

Notice is hereby given of the

## Strategy and Policy Committee - Rautaki me Mahere

**Thursday 12 December 2024 at 9:00 am**

Environment Southland Council chamber, 220 North Road, Invercargill  
24/S&P/72

### Committee Members

Cr Lyndal Ludlow (Chair)  
Cr Neville Cook  
Cr Paul Evans  
Cr Alastair Gibson  
Cr Robert Guyton  
Cr Peter McDonald  
Cr Jeremy McPhail

Cr Jon Pemberton  
Cr Phil Morrison  
Cr Maurice Rodway  
Cr Eric Roy  
Chairman Nicol Horrell (*ex officio*)  
Mr Stewart Bull (Mana whenua representative)  
Ms Ann Wakefield (Mana whenua representative)



# Agenda

*This meeting will be livestreamed through YouTube and will be available to view on our website.*  
<https://www.es.govt.nz/about-us/live-stream>

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Rachael Millar

**General Manager Strategy, Policy and Science**

RECOMMENDATIONS IN COUNCIL REPORTS ARE NOT TO BE CONSTRUED AS COUNCIL POLICY UNTIL ADOPTED BY COUNCIL

## Terms of Reference - Strategy and Policy Committee

Council assigns to the Committee responsibilities from time-to-time, and the Committee provides advice and reports back to Council on:

1. the provision of governance oversight into the development and review of plans, policies, strategies and by-laws;
2. the recommendation to notify proposed changes or variations to proposed plans, policies, strategies and by-laws;
3. the governance oversight of consultation related to regional policies, plans and strategies;
4. the appointment of hearing committees or panels to hear submissions on regional policies, plans and strategies;
5. undertaking Water and Land Plan associated project work;
6. the receipt, and if necessary endorsement of, scientific studies/reports; receipt of SOE reports and/or score cards;
7. the compiling of submissions to Government as needed (if the Council timetable does not provide for same).

## **1 Welcome I Haere mai**

## **2 Apologies I Ngā pa pouri**

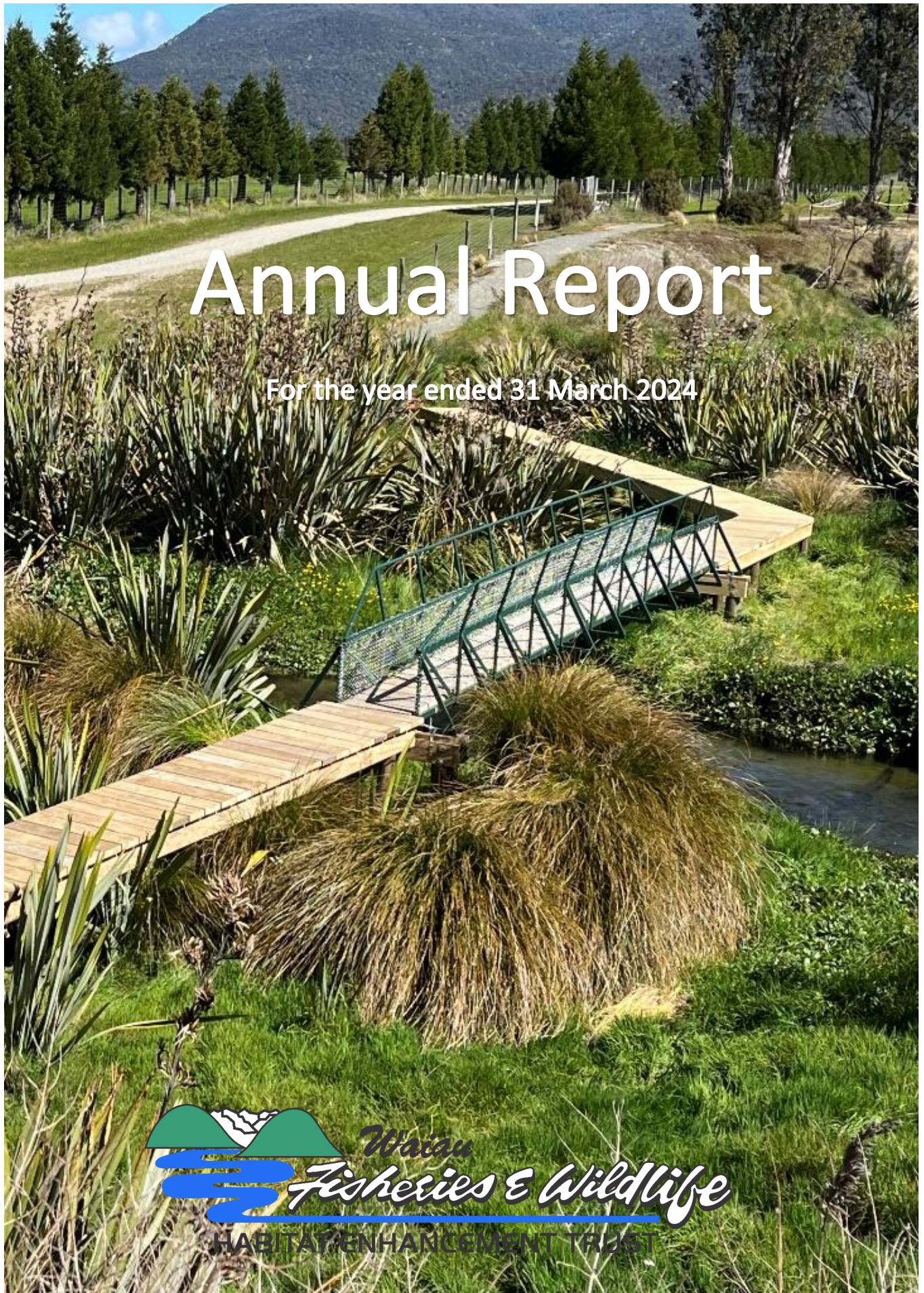
At the time of the agenda closing, no apologies had been received for this meeting.

