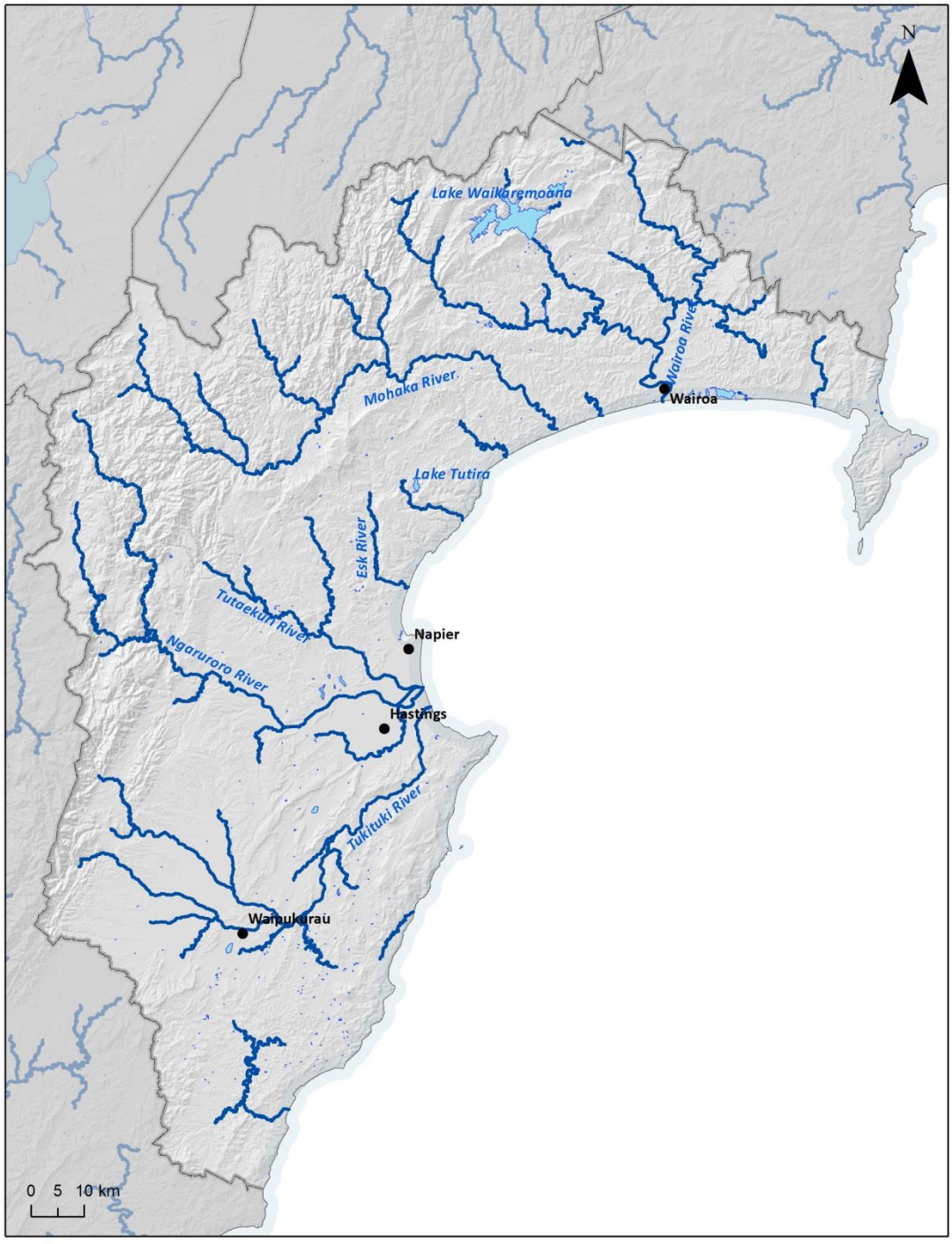
1 Ministry for the Environment. No date. *Environmental Reporting: Area of land cover 1996–2012*. Retrieved from https://data.mfe.govt.nz/table/2478-land-cover-area-of-land-cover-1996-2001-2008-and-2012/data/ (10 July 2017).

2 Statistics New Zealand. No date. *Subnational population estimates*. Retrieved from http://nzdotstat.stats.govt.nz/wbos/Index.aspx?DataSetCode=TABLECODE7501 (13 July 2017).

supply. High demand during summer dry periods can cause Heretaunga groundwater levels to fall and shallow wells to run dry, but recharge from rainfall in the western hills and the Ngaruroro River is sufficient to maintain average water levels over the long term.

