

Hurunui Water Management Strategy

(Our Council's Water Strategy)

Canterbury-wide Initiatives and Background

Water in Canterbury is a very topical and potentially controversial issue, subject to many studies and headline coverage.

The most wide ranging review in Canterbury to date has been the Canterbury Strategic Water Study (CSWS). Stage 1 of the CSWS, undertaken by Lincoln Environmental in response to the severe drought of 1998 and published in 2002, concluded that on an annual basis there is sufficient water in Canterbury to meet likely future demand and development, but that there were seasonal and geographic mis-matches between supply and demand. The initial study concluded that water storage and distribution should be considered as part of meeting future demands for water, to supplement supply in times of low natural flows.

Under the auspices of the Canterbury Mayoral Forum, and facilitated by Crown and local funding, the CSWS progressed 2004 through 2008, respectively identifying a wide range of potential water storage sites (Stage 2), and then undertaking initial high level desk top evaluations of a more limited number of major storage options (Stage 3). These evaluations incorporated environmental, social, cultural, recreational and economic viewpoints and included multi stakeholder group meetings. Stage 3 concluded that a range of issues, opportunities, trade-offs and concerns would need to be considered and managed for any of the storage options to be taken further. Of all the options considered, the Hurunui catchment option (up to 68,000 hectares of irrigated land) was seen to be perhaps the most viable hydrologically, albeit not without other issues and concerns for some stakeholders.

The CSWS findings themselves have subsequently been put on hold (from mid 2008), while wider social, environmental and economic aspects have been canvassed in a structured feedback process (in late 2008). The Canterbury Strategic Water Study itself has been renamed Canterbury Water Management Strategy as it moves through these present Stage 4 reviews, which will culminate in public consultation in May 2009, preparation of the draft overall strategy by June 30, and publication of the finalised strategy in full in Q3. One of the key issues going forward will be certainty and the non statutory status of the Strategy itself, the question of whether or not the Strategy could be incorporated into some form of Regional Policy Statement, the balance between the Strategy and the Natural Regional Resources Plan (NRRP) process and findings of Environment Canterbury

which is underway concurrently, and the Resource Management Act review announced by the incoming National Government.

Hurunui Community Water Development Project

The Hurunui Community Water Development Project (HWP) has been developed progressively since 2004 by a working group comprising 200 Hurunui landowners, Ngai Tahu Property, Mainpower, and the owners of Eskhead Station (where one of the potential storage sites is located). Enterprise North Canterbury (the shared economic development agency of Hurunui and Waimakariri District Councils), took a funding facilitation role through 2008, coordinating approximately \$610,000 of funding through the Crown's Sustainable Farming Fund, concurrently matched \$ for \$ by the landowners and other working partners. On present planning, the project looks to provide up to 42,000 hectares of irrigated land.

At a high level, there is a significant level of commonality between the Hurunui storage option in the CSWS as stated in the foregoing section, and the HWP. The HWP is presently considering its capital and management structure going forward, as a foundation for resource consent application. It also faces the challenges of the Hurunui River Water Conservation Order lodged by Fish and Game, and the Hurunui River flow regimes and activity classifications within Environment Canterbury's National Regional Resources Plan (NRRP) statutory process.

The Wider Scene & Context: a Hurunui Perspective

New Zealand's GDP and national prosperity continues to be based on primary production and exports from the land, and recent developments at all levels seem to suggest that the country's reliance on its land based economy will become even greater in the years ahead. Hurunui has a traditional focus on grass fed food and fibre production, and the present and future prosperity of our communities, and their well being on all fronts, relies on Hurunui continuing to play to this traditional primary sector strength, notwithstanding the challenge of climate change and the possibility of even drier east coast conditions in the years ahead.

The downside effects of the severe droughts of the late 1990s (which in fact triggered the initial Canterbury Strategic Water Study) are testimony to the risk of "doing nothing" with regard to future

proofing our land based production, and our community prosperity. These same droughts, and downturns in the agricultural economy, led to major visible decline in Hurunui's rural townships, and the implementation of a Hurunui Tourism strategy was one of the responses. Given the pressures of the global economy, and international tourism outlook, it is highly unlikely that tourism could be the "saviour" for Hurunui, or the platform for widespread prosperity across all communities and sectors, going forward. Yes, tourism will be important, but it will not replace traditional primary production. Further, it must be remembered that our tourism model itself, captured in the wider concept of "wellness", is land based, given the attractions of our striking landscapes, the traditional North Canterbury rural character and values, the unique Hanmer Springs alpine spa village, viticulture in the Waipara Valley, and more.