## **3 Declarations of interest**

At the time of the agenda closing, no declarations of interest had been received for this meeting.

## **4 Public forum, petitions and deputations I He huinga tuku korero**

Claire Jordan and Roger Hodson from the Waiau Fisheries and Wildlife Enhancement Trust will join the meeting to present an update on the Trust's annual report and achievements for the year.



# Annual Report

For the year ended 31 March 2024



*Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024*



*Trustees and contractors at the new viewing area at the Wairaki oxbow wetland, February 2023.*



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Front cover: new Home Creek footbridge.

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## Executive Summary

This year, the Waiau Habitat Trust celebrated 27 years of operation. The Trust, alongside landowners, has protected an additional 4.4 km of stream and 28.53 ha of wetland and riparian habitat was achieved. 2.7 ha of this protected area is newly created open water habitat. Further work has progressed on the Wairaki Oxbow Wetland restoration project, alongside the Smith Family, with further planting, weed control and installation of a trap network undertaken. The Trust has also continued its predator trapping network and macroinvertebrate and bird monitoring programmes. The Trust completed construction of a second walking bridge at Home Creek, the walking track is now within the fenced area and no longer interacts with the neighbouring farm's lane way. The Trust values its ongoing relationships with QEII National Trust, Landcorp Farming, the community of the Waiau Catchment, Environment Southland and Meridian Energy, among others. The Trust spent \$423,823, with a trading surplus of \$27,970, or a surplus of 360,905 when including a revaluation of the investment portfolio, with a ROI of 7.7%.

## 1 Introduction

The Waiau Fisheries and Wildlife Habitat Enhancement Trust (Waiau Trust) is pleased to present the twenty-seventh Annual Report.

This report has been prepared in accordance with Public Benefit Entity (PBE) Accounting Tier Three standards issued by the External Reporting Board. This includes a "Statement of Service Performance" of non-financial information. The Statement of Service Performance documents Outputs and Outcomes in relation to established projects and new projects that arose during the year. The Output categories are derived from the Trust Deed and Supplementary Deed of Variation Objects and Purposes. It includes the mandatory Statement of Financial Performance.

Similarly, these documents determine the Outcomes, around habitat enhancement, public access, education and advocacy for the environment. These, combined with the Strategic Plan, drive the Trust's activities and determine progress toward achieving short, medium and long term Outcomes.