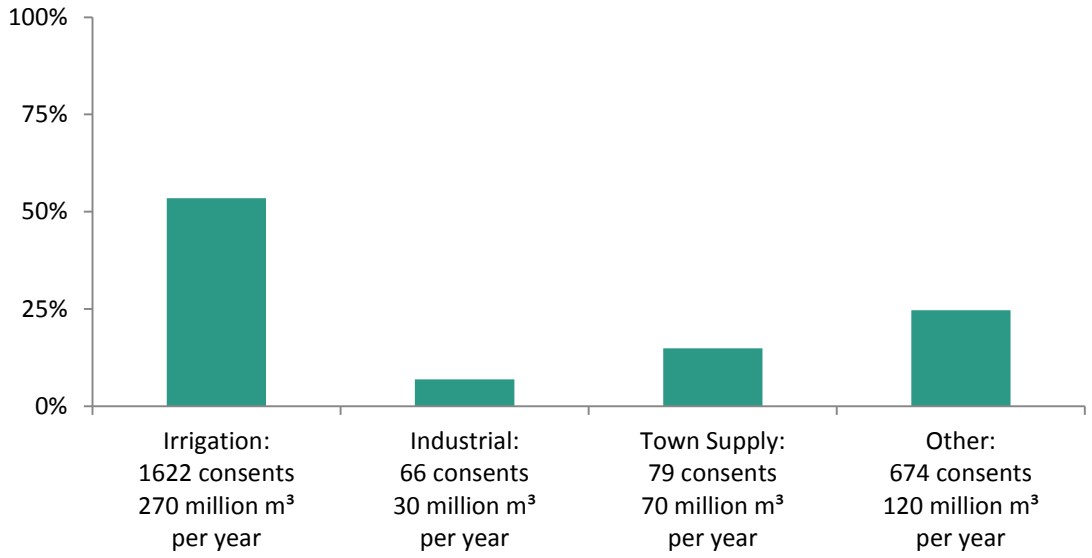
Figure 1: Major water bodies in the Hawke's Bay region



Source: Ministry for the Environment

In terms of water quantity, some resources are fully or over allocated, particularly around areas of intensive horticulture and urban centres. About 80 per cent of the total consented water take volume is used for the agricultural industry, including irrigation, frost protection, stock drinking water, dairy shed supply and nurseries.[3] Industrial processing and potable water account for nearly 8 per cent each (figure 2). Despite commanding significant media attention, water bottling accounts for less than 1 per cent of consented water volumes in the region.

Figure 2: Water take consents by primary use in the Hawke's Bay region



Source: Hawke's Bay Regional Council

River water quality is generally good, especially in the upper reaches of less modified catchments.[4] However, as is common throughout the country, quality declines significantly in some lowland areas, particularly where rivers flow through highly modified land with intensive agriculture and urban development. Erosion and sediment deposition are major issues, particularly in the hill country areas such as Wairoa and Pōrangahau. This is associated with high levels of phosphorus, which is naturally occurring in many regional soils. Nitrogen can be a concern in some areas but is generally a lower pressure on ecological health than other measures.

Because of their location in Te Urewera, the water quality in lakes Waikaremoana and Waikareiti is very good. Lake Tūtira has faced long-term water quality problems, with poor ecological health, high levels of phosphorus and frequent toxic algal blooms that make the lake unsafe for swimming.

Groundwater quality is generally very good and has long been considered to meet standards for human drinking water. However, recent campylobacter contamination of the drinking water supply in Havelock North has raised questions and concerns about the degree of confinement and nearby pressures on water quality. Some small northern aquifers have naturally high mineral content that exceeds drinking water standards.

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[3] Data from Hawke's Bay Regional Council.

[4] Data from Land, Air, Water Aotearoa. Retrieved from www.lawa.org.nz/explore-data/river-quality/ (21 June 2017).

Review methodology

The information and analysis contained in this report are based on evidence collected from a questionnaire completed by Hawke's Bay Regional Council (HBRC), a series of interviews and panel discussions with relevant parties, planning documents and associated reports, and the Ministry for the Environment's ongoing relationships and projects across the region. The overall review team consisted of officials from the joint Ministry for the Environment and Ministry for Primary Industries Water Directorate with the assistance of two independent consultants who are both certified hearings commissioners with more than 30 years of experience in freshwater management.

The review team conducted a series of panel discussions with HBRC executives and elected councillors, senior HBRC staff, tāngata whenua and stakeholder representatives. The stakeholder panel represented a wide range of interests including territorial authorities, environmental organisations and industry sectors. The tāngata whenua panel included members from multiple, but not all, iwi and hapū in the region. Most participants were members of consultative or collaborative groups in the region. Additional interviews and panel discussions were held with representatives from national sector organisations. Following each meeting, attendees were given the opportunity to revise or supplement the meeting notes to ensure their views were recorded accurately.

While the review team has made efforts to confirm accounts where possible, much of the information included in the review is based on the perspectives of those involved and often cannot be verified independently.

