

# 1. Giving Effect to the National Policy Statement for Freshwater Management – Implementation Work Programme Update.

(Allanah Burgess)

N100-001-04-01

## Purpose of report

1. To provide an update to the Committee on the work programme for the implementation of the National Policy Statement for Freshwater Management (**NPSFM**).

## Executive Summary

2. The Essential Freshwater package, introduced by central government in 2020, creates additional requirements for the Council in respect of freshwater management and protecting freshwater ecosystem health. This includes substantial changes to the NPSFM that the Council is required to give effect to through the Proposed Marlborough Environment Plan (**PMEP**).
3. Happen Consulting undertook an audit of the Essential Freshwater package against the PMEP in May 2021. Reported to the Planning and Finance Committee in June 2021, the MDC Essential Freshwater Audit report concluded that the current PMEP structure and provisions provided a suitable framework to begin the implementation of the NPSFM requirements.
4. The Audit report suggested a two-phase approach to the NPSFM implementation and resultant PMEP variation which is required to be notified by 31 December 2024.
5. A detailed work programme was developed which was reported to the Planning and Finance Committee in September 2022. The work programme is built around three rounds of engagement based on the process steps required by the National Objectives Framework (**NOF**). These will be undertaken between late 2022 through to late 2024.
6. The first round of engagement will look to confirm the FMU's for Marlborough and gather both the community's and tangata whenua's long-term visions and values for the region's freshwater.
7. Engagement with tangata whenua has begun and final preparations for community engagement are being completed including new Freshwater Management pages for the Council website with interactive mapping and surveys. Meetings with community groups, local industry groups and national groups will follow.
8. The first round of community engagement will run from the beginning of December 2022 through to the end of February 2023. After which results will be collated, analysed, and used to form the basis of undertaking the next NOF steps and subsequent rounds of engagement.

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## RECOMMENDATIONS

1. That the work programme update for the implementation of the NPSFM be received.
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## Background/Context

9. In August 2020, central government released the Essential Freshwater package which represents a fundamental shift in the management of freshwater. Full details on the package are available from the Ministry for the Environment website: <https://environment.govt.nz/what-government-is-doing/areas-of-work/freshwater/e/freshwater-reform/>
10. The Essential Freshwater package aims to:
  - Stop further degradation of freshwater;

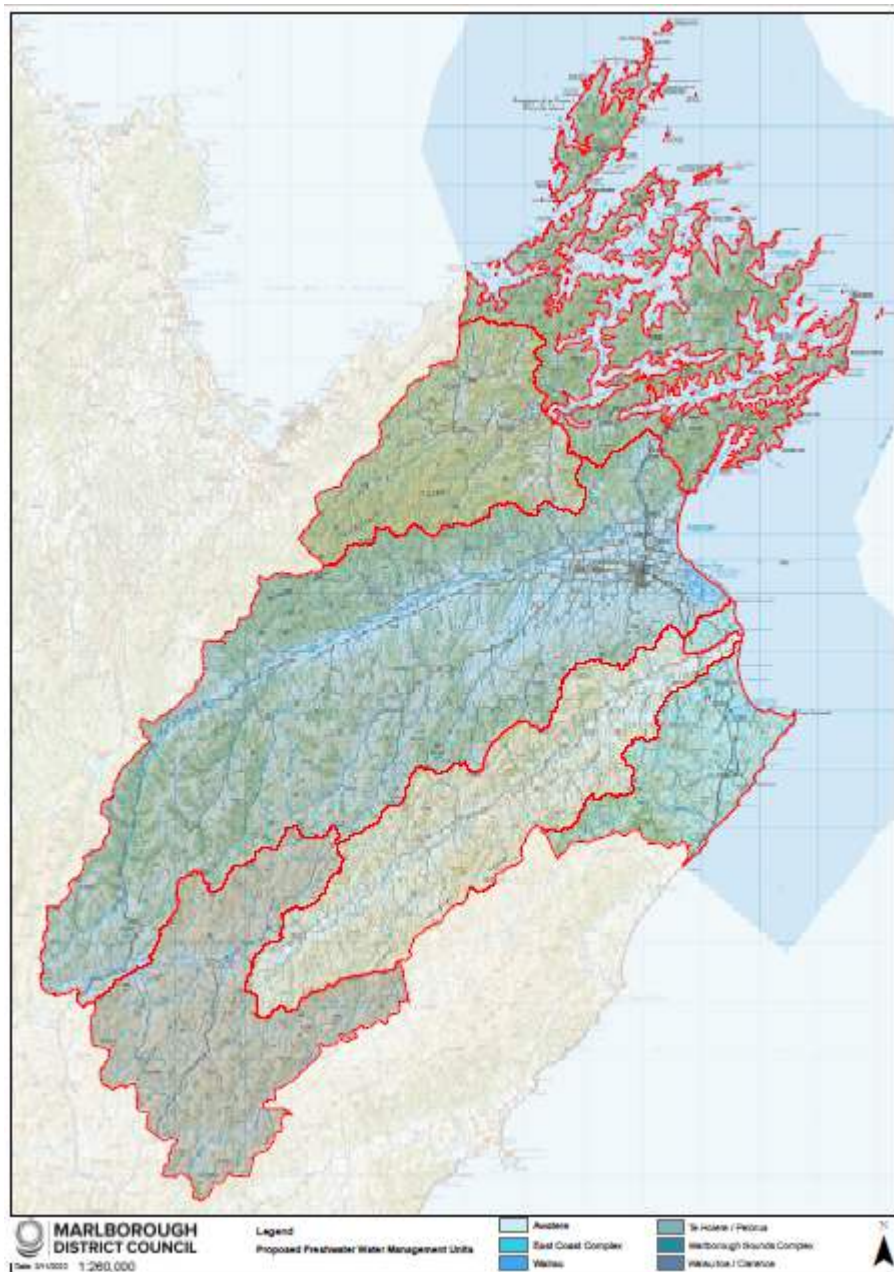
- Start making immediate improvements so water quality improves within five years; and
  - Reverses past damage to bring waterways and ecosystems to a healthy state within a generation.
11. The package includes the National Policy Statement for Freshwater Management 2020 (NPSFM), which replaces the National Policy Statement for Freshwater Management 2017.
12. The objective of the NPSFM is to ensure that natural and physical resources are managed in a way that prioritises:
- First, the health and well-being of water bodies and freshwater ecosystems.
  - Second, the health needs of people (such as drinking water).
  - Third, the ability of people and communities to provide for their social, economic, and cultural wellbeing, now and in the future.