This Annual Report also performs the important role of being a historic record of all Trust activities since inception in 1997.

### 1.1 History

The Waiau Habitat Trust was established in late 1996. In 1990 ECNZ (now Meridian Energy Ltd) began the process of renewing the Resource Consents for the Manapouri Power Scheme. Between 1990 and 1996 the power company and the Southland community (through the Waiau Working Party community consultative group) worked together to address the adverse effects of the Manapouri Power Scheme on the Waiau catchment, and in particular the Lower Waiau River. The establishment of the Waiau Trust was one of the negotiated outcomes of the Resource Consent renewal process.

### 1.2 People

The Trustees of the Waiau Habitat Trust for the 2023/24 year were:

**Mr C.A. McCulloch (Chairman)** – Cam is retired from a career as a Chartered Accountant in Public Practice.

His involvement in the environment started as Secretary of the Southland Acclimatisation Society (now Fish and Game) a position he held for 17 years. Cam specialised in the Fishing Industry during his time in public practice. This involved setting up processing and marketing facilities for inshore fishing plus setting up a deep-water Fishing Company which involved negotiating with Korean and Japanese deep water fishing companies. He was also involved in setting up a live Lobster processing and marketing company which involved travelling

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throughout Asia setting up markets over a significant period. Cam held Directorships in the Health Industry, the Banking Industry and the Electricity Industry over a long period of time.

Cams' community involvement included a period as a Trustee in The Community Trust of Southland, Chairman of Invercargill Rotary Club and life membership of Bluff Coastguard as a result of his involvement in their fund raising for a new Vessel.

Cam has been Chairman of Waiau Trust for 18 years and is a joint nominee of the Fish and Game New Zealand, Southland Region and the Department of Conservation.

**Mrs G. Dickson** – Glenys is a retired farmer with experience in Central and local Government which gives her strong skills in policies and legislation, particularly Resource Management where she is a certified RMA commissioner.

She has a background in accounting practises and has owned a successful business.

She has sound experience in Governance being the Chair of Southern REAP a director of REAP Aotearoa, Director of Gore Health, Chair of Forest Hill Foundation Trust, a trustee of Mid Dome Wilding Pine Trust and presently a Gore District Councillor.

Glenys was a past member and Chair of the Southland Conservation Board and has a keen interest in Conservation and the environment.

Having a residence in Te Anau gives Glenys the opportunities to enjoy and experience outdoor recreation, with particular interests in water quality and predator control.

Making a positive change to protect and enhance the environment for future generations to enjoy is her motivation.

Glenys is a nominee of the Department of Conservation.

**Mr J.D. Whitehead** – John is a retired farmer. He is experienced in negotiating environmental outcomes and consensus building and has a sound understanding of governance issues and conservation laws and policies. His lifelong interest is in natural history and conservation, in particular, high-country issues, rivers, and indigenous fisheries management and Predator Free 2050.

John is Chair of the Pomona Island Charitable Trust (an Island restoration project), a trustee on the Waiau Fisheries & Wildlife Habitat Enhancement Trust, a trustee on the Mid Dome Wilding Pine Trust, and a member of the Whenua Hou Management Committee. His outdoor recreation interests are tramping and predator control.

John is a nominee of the Department of Conservation.

**Mr A Feierabend** – Andrew is a qualified resource management planner and has held a number of different roles within local government before joining Meridian Energy Limited in 2010. Andrew brings a wealth of management experience to the Trust as well as his understanding of resource management and plan making processes.

Andrew enjoys his connection to Southland which has become a second home via his statutory advocacy and stakeholder role he holds with Meridian. He has a keen interest in the natural environment and enjoys tramping, mountain biking and fishing when his spare time allows.

Andrew is the Statutory and Compliance Strategy Manager, Meridian Energy, nominee of Meridian Energy Ltd.

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**Mr G Watson** - Graeme is involved with farming, fly fishing guiding tourism and is a Trustee of the Whakatipu Wilding Conifer Trust. He is a former Chairman of Southland Fish & Game and was the Southland representative of the QEII National Trust for 8 years.

Graeme is a nominee of Fish and Game New Zealand, Southland Region.