Stakeholder and tāngata whenua representatives did not necessarily speak with mandate as official representatives of their organisation nor are they presumed to represent all in their wider communities. They were, however, primary sources with direct experience of the HBRC's work.

Because of varying regional contexts, some issues are considered more or less relevant in different regions. Therefore, some topics that appear in other regional chapters but that were not raised by HBRC, iwi and hapū or stakeholders in this region have been omitted from this chapter.

Regional context for freshwater management

Fresh water is currently managed under the Hawke's Bay Regional Resource Management Plan, which originally became operative in 2006. It has been amended multiple times for issues related to water, including the contentious Plan Change 6 for the Tukituki River. The Mōhaka River has been the subject of a Water Conservation Order since 2004.

The region comprises all or part of six territorial authorities: the Wairoa, Hastings and Central Hawke's Bay districts, Napier city and parts of the Taupō and Rangitikei districts.

Iwi and hapū context

In 2011, HBRC established the Regional Planning Committee (RPC), which is responsible for overseeing the review and preparation of the Regional Policy Statement and regional plans under the Resource Management Act 1991 for the Hawke's Bay region. The RPC comprises 9 councillors and one member appointed by HBRC and 10 tāngata whenua representatives. All members have full speaking and voting rights. The RPC was established as Treaty of Waitangi redress and given legal status as a statutory body in 2015, when the Hawke's Bay Regional Planning Committee Act was passed.

HBRC has received iwi and hapū management plans from seven iwi and hapū whose rohe includes part of the Hawke's Bay region. These and other mana whenua data sets are available for public viewing on an online mapping tool, which is developed and maintained by HBRC. HBRC also reports that it made substantial contributions to a local agency that eventually published 'Mana Ake' – a management plan for a collection of Heretaunga marae.

Most iwi and hapū groups within the Hawke's Bay region have signed Treaty of Waitangi settlements with the Crown. However, not all of those signed agreements have yet progressed to legislation. To date, total financial redress from signed settlements for groups in Hawke's Bay is around $729 million. Several settlements have specific provisions relating to resource management including the following:

- Ngāti Pahauwera (ability to appoint a member of a special tribunal to hear any Water Conservation Order application relating to the Mōhaka River; $2 million towards restoration of the Mōhaka, Waihua and Waikari rivers; ability to grant resource consents for the collection of hāngi stones)
- Ahuriri Hapū (the establishment of an independent body comprising membership from Ahuriri Hapū, the Department of Conservation and local government to coordinate integrated management of the Ahuriri Estuary)
- Te Tira Whakaemi o Te Wairoa (the establishment of a tripartite relationship agreement with HBRC and Wairoa District Council).

Overall approach to implementing the NPS–FM

Progressive implementation programme

HBRC notified a revised progressive implementation programme for implementing the National Policy Statement for Freshwater Management (NPS-FM) in 2015.[5] Its approach involves is a mixture of: reviewing and drafting plan changes and strategies, monitoring and reporting, facilitating water user groups, land management and other non-statutory initiatives.

HBRC notified proposed Plan Change 5 in 2012, which, amongst other things, outlines what catchment-based regional plan changes will need to consider, and the broad approach to be taken to managing nitrogen leaching, faecal coliform bacteria and phosphorus from the use of production land.

HBRC has been working through the NPS-FM objective and limit setting process in three major catchments. These and include the Tukituki River, the Greater Heretaunga Plains and the Mōhaka River.

HBRC has prioritised its approach to freshwater policy review across the region. As the largest and arguably most complex catchments, the Tukituki, Tūtaekurī, Ahuriri, Ngaruroro and Karamū (TANK) and Mōhaka catchments were progressed first.

The programme of regional plan review and development to give effect to the NPS-FM is staged until 2025, but some elements of implementation will be ongoing, such as facilitating water user groups and engaging with iwi and hapū. HBRC incorporates its annual reporting requirements under the NPS-FM into the Annual Report, which is published following the end of each financial year.

[5] The full text of the notified progressive implementation programme is available on the HBRC website.

NPS-FM progress in major catchments

TUKITUKI

During 2006–08, following community concerns about periphyton blooms and water shortages, discussions started on how to better manage the Tukituki catchment. A plan change was proposed to set objectives and limits. HBRC also started investigating feasibility of water storage in the upper Tukituki catchment area, to improve water security for users, provide opportunities for further economic development from the Ruataniwha Plains, while also maintaining or enhancing quality of water. That feasibility work eventually led to the preferred option of the Ruataniwha Water Storage Scheme.

In 2013, a Board of Inquiry was convened to concurrently hear a plan change for the Tukituki catchment (Plan Change 6) and the resource consents for the Ruataniwha Water Storage Scheme. The Board of Inquiry approved the plan change and granted consents, subject to stricter conditions than originally proposed.