Council believes that this issue of prosperity and the critical importance of our land based industries and exports, is even more important than many New Zealanders presently realise. World food production is coming under increasing pressure from the competing interests of bio-fuel production, climate change, world population increase, socio economic growth and development in countries such as India and China...."our planet and global communities need food in ever increasing volumes, and New Zealand's key role, historically, presently and into the future, is as an efficient and sustainable food producer and exporter. Such exports will be crucial to provide for New Zealand's import hungry lifestyle and prosperity for all".

The subject of water is therefore of major importance to the Council. Given the drought prone nature of the Hurunui, the Council believes the future prosperity of the district can only be assured with reliable sources of water to irrigate and support an increasing proportion of its "food and fibre" producing farmland. Further, there is also an ongoing challenge for Council to provide plentiful domestic and stock water supplies, to meet New Zealand's drinking water standards, and to achieve all of the foregoing on a cost efficient and affordable basis throughout the LTCCP planning period and beyond.

Council firmly believes that this 2009-2019 Long Term Plan represents the best opportunity to demonstrate a sense of leadership, by tabling an overall direction for a comprehensive Hurunui Water Management Strategy. The Strategy itself, as contained in this plan, is deliberately brief and high level. Feedback reviewed from this has largely been in support of the strategy. It will now be progressed into the next stage, which will see this strategy developed further.

This initial overview of the Hurunui Water Management Strategy is presented under six key headings:

- Water storage and distribution for productive and community development
- Drinking water quality
- Water conservation and efficiency initiatives

- Water use research
- Environmental, social and recreational interests
- Advocacy

Water Storage and Distribution

Council is fully supportive of the Canterbury Strategic Water Study in its original format, Stages 1 through 3, 2002-2008, which culminated in the identification of a storage and distribution option in the Hurunui catchment capable of benefiting an area of up to 68,000 hectares. Whilst Council accepts that the scope of the original CSWS has now been widened to a range of broader considerations and feedback under the Stage 4 format (now the Canterbury Water Management Strategy), we will continue to advocate for the mayoral forum not to lose sight of the initial objectives and conclusions with regard to water storage and the relationships between water and economic development for Canterbury.

Consistent with the foregoing, Council's position regarding the Hurunui Community Water Development Project is one of encouragement and passive support for the HWP to continue its investigations and planning towards resource consent application. This marks a change, in that previously Council had maintained a neutral stance on this project, notwithstanding the funding facilitation role played by Enterprise North Canterbury. Whilst Council is not planning financial or management involvement in any way, it is prepared to take a publicly supportive position as the HWP progresses its endeavours. This position taken by Council must be read in conjunction with two important over-riding points, namely Council's statutory roles and responsibilities with regard to the Resource Management Act and other legislative requirements, and secondly the importance of the principle of balance as outlined in the concluding paragraph below.

In line with the foregoing, Council opposes the application for a Water Conservation Order (WCO) application being sought for the Hurunui River. Council firmly believes that such an application does not represent the best interests of the Hurunui District, in that if granted a WCO would eliminate any consideration of the storage options and development opportunities that the wider Hurunui community has the right to debate and consider.

Council will support other investigation and discussions with regard to river flow regimes, abstraction and development opportunities in other areas (e.g. Waipara and Cheviot) as appropriate.

Drinking Water Quality

Under this Strategy, Council fully acknowledges that the foregoing focus on productive development must be matched with a similar energy and commitment to drinking water standards, in the Cheviot/Gore Bay urban area where boiled water notices have been in place for many years, and other areas as required. Council will support the efforts of the Cheviot Ward Committee to achieve national prescribed drinking water standards by

the due date of July 2011. Capital provisions of \$579,000 (dependent on 50/50 subsidy), have been made for 2010/11. Full details of Council's approach to drinking water quality, scheme by scheme together with an overview of the national standards, is contained in the Water activities section of this LTCCP (see page 154)

Water Conservation and Efficiency

Council already has tight controls over water use (and charging) through water meters and restrictor valves, in all areas of Hurunui. Under this strategy over the next three years, and recognising our potential vulnerability as an increasingly dry eastern district, we will explore and consult on new conservation and efficiency limitations that could be appropriate, e.g.

- Discussions with developers and building companies regarding mandatory capture of roof rain water for urban gardens, as a specific Hurunui building code requirement.
- Discussions with appropriate parties to ensure Hurunui is at the leading edge of best practice.

