HURUNUI DISTRICT COUNCIL

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Long-Term Plan 2021–31 Environment Canterbury PO Box 345 CHRISTCHURCH 8140

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Submission on Environment Canterbury's Long Term Plan

Hurunui District Council thank Environment Canterbury for the opportunity to comment on their Draft Long Term Plan. We acknowledge the significant progress Environment Canterbury have made particularly in the freshwater space over the last ten years. We also wish to acknowledge the work Environment Canterbury has been doing managing the wilding pine population and managing the flood protection and land drainage schemes.

The Hurunui District consists of predominantly dry land farming, we are a carbon sink for the rest of the region and we have some of the best remaining biodiversity in Canterbury. However, our rates are increasing significantly more than those in Christchurch for example. The rise is unpalatable and unaffordable for many of our rate payers and we cannot support rate rises as significant as those proposed in either Option 1 or Option 2. HDC submit that Environment Canterbury focus their attention on a priority work programme and consider what other identified work streams can be delivered over the life of the LTP.

We outline our four key concerns below.

1. Impact of increased rates on rural properties

Owners of large land parcels pay the lion's share of our region's rates and therefore are the hardest hit by any rates increase. Environment Canterbury need to be more responsive to this group who are paying a disproportionate amount.

It is also unclear in the LTP why rates within urban settlements within the Hurunui are increasing so much compared to the regional average. A search of over 20 Hurunui properties failed to identify any properties that were to experience a rates increase less than the regional average. The table below shows some randomly selected properties within our District and the effect of Option 1 on their rates.

Type of property	Area	Effect of Option 1 on rates
Urban residential	Amberley settlement	+39.6%
Urban residential	Hawarden settlement	+44.5%
Urban residential	Hanmer Springs settlement	+34.4%
Rural	Amuri	+25.9% or \$2,685
Rural	Cheviot	+26% or \$1,904
Rural	Amberley	+26.4% or \$930

The table above highlights several issues:

a. The rate impact on rural properties

Both the requirements of the Land and Water Regional Plan and the government's freshwater package increase the work and investment required of farmers. This increasing workload and financial burden is not likely to reduce in the foreseeable future with more direction in regards to climate change and biodiversity anticipated.

We agree that improving freshwater and biodiversity outcomes are important but question the proposed journey to get there. One example within our District is a property facing a \$4,251 increase in rates. This property looks after their own land and water, they already comply with the freshwater legislation and they pay a substantial water charge to the Amuri Irrigation Company, of which a decent proportion goes towards improving catchment environmental outcomes. HDC recommends Environment Canterbury provides more encouragement to farmers in this category who are already achieving environmental outcomes. It is significantly more satisfying for these land owners to do "what's best" as opposed to doing what is required to meet regulations.

HDC believes there needs to be more incentives and support for farmers to do things on the ground instead of increasing their rates and introducing more regulation. Everyone has a limited amount of time and money they have to manage. By increasing rates to employ people to help farmers plant trees it reduces the amount of money for farmers to undertake their own work. If left in the farmers pocket they can use this money to plant trees or install fences or undertake other initiatives that are going to be the more effective at achieving environmental outcomes on their properties.

Moreover, farmers have an array of other costs such as resource consent fees. These are 100% cost recoverable regardless of the benefits of the project. Costs should be attributed based on who is benefiting, who is exacerbating the problem and any element of public good. There are benefits in requiring resource consents however if the process becomes too cumbersome or expensive on individuals you end up with the perverse outcome of people not putting the culvert across the waterway because it is too hard or people doing unconsented works. The overall cost of the implementation of changes on farmers needs to be considered more holistically.

b. The rate impact on residential properties

It is not clear why the cost of rates on residential properties within the Hurunui District have increased so significantly above the regional average. Random residential properties in the Hurunui District show rates increases of between 34.4% and 44.5% for Option 1 however the example Christchurch property only faces a 18% increase for the same scenario. It appears that the costs of the work outlined in the LTP is to be disproportionately funded by those in rural communities despite Christchurch having significantly greater transport issues, significantly worse water quality and significantly less biodiversity.