Because Plan Change 6 predates the 2014 NPS-FM, HBRC will need to assess the plan to ensure full compliance against NPS-FM requirements before 2025. However, implementation so far has indicated there are significant practical, technical and resourcing challenges with some of the plan provisions that are likely to require review.

GREATER HERETAUNGA–AHURIRI CATCHMENT AREA: TŪTAEKURĪ, AHURIRI, NGARURORO AND KARAMŪ CATCHMENTS, PLUS HERETAUNGA PLAINS AQUIFER SYSTEM

In late 2012, HBRC convened a collaborative stakeholder group to develop a management plan for the Tūtaekurī, Ahuriri, Ngaruroro and Karamū (TANK) catchments. These four catchments (as well as the Tukituki to the south) feed the Heretaunga Plains, where 85 per cent of Hawke's Bay's population live and work and most economic activity takes place.

Progress on developing the management plan for the catchments has not been as quick as initially expected. This is largely due to the significant amount of HBRC resources that the parallel Tukituki plan change process had required and also stakeholders preferring to wait for improved scientific information and the development of complex groundwater and surface water modelling.

The TANK collaborative group (comprising over 30 members) is striving to reach consensus by working through the objective and limit setting process. At this stage, HBRC intends to notify a plan change based on recommendations from the TANK group at the end of 2017. By that stage, the TANK group will have had over 30 full-plenary meetings and dozens of smaller working group meetings.

A Water Conservation Order application was submitted in December 2015 to the Minister for the Environment covering the Ngaruroro and Clive rivers. Some of the six co-applications are also TANK group members (Ngāti Hori, Forest and Bird, and Fish and Game New Zealand). HBRC reports that there is a possibility the Water Conservation Order will divert Council and TANK stakeholder resources to the extent the TANK plan change process will be affected. A special tribunal has been appointed to consider the application but, at the time of writing, had not started proceedings.

MŌHAKA

HBRC has been working with a stakeholder advisory group to develop a catchment plan for the Mōhaka catchment. HBRC is expected to notify a plan change in the Mōhaka catchment by the end of 2017.

Community concerns about land use changes in the upper Mōhaka–Taharua catchments were a driver for the catchment plan. The Mōhaka River has also been the subject of Waitangi Tribunal hearings related to the Water Conservation Order.

Priorities

Issues around water allocation are generally the main driver of water management priorities in the region. When the NPS-FM was released, HBRC was already addressing planning for the Tukituki catchment, which is reaching capacity in terms of the amount of surface water available. The Heretaunga Plains were made the next priority because a large number of consents are due to expire in 2019.

Impact of national policy on progress

HBRC staff report that policy changes at the national level are adding complexity and confusion. Changes to national direction are leading to uncertainty about the degree to which stakeholders and iwi can be involved in regional planning processes. This affects the expectations held by these participants during the processes.

HBRC staff said that changes to the NPS-FM have brought greater expectations for data, monitoring and science reporting. The introduction of the National Objectives Framework and appendix 2 to the NPS-FM in 2014 coincided with the middle of the TANK process. HBRC found this challenging to manage, and the prospect of further changes presents uncertainty about the work of the TANK process to date. HBRC found that certain policies in the NPS-FM are ambiguous, for example, concepts including ‘outstanding waterbodies’ and ‘maintain overall water quality’.

Despite the national focus on nitrogen, HBRC considers sediment and phosphorus to be the main contaminants affecting water quality and ecosystem health in many parts of the region, with water temperature and dissolved oxygen variability also serious concerns. There are a few nitrogen hotspots in areas with more intensive land use, but HBRC does not see nitrogen as a priority issue overall. HBRC and many stakeholders report that they have felt pushed to address nitrogen.

Stakeholder views

Some stakeholders we spoke to had a range of views on HBRC’s progress. Some argued that HBRC had done well with the resources available, and appreciated that HBRC has had to deal with many issues outside its control. Other stakeholders considered that some of the issues were of HBRC’s own making. For example, holding joint hearings for the Ruataniwha Water Storage Scheme and Tukituki plan change made the regional freshwater discussion more contentious, drawing attention and resources away from other important issues in the Tukituki

plan change and slowing implementation in other catchments. Some felt that lakes were being treated as a lower priority despite being arguably the most important.

Stakeholders viewed the Government as slowing progress, particularly the way that changes in policy slowed the TANK collaborative process. They felt the addition of the National Objectives Framework and appendix 2 to the NPS-FM created a substantial change, added complexity and forced focus on specific numeric limits rather than overall environmental outcomes.

They felt that implementation has been a learning process across the country and, by being among the first to undertake implementation with a collaborative group, Hawke's Bay has been at the forefront of this process.

Achieving the objectives of the NPS-FM

Values and objectives

Values and objectives for the Tukituki catchment were identified in conjunction with a stakeholder reference group. HBRC has been working with the TANK collaborative group and Mōhaka reference group to establish values and objectives in those catchments. Similar processes will follow in other catchments at a later date.