This is known as the hierarchy of obligations (clause 3.1).

13. The NPSFM Policies (clause 2.2) require that freshwater is managed in a way that gives effect to Te Mana o te Wai, and that tangata whenua are actively involved in freshwater management which is done in an integrated way considering effects on a whole of catchment basis with emphasis on freshwater habitat, aquatic life and ecological processes.
14. The NPSFM requires every council to develop long-term visions for freshwater in its region and include these as objectives in its regional plan (clause 3.3). Long-term visions, which can be at Freshwater Management Unit (**FMU**), sub-FMU or catchment level, must set goals that are ambitious but reasonable (that is difficult to achieve but not impossible) and identify a timeframe to achieve those goals.
15. Long-term visions must be developed through engagement with communities and tangata whenua and be informed by an understanding of the history and environmental pressures on the FMU. Ultimately, they are an expression of what the communities and tangata whenua want the FMU to be like in the future.
16. A step-by-step process for implementing the NPSFM is detailed in the National Objectives Framework (NOF), separated into six steps (clause 3.7). At each step Council must engage with communities and tangata whenua and apply the hierarchy of obligations.
- i. Identify FMUs in the region (clause 3.8).
  - ii. Identify values for each FMU (clause 3.9).
  - iii. Set environmental outcomes for each value and include them as objectives in regional plans (clause 3.9).
  - iv. Identify attributes for each value and set baseline states for those attributes (clause 3.10).
  - v. Set target attribute states, environmental flows and levels, and other criteria to support the achievement of environmental outcomes (clauses 3.11, 3.13, 3.16).
17. The legislative timeframe requires Councils to notify a variation/plan change by 31 December 2024. However, the timeframe for action to achieve attribute target states is a long-term process set by Councils in consultation with their communities.

## **Marlborough's Situation and Engagement Work Programme**

18. The PMEP was notified in 2016 and gave effect to the NPSFM 2014. There were amendments made to the NPSFM 2014 in 2017. The Hearings Panel took the opportunity provided by submissions to update the notified provisions where considered necessary. However, there are parts of the NPSFM 2020 that the PMEP does not give effect to and there is potential for conflict between the policies of the two documents.
19. The Council sought external advice on giving effect to the requirements of the NPSFM from Happen Consulting who undertook an audit of the PMEP against the Essential Freshwater package. The “Marlborough District Council Essential Freshwater Audit” was reported to this Committee in June 2021.
20. The Audit report reached a conclusion that the current PMEP structure and provisions provided a suitable framework to begin the implementation of the NPSFM.
21. Section 11 of the Audit report set out a potential work programme divided into several different workstreams and financial years through to June 2025 and then beyond, with the focus on public notification of a variation/plan change to the PMEP by December 2024.
22. The Audit report recommended two phases to the work programme. The first being engagement with tangata whenua iwi and the community to establish visions, values (including mahinga kai and tangata whenua values) and setting outcomes for each Freshwater Management Unit.
23. The second phase involved the setting of attribute baselines and target states consistent with the environmental outcomes established in Phase 1 and then assessment of the current PMEP provisions to establish the extent to which those provisions achieve the community visions and outcomes.
24. An engagement work programme has been developed building on the Audit centred around undertaking engagement on the steps detailed in the NOF and to enable the notification of the plan variation by the deadline of the 31 December 2024.
25. The engagement work programme has divided the NOF steps and Plan variation into three rounds of public engagement.
  - Engagement 1 – FMU Boundaries, Visions and Values – December 2022 to February 2023
  - Engagement 2 – Environmental Outcomes, Baseline and target states for value attributes, environmental flows and levels. - September to October 2023.
  - Engagement 3 – Draft rules and Action Plans - June to July 2024.
26. The first round of engagement focuses on confirming the division of the region’s freshwater into FMU’s for the purpose of the NPSFM and determining community and tangata whenua visions and values for these FMUs (NOF steps 1 and 2). This will provide the foundation for the remaining NOF steps through understanding the values that are important for each FMU which then forms the basis for setting environmental outcomes and ultimately the freshwater objectives in the pMEP.
27. Council have proposed six draft FMUs which correspond to Marlborough’s main river catchments. These are Marlborough Sounds Complex, Te Hoihere/Pelorus, Wairau, Awatere, East Coast Complex and Waiau toa/Clarence. More details for these six FMUs will be provide through the engagement process.