**Mr P Sutton** – Peter is a keen hunter and angler and was a Fish and Game Councillor for over 10 years. During that time he was a Southland representative on the National Fish and Game Council, and the Chairperson of Fish and Game Southland.

Peter is a nominee of the Fish and Game New Zealand, Southland Region.

**Mr M. O'Brien** – Farmer of Monowai, joint nominee of the Fish and Game New Zealand, Southland Region and the Department of Conservation representing the rural community in the Waiau Catchment.

**Mr Nathan Cruickshank** – Nathan joined the Trust in 2023. Nathan has extensive experience in managing and advising in on-farm biodiversity, both on his own property and in Environment Southland's Land Sustainability Team for 15 years. This includes water quality testing, riparian management, winter grazing plans, rule interpretation, investigating constructed wetlands and producing farm plans. The Trust is excited to welcome Nathan as a Trustee.

All Trustees were reappointed for a further 3 years in June 2022. Nathan Cruickshank was appointed in 2023.

The Trust's operations are managed by a team of independent contractors:

**Roger Hodson** – Roger is the Trust's field operations manager. Roger has a background in water resource management experience including hydrology, freshwater ecology, and water quality, having worked as senior environmental scientist for Environment Southland for many years.

**Kristy Nind** – Kristy looks after the Trust's financial and administrative functions. Kristy is a chartered accountant, who joined the Trust in 2021. Kristy lives with her family in the Waiau Catchment.

**Claire Jordan** – Claire has a background in environmental science and resource management planning. Claire undertakes planning, consents, compliance and strategic policy work for the Trust. Claire has been with the Trust since 2019, and calls the Waiau Catchment home.

This annual report has been prepared by the three contractors. Photographs featured in this Annual Report are taken by Roger Hodson unless stated otherwise.

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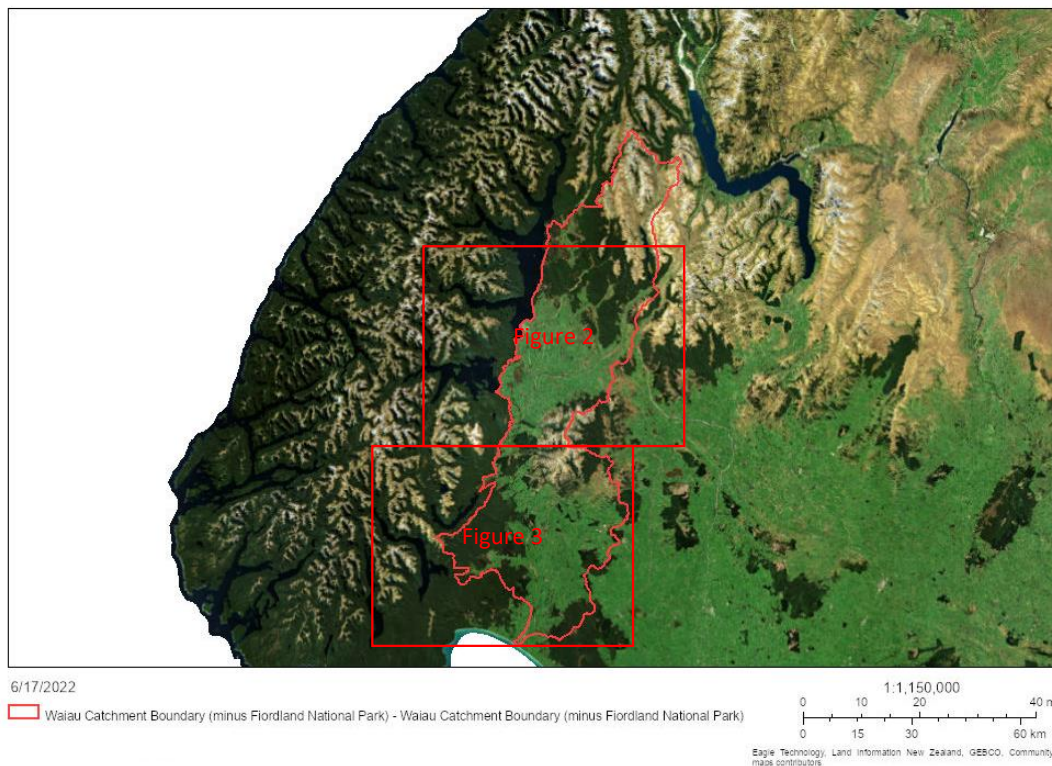
**1.3 The Trust’s work**

The key focus of the Trust’s mahi is riparian and wetland habitat protection and enhancement. This primarily involves wetland creation and riparian fencing. The Trust also provides opportunities for the community to engage with the Waiau River through providing river accessways throughout the catchment.