HBRC considers that engaging collaboratively with tāngata whenua and stakeholder groups is well suited to identifying freshwater values and objectives. However, HBRC believes that starting the process by setting objectives, without first discussing what outcomes are possible and the changes necessary to reach those outcomes, leads communities to aim for impossible goals. It argues that discussions of objectives must always remain in the context of what is feasible to achieve.

HBRC also felt that the wider community discussions around swimming are over politicised, often based on misconceptions and lacking an understanding of local context. It feels swimming is wrongly being used as a proxy for what should be a wider debate about water quality.

Limit setting and allocation

As with values and objectives, HBRC worked to develop limits and rules with a stakeholder reference group in the Tukituki catchment and is now doing so with a similar group in the Mōhaka catchment. For the TANK catchment, the collaborative group is taking a more active role in the process. While supportive of stakeholder involvement in identifying values and objectives, HBRC has been less positive about its experience using collaborative processes to address complex, contentious issues like setting limits or rules.

HBRC believes that the NPS-FM (and specifically the National Objectives Framework) is structured in a way that makes collaborative consensus difficult. It believes that the limit setting process encourages people to focus on specific numeric limits rather than overall outcomes. HBRC also feels it encourages people to view regional plans as permanent and comprehensive rather than evolving over time. Together, these factors make debate more contentious and delay progress towards practical changes. HBRC might prefer plans that focus more on outcomes and have flexible rules; however, because of historic conflicts, stakeholders may not trust HBRC to carry out such a plan effectively.

HBRC staff also consider that the public does not always trust them when they say which issues should be priorities. For example, HBRC feels that targeting nitrogen will have a lower return on investment in terms of ecosystem outcomes than other factors such as sediment deposition or phosphorous, which are more significant issues for most Hawke's Bay catchments. Because nitrogen is dominant in national conversations and required to be managed by the NPS-FM, HBRC felt it difficult to drive attention toward sediment and phosphorous. Moreover, debates over individual metrics miss important interactions between contaminants, and so may not result in ecological benefits.

Although not yet resolved, HBRC believes water quantity allocation is likely to be managed differently from in the past and is likely to be contentious. HBRC estimates that about 40 per cent of allocated water is unutilised at any given time, because different land uses require water at different times of the year. HBRC hopes to remove the allocation gaps by encouraging efficiency and cooperation between the sectors. It raised the example of the Twyford cooperative water sharing scheme, where members signed over their individual consents to a global consent and self-manage water use within the group.

Stakeholder views

A common theme for stakeholders was that national debates, the NPS-FM and the decisions of the Board of Inquiry considering the Tukituki plan change shaped discussion in ways that were not always positive, making later work in other catchments more contentious and challenging. Specifically, nitrogen and 'dirty dairy' were seen to dominate the wider public discussion despite being low priorities in the Hawke's Bay region. Collaborative group members in the TANK and Mōhaka catchments generally agreed that nitrogen was not the highest priority in the region but were concerned that the community may not understand this. The group members reported that focusing on nitrogen forced farmers to put their resources into the wrong place, frustrating farmers and undermining community buy-in for other efforts.

Iwi and hapū views

Hui participants we spoke to said that, under the Regional Resource Management Plan, they considered that HBRC had increased the minimum flow requirements but had placed no limits on the number of consents granted, resulting in significant over allocation. It was understood that, for the Ngaruroro, HBRC only monitored the main stem of the river, but some tributaries were running dry before the main river reached minimum flow. HBRC uses the phrase 'fully' allocated rivers rather than 'over allocated', which was seen by some as political spin and validating the existing level of allocation. This, they felt, shaped discussions about allocation in the current TANK and Mōhaka planning processes.

Community engagement

Differing engagement processes

HBRC is using different approaches for stakeholder engagement across different catchments. The TANK catchments have a collaborative stakeholder group while the Tukituki, Taharua and Mōhaka catchments all had or have stakeholder reference groups. HBRC believes that catchment areas with fewer people or socio-economic complexities could be addressed with less intensive consultative processes. In the Mōhaka catchment, for example, a lot of community and scientific information was already available to inform changes to land use practices before regulations forced them to. HBRC says it is always looking at improving the way it engages and consults, and tries to make use of the successful elements of collaborative process.

TANK collaborative process

The TANK collaborative stakeholder group was created and given the task of making recommendations to HBRC for improvements to how the regional plan manages land and freshwater resources in the TANK catchment area. The TANK group has more than 30 members, which HBRC now sees as too many. The group can only move at the pace of the slowest members, frustrating those who are more skilled. The process was further complicated by changing national direction and expectations about the scale and level of mana whenua involvement. HBRC staff consider these issues a barrier to the process.