We also note that a settlement like Amberley has a median age of 50.3 years, compared to Christchurch at 37.1 years. Over a quarter of the Amberley population is over 65. Our aging population means that we have a disproportionally high number of residents who are now on fixed incomes and a 35% plus rates increase is simply unaffordable.

The LTP states that: "Council has weighed up the desire to move with urgency on the activity outlined in Option 1, with the need to ensure that affordability and overall impact is considered." HDC do not agree with this statement and believe that the LTP demonstrates a lack of understanding of the cost of the delivering the work on individual property owners particularly those in rural districts.

c. Affordability

Environment Canterbury set a self-imposed 5% limit for rates increases. Random residential properties within the District show rates increase of between 34.4% and 44.5% for Option 1 and even in the Christchurch example the property faces a 18% increase for the same scenario. HDC support Environment Canterbury's Financial Strategy and believe the Council should be doing more to ensure they abide by this as closely as possible.

d. Cost sharing

It appears the cost of the work programme outlined in the LTP is to be disproportionately met by those in rural communities. As discussed above our District and particularly some of our settlements have a disproportionate number of people on fixed incomes. There does not seem to be any clear reason why a property is Hawarden is facing a 44% increase and a property in Christchurch is only facing a 18% increase.

We also question why the Uniform Annual General Charge is set so low. Environment Canterbury seem to have taken the approach of charging the property instead of charging the people that are going to benefit from the work. This means some property owners are disproportionately affected by the rates rise despite the benefit of the work largely affecting the whole region. We believe more work is required to reduce the rates increase and share what is left more fairly between all Canterbury residents.

2. Spread the work over the period of the Long Term Plan

HDC generally support the work proposed in the LTP however the LTP front loads all of the work into the first year. The purpose of a LTP is to establish a long term work programme with goals and targets. It is not necessary to achieve everything in year one rather it is more important to establish that there is a pathway and funding stream to achieve the work.

HDC have not gone through the work programme in detail to establish what is and is not a priority within each portfolio. We believe this is better done by the experts within Environment Canterbury. However we wish to make the following general points:

a. Staffing requirements

To deliver on the additional work a significant number of new staff or consultants are required. Such staff need to be suitably qualified for the work they are going to undertake. Recruitment takes time and training takes time. It is not unrealistic to assume that given the volume of new staff required that it will take the whole financial year just to have them employed and trained to a level where they can do their job efficiently and effectively. The focus should be on putting the right person into a role not simply filling roles.

Moreover, the whole region is competing for consultants. This has the potential to impact on the timing of both your own work programme but also the work programme of your partner agencies or landowners. There is only a limited pool of experienced staff with the capabilities required to deliver the work outlined in the LTP.

b. Resources of the community to respond

The changes and requirements disproportionately affect rural communities. The rural community are already fatigued with all of the changing regulation.

Change requires both innovation and disruption. The Canterbury Water Management Strategy was a project that caused disruption and demanded sudden change. This disruption was required to improve environmental outcomes. The Essential Freshwater Package is doing the same and the climate change legislation is likely to have a similar disruptive effect. However, constant disruption causes fatigue and eventually you lose good will. Disruption has its place but periods of innovation are needed too where the focus can be on incremental change. The focus should be on continuous improvement not constant disruption.

In the freshwater space there seems to be a lack of understanding about the long journey Canterbury has been on. There are changes that are still to be actioned and the impacts of the work will take time to be actualised. Communities need time to invest in and respond to change. If the goal posts keep moving people will stop trying to aim for them.

c. The plan can't be all things to all people – and it doesn't need to be

The LTP needs to reflect a work programme that is both achievable and affordable. This involves prioritising what needs to be completed this year and what can realistically wait until next year. The consultation document bundles the work and does not set Environment Canterbury's priorities. This makes it hard to unpack. Not everything can be a top priority.