While the Trust owns and manages some project sites, the majority of its work is undertaken on the land of others, and the Trust is incredibly grateful to those landowners for their commitment and contribution to habitat restoration and enhancement.

The Trust’s activities are governed by the Trust Deed and Supplementary Deed of Variation, in particular the Objects and Purposes of these Deeds, which are provided in Appendix A. The Trust’s Strategic Plan 2020 also provides direction to the Trust’s activities, and is available on request.

The following maps give a sense of the geographic spread of the Trust’s projects across its workstreams.



*Figure 1: Waiau Catchment excluding Fiordland National Park, which is outside the Trust’s work programme.*

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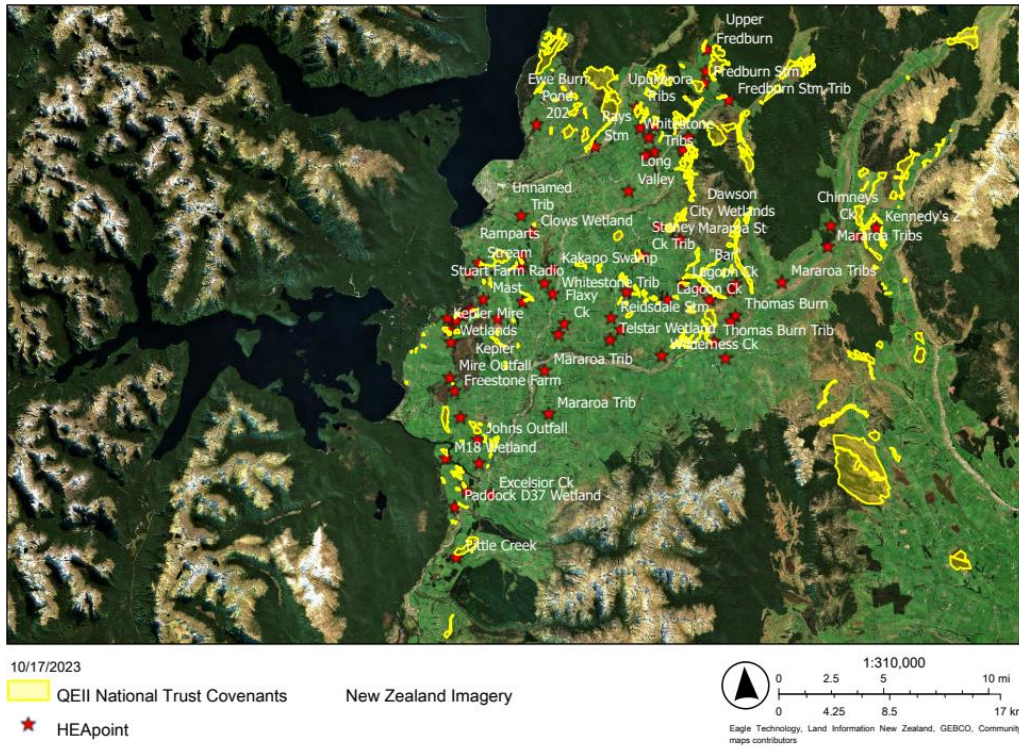


Figure 2: Habitat Enhancement Agreements and Joint QEII Projects, Te Anau Basin.