In relation to the TANK plan change, both HBRC and TANK group members were initially naïve about the time and resources needed for the process. Collaborative processes rely heavily on the group's energy, enthusiasm and time. HBRC believes that, in hindsight, the TANK collaborative process was started too early and would have benefited from waiting until more research was completed. This has made it difficult to maintain engagement over the long term, but the group is still going strong.

Under the original terms of reference, the TANK group was intended to set its own direction and work programme but struggled and sought greater council leadership. HBRC felt it had to walk a fine line between providing direction and steering decisions.

HBRC believes that many collaborative group members begin the process with unreasonably high goals and unrealistic expectations about how long it will take to address and reach consensus on certain issues. Adequate time is necessary for collaborative processes to work in a truly collaborative way.

The fact that some collaborative group representatives were taking instructions from national organisations was seen as problematic. Some stakeholders felt this undermines the intent of local collaborative decision-making. The concern of HBRC employees is that local branches of national groups participate in good faith but their head offices ignore these local agreements when submitting on Schedule 1 hearings processes, potentially overturning the hard work previously done within the collaborative process.

It has been a challenge for some group members to connect back to their sector community. Some members had clear mandates from their communities, but others did not and were hesitant to speak for their sector. HBRC has begun efforts to be more transparent and help members in sharing TANK outputs and progress, including publishing bulletins after each TANK group meeting, and supporting sector reference groups. It has also begun a parallel community engagement effort to reduce the risk that some perspectives are not represented.

Stakeholder views

Stakeholders observed that interactions among stakeholders and between stakeholders and HBRC were contentious during the Tukituki plan change but have improved considerably during the TANK collaboration. TANK group members say they still disagree strongly on some matters but largely get along and can work together productively. However, others felt that HBRC may be relying too heavily on the TANK group for definitive answers that the group may not be able to provide.

Some stakeholders were concerned that the lack of funding for less resourced groups to participate in collaboration may be skewing the process and leaving out some voices. They noted that youth groups and tourism or recreational groups were not represented on the membership of the TANK group. Some were also concerned that engagement in the Mōhaka catchment has been limited, which makes the community feel like it does not have a say.

Iwi views

Hui participants were disappointed that the engagement process in the Mōhaka catchment has been less collaborative, compared with those in other catchments, and felt that the area has been a low priority for HBRC. They believe HBRC has pulled back and is using a shorter, less consultative process because of its experiences with the Tukituki and TANK plan changes.

Engagement with territorial authorities

Several cooperative or joint initiatives are in place involving territorial authorities and HBRC that relate to freshwater management (eg, the Heretaunga Plains Urban Development Strategy, drafting of a regional stormwater strategy and shared asset management interests in flood control and drainage schemes).[6] However, work with the territorial authorities has not always been as constructive as it could be. HBRC felt it has had to push the districts to upgrade wastewater systems and to force behaviour change through resource consenting processes, which sets a poor example for the community. Stakeholders argued that slow action by district councils has made it more difficult to convince others to make their own changes. Some water users perceive district councils as using water wastefully (eg, watering roadside plantings and reserves during extended dry periods) while others were on water bans, which results in pushback from farmers.

Territorial authority views

Relationships with HBRC are generally described as positive. The territorial authorities still struggle to balance economic and environmental concerns but have solid working relationships and mutual trust with HBRC.

[6] Note that the regional panel discussions occurred before the campylobacter outbreak in Havelock North and subsequent inquiry. Following the outbreak, HBRC, Hastings District Council, Napier City Council and the Hawke's Bay District Health Board have established the Water Safety Joint Working Group to better coordinate water planning and management.

Engaging with iwi and hapū

Engagement with iwi and hapū

HBRC has had difficulty knowing who to engage with at times, particularly for policy development, but also for some operational projects. It feels that, whoever it speaks with, it is not uncommon for someone to say that it is the wrong person. When iwi or hapū leadership changes, HBRC often has to start the process all over again.

HBRC emphasised the need to distinguish between iwi and hapū. Although HBRC sees central government as engaging with iwi leaders, hapū are more engaged with practical business in local areas. For legal requirements, Schedule 1 refers to consultation with tāngata whenua through 'iwi authorities', so HBRC considers that any direct engagement with hapū and marae exceeds minimum legal requirements.[7] It feels insufficient attention is given to the challenges of capacity and need for engagement at different scales of an organisation. The challenges are not only for hapū and marae groups but also for HBRC in servicing the demands for engagement at this small scale while also still engaging with the wider community at a reasonable scale.

A complex relationship exists between the RPC (comprising representatives from each of the nine large Treaty of Waitangi claimant groups in the region) and iwi and hapū involvement in local collaborative groups. There is also the HBRC Māori Standing Committee, which has been in existence for over two decades.