Scanning over the levels of service a number of these require education campaigns or advertising campaigns as a measure of success. The reality of this is there is a limited amount of information ratepayers are able to engage with meaningfully. As Environment Canterbury learnt through the Canterbury Water Management Strategy, projects are most successful when driven from the bottom up. While one portion of the rate payer base might want action on everything immediately, the reality is that only a very small portion of the rate payer base is willing to engage and effect on-the-ground change. Unfortunately it is the same people who are willing to engage and work towards change. Care has to be taken not to tire those people out – you need them to drive you projects from the ground.

d. The LTP should set the journey

Day one of managing water quality does not start on 1 July 2021 when the LTP takes effect instead it has been a long and painful journey. Environment Canterbury has accomplished a significant amount in the freshwater space for example however, the plan does not acknowledge where we have come from and where we are in the journey. We do not dispute the destination but the journey and the timeframes for getting there need to be realistic.

As an example in the "Water and Land" portfolio it states "we are building community engagement and action as a partner within the Canterbury Water Management Strategy, accelerating regeneration of the natural environment through Zone and Regional Delivery projects and campaigns..." Environment Canterbury has already been doing this for over 10 years. There is no acknowledgement of the work that has come before. Throughout the portfolios the levels of service do not show a journey rather there is a trend to have the same level of service year after year.

3. Don't anticipate legislation

In freshwater and air quality Canterbury has led the way but that doesn't mean we have to lead the way on everything.

Leading the way in freshwater has put us at the forefront of freshwater management in New Zealand. That said we were not rewarded by the Essential Freshwater Package as a result of this work and are now required to do more work to bring Canterbury in line with the new legislation. Needing to do work twice increases the cost to the community and means the goal posts keep moving punishing those that invested early to do their part in improving water quality.

There is a whole raft of legislation coming from central government in the next 12-18 months including the Natural and Built Environment Act, the National Policy Statement for Biodiversity, the National Climate Change Adaptation Plan and the Emissions Budgets. Until such legislation is finalised we don't know for sure what the requirements and responsibilities for Council are going to be. While we have may some indication of a direction, doing too much work to pre-empt the change may end up costing the ratepayer more in the long run. While we await the documents we should be in a period of incremental change in the right direction as opposed to trying to make fundamental changes.

4. Address duplication of workloads

Earlier in the submission we identified that the increase in rates is simply unpalatable. As an industry we need to find ways to work smarter, more efficiently and focus on what we are good at.

For example the government is currently putting significant time and money into developing legislation around climate change which ratepayers are currently being taxed for. Territorial authorities are also undertaking significant work in this space as the organisation responsible for controlling land use which ratepayers are currently being rated for. Ngāi Tahu are also doing work in this space as are many other government and private organisations.

Yet the first two levels of service for climate change are:

- Provide information advice, tools and resources through climate change communication projects.
- Increase the number of people who feel educated about how they can be part of adapting to climate change.

We note that both of these are about talking to the community about climate change. If Environment Canterbury wishes to work within this space it would seem prudent that the focus is on providing climate change science that territorial authorities can use to inform their work so we don't have situations where one approach is taken on one side of the river and another approach is used on the other side. We also note that the measures for these levels of service are about delivering campaigns and undertaking surveys. They aren't about working in partnership or actioning meaningful change in this space.

Alternatively a number of farmers generally do want to improve ecological outcomes on their farms and would benefit from a service where they can seek advice. However, such a service cannot be provided successfully by Environment Canterbury as farmers generally do not want Environment Canterbury investigating their farm for fear of further regulation. However, organisations such as the Queen Elizabeth II Trust are well placed to deliver such advice independently. We believe there is benefit in helping to fund a position in some of these organisations instead of holding the resource within Environment Canterbury. This also facilitates a ground up approach and provides farmers with someone who is able to help navigate Environment Canterbury's complex system of red tape.

5. Conclusion – let's focus on the must haves

In conclusion the LTP needs to focus on the must haves. People are still feeling the impacts of Covid-19 and this is a time to focus on a hierarchy of need as opposed to trying to tackle everything in one go.

Environment Canterbury is in a privileged position whereby protecting the environment is the core business. At a time where all organisations are having to trim budgets to focus on core deliverables Environment Canterbury can provide that constant for environmental protection. While other organisations are having to cut funding to biodiversity or pest control groups it is a space where Environment Canterbury can show real leadership and offer enduring funding so the hard work achieved one year is not lost the next year.

HDC wish to be heard in support of their submission.

Manie & Black.

Yours sincerely,

Marie Black

Mayor (on behalf of the Hurunui District Council)

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