Water Use Research

Council will continue its discussions and initiatives (already commenced) with Enterprise North Canterbury and Environment Canterbury, and other agencies, to position Hurunui at the forefront of land use research programmes, projects and pilots with organisations such as Landcare Research, Lincoln University, Ministry of Agriculture and Fisheries, Ministry for the Environment and others, in the interests of both Hurunui locally, and the wider context of Canterbury and other New Zealand rural areas. We believe Hurunui is well placed to pursue this leading edge role, especially given our dry east coast climate, proximity and easy access, and our strong relationships with entrepreneurial landowners and agencies such as Federated Farmers. We believe that this is a critically important component of our overall strategic and comprehensive approach, particularly to demonstrate that the Hurunui Water Management Strategy is not just a "storage" strategy, and not a strategy for bulk application of water without control or without best practice science back up.

Environmental, Social and Recreational Interests

The environmental, social and recreational values of our rivers and lakes are critical to the Hurunui wellness framework in its entirety. This point cannot be overemphasised. Council fully recognises this and supports the concept of having healthy rivers in the district. Such commitment by Council has been demonstrated by our supporting stance on the Hurunui lakes area planning. Council has established a close working relationship with the Department of Conservation and Environment Canterbury and will seek to extend these to other agencies and interest groups on both a general and case specific basis (e.g. our present work on the Waipara River is an example

of our commitment to play a proactive role in facilitating solutions balancing environmental, recreational and other interests).

Advocacy

It should be clear from all of the foregoing that Council sees the Hurunui Water Management Strategy as a critical component that has the potential to influence, positively or negatively, every aspect of well being and prosperity in this District. Accordingly, Council is committed to pursue every advocacy role it can, in support of the Hurunui Water Management Strategy itself, in whole or in part. In particular, we will:

- Continue to play a positive, proactive part in the Canterbury Water Management Strategy
- Lobby Government to potentially position the Hurunui Water Project as a possible core infrastructure development, in the interests of Hurunui, Canterbury and NZ
- Maintain and/or build relationships with all key stakeholders and interest groups

Conclusion: The Key Principle of "Balance"

The inclusion of this Hurunui Water Management Strategy as outlined has been deliberately designed to spark discussion and feedback on the core strategic issue of water. We cannot over emphasise the key principle of balance that we firmly believe must be achieved if true prosperity for all is to result. This is not a strategy about irrigation and land use development at any cost. It is equally not a strategy about locking up our resources and assets for the benefit of a few, whoever they may be. The guiding themes of the Hurunui Water Management Strategy are responsible and sustainable growth and development for Hurunui and the prosperity of its communities whilst concurrently protecting natural and traditional environmental and recreational values, and at the same time pursuing and applying leading edge and best practice land care research, scientific advances in water use efficiency and water conservation. Hurunui has the potential to be NZ's pilot for such a balanced, comprehensive and critically important strategy. That is the role we plan to take, with our community's support and encouragement.

Council Controlled Organisations

The Hurunui District Council has financial interest in the following Council Controlled Organisations:

- Hurunui Holdings Limited
- Enterprise North Canterbury
- Transwaste Canterbury Limited
- Canterbury Economic Development Company

Hurunui Holdings Limited

Hurunui Holdings Limited is 100% owned by the Hurunui District Council. The Company was incorporated in July 1995, with a principal activity to arrange the sale of the Lyttleton Port Company Shares previously purchased from the Council. The transaction of the sale of the shares was completed in June 1996.

In May 2004, Hurunui Roading Limited, a former Local Authority Trading Enterprise (LATE), was amalgamated with Hurunui Holdings Limited.

The Company is retained as a 'shelf company', principally due to the fact that it has significant tax losses to carry forward. The future of the Company is being reviewed.

Key Performance Targets and Objectives

1. The Company's main activity is investment of funds. No formalised performance targets or objectives have been proposed for the Company.

Enterprise North Canterbury

Enterprise North Canterbury provides promotions and economic development services for the North Canterbury region. On behalf of Waimakariri and Hurunui District Councils its activities are focussed on developing existing businesses and promoting new businesses within the region. The Trust also promotes the region as a visitor destination.

The Mayors of the two Councils are trustees and the two Chief Executive Officers are advisory trustees. Other trustees are appointed jointly by the Hurunui and Waimakariri District Councils.

Key Performance Targets and Objectives

1. Sustaining and growing existing business and promoting new business in the region.
2. Promoting and facilitating sustainable land use in the region.
3. Leading and facilitating the promotion of the region as a desirable place to live, learn, play, spend, and invest.
4. Promoting the region as a local, domestic, and international tourist place.
5. Stimulating the development of the human capital of the region.

Transwaste Canterbury Limited

Transwaste Canterbury Limited operates a regional landfill at Kate Valley and associated transport services in a joint venture with Canterbury Waste Services.