Iwi views

Hui participants said that relationships between iwi, hapū and HBRC have been improving over time. On the whole, both sides are making attempts to engage with the other, even if they still feel like they are talking past each other at times. Senior staff within HBRC are described as being receptive, but gaps exist in the lower management tiers.

Participants strongly supported the creation of a Māori advisory group to support HBRC and the RPC in the way that technical advisory groups do. The general feeling is that problems would be significantly reduced if more Māori were on staff at HBRC. The perception is that HBRC preferred engaging consultants and experts from outside the region over capable local people. Hui participants considered that skilled local Māori were available and had adequate experience but were insulted that they were not being employed by HBRC to lead projects.

Although consulted by HBRC, the representatives did not believe that Māori were being accepted as full partners. They said it is taken for granted by HBRC that Māori values are included, however, Māori values are often misunderstood, misrepresented and mistranslated into policy.

[7] Note, however, that the requirements in Part D of the NPS-FM refer to both iwi and hapū.

Decision-making

The RPC has made a good faith commitment to "have particular regard" to the TANK group's recommendations, whereas HBRC intends to "give effect" to the group's recommendations. HBRC is aiming to get recommendations from the TANK group by December 2017.

HBRC has signalled that it will consider any consensus the TANK group reaches in good faith. Any regional planning issues where the TANK group does not reach a consensus will be considered by the RPC in the first instance, then HBRC. However, there is no dispute resolution mechanism.

Stakeholder views

Stakeholders were somewhat uneasy about the differing levels of commitment from RPC and HBRC to heed the TANK group recommendations. Group members felt reasonably confident that their agreements would not be undermined or changed by HBRC. However, they were unsure what HBRC would do in cases where the group disagreed.

Some stakeholders felt that HBRC is seen to have a conflict of interest as owner of the Hawke's Bay Regional Investment Company, as a financial beneficiary of the Ruataniwha Water Storage Scheme and as the entity responsible for monitoring and granting consents.

Capacity and capability for freshwater planning

Regional council capacity and capability

HBRC considers itself reasonably well resourced, compared with other councils, but still faces capability issues and said it is often a challenge to find people with the right skill sets. For example, it has struggled to find people with both the environmental and farm skills to produce quality farm plans. HBRC has employed a Māori policy advisor to boost capability, but that role is not solely focused on freshwater policy development.

Monitoring occupies significant council resources. HBRC has had to hire staff and direct more resources to manage the large volume of data being collected.

HBRC does not want to establish a monitoring system covering a variety of water quality parameters only to face challenges (eg, financial) later for coverage of extra parameters. For example, if it was to monitor dissolved oxygen, it would need to invest in 40-plus sensors at $6000 to $8000 each, along with associated infrastructure and installation costs.

Territorial authorities – capacity and capability

Costs for territorial authorities (especially in urban areas) are also likely to increase as community expectations for improved water quality rise. However, it is too early to gauge how much this might cost.

The public does not see the impacts of urban areas on groundwater, making it harder for territorial authorities to justify expensive infrastructure upgrades. There is also the question of who should bear the cost of these upgrades.

Iwi and hapū capacity and capability

Tāngata whenua panel members report being overwhelmed by the number of discussions that they are asked to participate in as part of Treaty of Waitangi settlement obligations. Because only a few people within each iwi or hapū are often responsible for multiple aspects of governance and resource management, they have limited capacity to be deeply involved in each. They have to prioritise the projects where they feel they can be the most effective.

Representatives are often overwhelmed by the volume of information and reports that they must read. For example, one person described having to read a 350 page report before a meeting. It can take days to read and really absorb the material and then additional time to explain to leaders and the rest of the hapū for feedback. Information needs to be condensed and translated into accessible language; however, it must be balanced against transparency. Group members are often only given the interpretations from HBRC but not the actual data.

Stakeholder views

Participants we spoke to were not aware of whether HBRC had sought central government funding to help in meeting water quality outcomes. They referred to the Manawatū Accord as a successful programme that could be worth investigating.

Information

Monitoring

HBRC has been increasing and improving monitoring quality and quantity. Verified metering with telemetric data began around 2009, but data from before then was less reliable. Water users were initially opposed to water take meters, but they have come to appreciate the additional data. The water users have a long-term financial incentive to use better monitoring equipment with telemetry, which requires greater automation of data collection and recording than traditional manual systems.

HBRC reports the community is becoming more sophisticated with regard to water discussions so has pushed for more regular monitoring across a greater variety of parameters. HBRC has had to change its monitoring practices in response to the community and to follow the values identified by the TANK collaborative group. For example, the Tukituki process revealed the need for a greater emphasis on periphyton. HBRC has to predict what research and monitoring will be useful so as to have data available when it is needed to inform discussion.