**Draft map of the proposed six Freshwater Management Units for Marlborough**

28. In the NPSFM there are now four compulsory values required to be established for each FMU;
- 28.1 Ecosystem health – freshwater ecosystems are healthy and able to sustain the indigenous aquatic life with a focus on water quality, water quantity, habitat, aquatic life, and ecological processes.
  - 28.2 Human contact – people can connect with water through a range of activities.
  - 28.3 Threatened species – critical habitats and conditions necessary to support a population of threatened species and recovery of that species; and
  - 28.4 Mahinga kai – kai is safe to harvest and eat, providing a range of desired species plentiful enough for long term harvest.
29. Another nine values must also be considered.

- 29.1 Natural form and character.
  - 29.2 Drinking water supply.
  - 29.3 Wai tapu.
  - 29.4 Transport and Tauranga waka.
  - 29.5 Fishing.
  - 29.6 Hydro-electric power generation.
  - 29.7 Animal drinking water.
  - 29.8 Irrigation, cultivation, and production of food and beverages.
  - 29.9 Commercial and Industrial use.
30. The first round of engagement will look to capture as much information as possible from everyone who lives, works and visits the region in relation to those freshwater values and gain an understanding of the community's long-term visions for region's freshwater. This round of engagement is proposed to be run from December 2022 through to the end of February 2023.
  31. Once finished all the data collected will be analysed and reported back to the community and be used as the basis for the next NOF steps and following rounds of engagement. A similar process will be used for all following engagements.

### **Community Engagement**

32. Engagement and information provision will make use of the Council's website functionality and new Freshwater Management pages are in the final stages of development. These will provide users with information as to the NPSFM requirements and details about the proposed FMUs including their physical characteristics, current state of the environment and any challenges they face.
33. For the first round of engagement, the website will utilise GIS mapping tools to allow users to pin-point places that are of importance to them, how they use these locations and what they value about them.
34. A survey will also be used for a more in-depth enquiry into how people value freshwater and what they would like to see for the long-term future of freshwater in Marlborough.
35. During the engagement period there will also be face-to-face meetings held, seeking input from the region's primary industry groups, environmental groups, community groups and other organisations. The aim being to engage with as many people and groups as possible.
36. Several webinars are also likely to be undertaken to give those who do not wish to attend a face-to-face meetings the ability to gain an understanding of this work and be involved and have their say.
37. Council staff had a presence at the recent Garden Marlborough Fete to start community awareness and discussions on freshwater values and visions for Marlborough. There was good community interest and staff talked with and received feedback from the community through out the day. Undertaking similar community events occurring through the engagement periods are being considered because of this successful event.

### **Tangata Whenua Engagement**

38. While anyone can be involved in the public engagements, Council is also working separately with tangata whenua to understand and establish tangata whenua values including, but not limited to, Te Mana o te Wai (the fundamental health of water), ki uta ki tai (from mountains to sea, integrated management) and mahinga kai in a local Marlborough context.

39. This process involves two tangata whenua groups;
- Te Tau Ihu Iwi where Council is involved in an initiative with Tasman District Council and Nelson District Council in a Top of South working group known as Te Puna Kōrero ki Te Taihu (TPK).
  - Council has a separate working relationship with Ngati Kuri and Ngai Tahu.
40. Hui and korero with both tangata whenua groups are being undertaken on a regular basis and the proposed Freshwater Management Units have been presented to Iwi. However, further work is required to ensure these proposed FMUs are appropriate in a cultural context.
41. Council will continue to build our relationship with tangata whenua and work with them through-out the implementation phases and through all engagements, to the extent that they wish to be involved.

### **Option assessment**

The NPSFM sets out prescriptive steps Councils must take to implement the legislation. These are detailed within the NOF and require engagement with communities and tangata whenua at every stage. No other options have therefore been assessed.

### **Attachments**

***Attachment 1 – NPSFM Implementation Work Program as at November 2022. Please note this work programme may change in response to the ongoing engagement process.***

Author	Sarah Brand, Strategic Planner
Authoriser	Pere Hawes, Manager of Environmental Policy