The Hurunui District Council is one of the councils in the Canterbury region which between them own 50% of the shares in Transwaste Canterbury Limited. Hurunui's share of the Company amounts to 1.2%.

The council shareholders appoint representatives to a joint committee which in turn appoints four of the eight directors.

Key Performance Targets and Objectives

1. Ensure that Transwaste performs in accordance with its Statement of Intent.

Canterbury Economic Development Company

The Canterbury Economic Development Company is a new Council Controlled Organisation (CCO) that enables the allocation of regional partnership funding for economic development from Central Government for the Canterbury Region. Two of the ten Company Directors represent North Canterbury; one was nominated by the three Councils (Kaikoura, Hurunui and Waimakariri District's) and the other is an industry representative endorsed by the Councils.

These directors will represent North Canterbury during the contestable funding allocation processes to be undertaken by this CCO.

Key Performance Targets and Objectives

1. Facilitate project proposals in the region.
2. Provide leadership to stimulate and transform the Canterbury economy.
3. Communicate national shifts to regional economic development role players.

Sustainability

INTRODUCTION

Sustainability is a key ideal of the Local Government Act 2002. Section 14(1) of this act sets out the following requirements:

- (h) in taking a sustainable development approach, a local authority should take into account—
- (i) the social, economic, and cultural well-being of people and communities; and
 - (ii) the need to maintain and enhance the quality of the environment; and
 - (iii) the reasonably foreseeable needs of future generations.

These factors are of relevance to most Council policies and activities, and, where appropriate, we will explicitly address the ideal of sustainability in relation to these.

They also tie in with some major climate change issues that merit some discussion here. The Council is mindful of trends in these areas, and will aim for compliance with any central government initiatives, but the District has long been subject to adverse weather events, and the Council does not see climate change as a matter of top priority.

THIS PLAN AND OTHER COUNCIL INITIATIVES

Sustainability issues are discussed throughout the Groups of Council Activities chapter of this plan, especially in the introduction, where they are explicitly addressed in a section considering the “significant negative effects and sustainability” of Council activities. In the Policies section of this plan, the topic of sustainability is raised in the Significance Policy, in which the current and future wellness of the Community is taken into consideration in determining whether or not any issue is significant. It is also raised in the Revenue & Financing policy, in which the sustainability of the means of funding each Council service is considered.

“Environmental Responsibility” is one of the key community outcomes identified by the people of the Hurunui District for the purposes of this plan, and the Council will be monitoring this and working towards it where appropriate. The Council will, for instance, look to review its purchasing policies to bring these, wherever it is reasonable to do so, into accord with the principles of environmental sustainability. It has also incorporated an “environmental wellbeing” dimension into the vision of “Hurunui Wellness” that forms part of the framework for this plan. Other initiatives include the Council’s Biodiversity Strategy, which was adopted on 28 August 2008, the Regional Forest and Coastal Parks, and the Walking and Cycling Strategy, which was adopted on 30 April 2009.

CLIMATE CHANGE

A “once in 50 year flood” on 30/31 July and a “once in 25 year flood” on 26 August 2008 caused considerable devastation, with widespread damage to roads, fences, floodgates and tracks. This was compounded by the fact that the floods came not long after a major drought, due to which many farmers were already struggling financially. The Ministry for the Environment warns us to expect an increase in the frequency of such extreme weather events, and compounding factors such as rising sea levels, due to “climate change” brought about by “human activity increasing the natural level of greenhouse gases in the atmosphere”.

This is a controversial topic, but whether or not the floods and drought were caused by climate change, and whether or not such climate change is primarily due to human influences (there is much debate about this, even amongst the “experts”), it is clear that we need to be prepared to respond to such events in order for farming and other key activities in the District to be economically and environmentally sustainable. In the recent incidents volunteers and Enhanced Task Force Green workers have helped restore farms and have lifted farmer morale, but the ideal for the future will be to improve drainage so that the severity of future events is lessened. There will be increased costs associated with this.

EMISSIONS TRADING / CARBON TAX

The Emissions Trading Scheme was a central government driven initiative aimed at moving New Zealand towards compliance with international protocols for offsetting the human influenced drivers of climate change. With the recent change of government there has been some discussion as to whether a “carbon tax” might be a more effective way of achieving this end.

Either way, it is likely that in the near future some financial compensation will be required from industries that produce emissions. In the Hurunui District, forestry and farming stand to be most affected, but until the details of the Emissions Trading Scheme (or carbon tax) are finalised, it is difficult to say precisely what the impact upon these industries will be. Federated Farmers have staff dedicated to monitoring and producing responses to these issues, and should be able to provide reliable advice to farmers on these matters in the coming years.