HBRC felt that it is still unclear what monitoring is required under the NPS-FM. Despite the original NPS-FM being published in 2011, HBRC was frustrated by a lack of guidance from the Ministry for the Environment. HBRC does not want to establish a monitoring system only to be challenged or forced to change it later. Monitoring occupies significant council resources and there is concern that additional measures, which may become necessary in the future, will be prohibitively expensive or impractical.

Mātauranga Māori

There is a growing expectation for mātauranga Māori monitoring to support the values identified in the NPS-FM and through working with tāngata whenua. HBRC is willing to begin but is unsure of how to do so or how to incorporate that information into other forms of data. This includes community monitoring and citizen science.

Data management

HBRC staff said that they have a growing number of environmental monitoring data points being collected each year upon year, which they to need to store, code and keep secure. In relation to groundwater, water quality and hydrology science data alone, HBRC reports it collected over 6 million data points during 2014/15 and over 9.2 million data points in 2015/16. For this amount of information, using common office tools like Microsoft Excel is no longer adequate. Increased data collection to meet NPS-FM requirements also means HBRC has needed to hire staff and invest in improving data management systems. It is possible HBRC will need to pass on costs through rates, if it has exhausted other funding sources.

Scientific and technical knowledge

The need to commission specific research affected the speed at which the TANK process could progress. In the future, HBRC intends to start community and stakeholder engagement

processes only after improved and current scientific information is available. For example, it has started planning its science programme for the Wairoa area, in preparation for future plan change policy discussions starting in 2021.

HBRC says it needs to do more research on coastal sub-tidal habitats, as well as collecting information on freshwater fish populations. It is working with the Department of Conservation and Fish and Game New Zealand to get this information.

Stakeholder views

Sector representatives disagreed about what the science was saying and on basic definitions used to interpret the scientific information (eg, what 'good' water quality means), making it more difficult to have discussions about setting limits or rules. The stakeholders observed that scientists can provide conflicting information and recommendations.

HBRC was seen as trying to gather enough information but being hindered by resources. Development of the groundwater model delayed the TANK process. However, some accepted that the science would never be complete and the group would inevitably have to make choices with a degree of uncertainty.

Iwi and hapū views

Tāngata whenua representatives felt that mātauranga Māori is not fully acknowledged, understood or incorporated into decisions. They say HBRC favours scientific explanations over Māori knowledge and were concerned that how HBRC data was presented could bias discussions.

Plan implementation

Implementation strategy

HBRC felt that a collaborative process could help implementation buy-in and success due to the knowledge the group holds. This is because implementation effort can build upon relationships and shared understanding fostered during policy development phases.

Impacts of implementation

HBRC felt that the real costs of implementing the NPS-FM have not been fully realised. The required regional policy and plan changes were described as merely the tip of the iceberg. HBRC anticipates high costs of implementation in terms of needing to build additional relationships, create education programmes and affect change. Initial estimates have fallen woefully short. HBRC will have to balance the expectation for change against constraints on funding increases (eg, rates and consent monitoring charges) for rising implementation costs.

The costs for farmers to implement changes will divert resources away from other activities and have follow-on impacts throughout the community. Most of the people on collaborative groups are not those who will have to implement the changes, so they may not fully appreciate the challenges. HBRC and stakeholders are both concerned that the final outcomes may not justify these costs.

Non-regulatory work projects

The Mōhaka process was cited as a simpler process by HBRC staff, the community had enough information to make changes to land use practices before regulations forced them to. The community realised it had an opportunity to voluntarily improve practices.

Conclusion and recommendations

The following are the views of government officials about the approach to NPS-FM implementation in the region.

- Despite multiple delays from its original stated timeline, it seems that HBRC has a strategy to implement the NPS-FM within appropriate timeframes.
- TANK collaborative group members appear to be a very engaged and knowledgeable group, which will be an asset for HBRC in setting objectives and limits for the Heretaunga Plains.
- It is encouraging to hear of HBRC's and the community's common focus on achieving freshwater outcomes.
- It is good to hear that HBRC has given the TANK group a good faith undertaking it will give effect to the group's recommendations in the plan change that is publicly notified.
- For the TANK process to be successful, it is important that participants (and the national office headquarters) engage in good faith rather than holding back to re-litigate issues during planning hearings.
- For the package of freshwater management actions to be successful on the ground, it is important that the TANK process gives due regard to their practical implementation. TANK members should be involved in developing an implementation strategy.
- We heard from territorial authority staff that they have good working relationships with HBRC staff. They report that there is still some uncertainty about how establishment of freshwater limits will affect their forward infrastructure planning and resource consents.
- We heard that relationships with iwi and hapū are improving but still have room for further improvement. It may be helpful to:
  - discuss ways to improve Mōhaka engagement with mana whenua
  - build HBRC's internal capability to understand te ao Māori and mātauranga Māori
  - build capacity and capability of tāngata whenua and mana whenua to be engaged in freshwater planning and the management of fresh water.