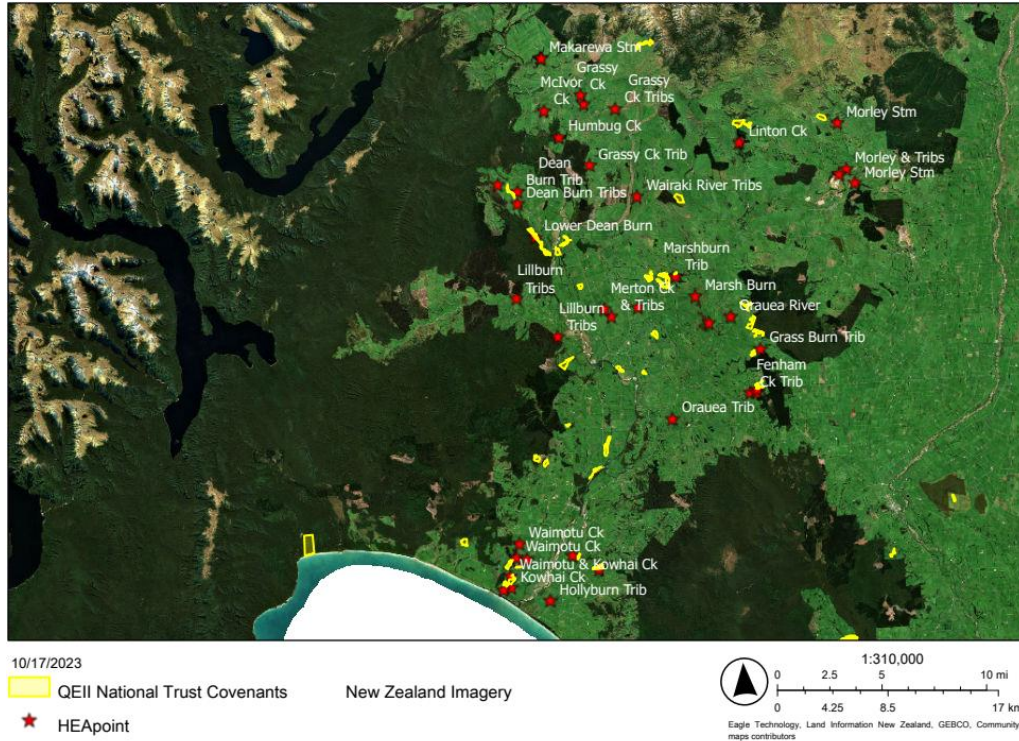


Figure 3: Habitat Enhancement Agreements and Joint QEII Projects. Lower Waiau Catchment.

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## 2 Summary of income and expenditure

Detailed financial statements for 2023/24 are presented in Section 5 of this report.

### 2.1 Investment of the Trust fund

The Trust has developed a Statement of Investment Policy and Objectives (SIPO) to manage and monitor the Trust Fund. The fundamental principles of investment of the Trust Fund to create cash flow for the Trust in the short-term, and growth of the Fund in the long-term. It has clear objectives and operational parameters around both the fixed income and equity assets investments. The SIPO is reviewed regularly, most recently in 2019/20.

From time to time the Trust independently reviews the management of the portfolio and the performance of the Fund Managers. Currently, three Fund Managers - Craigs Investment Partners, Jarden's and Milford Asset Management manage the Fund. A breakdown of the funds managed by each Fund Manager is given in Section 3.2.1.2 and 5 of this report.

### 2.2 Investment results

Investment of the Trust Fund produced a positive return this year, after a difficult 2022/23 year. The return from all 3 Fund Managers was 7.7%.

### 2.3 Summary of expenditure

Project by project expenditure is outlined in Section 3(A) of this report.

For the year 2023/2024 the Trust budgeted to spend **\$645,759**. Adjustments were made to project targets during the year and priorities changed as the year progressed. Actual expenditure for the year was **\$423,823**. The Trust's expenditure since inception now totals **\$8,911,314**. This compares to total revenue for the same period of **\$12,435,761**.

## 3 Statement of service performance

### 3.1 Project expenditure and achievements (inputs and outputs)

#### 3.1.1 Output A – Main Stem Wetland habitat enhancement projects

Habitat enhancement projects are the Trust's flagship projects. They typically involve riparian wetland restoration or creation near the main stem of the Waiau River. These projects seek to restore parts of the extensive riparian wetland systems that was present along the Waiau River prior to diversion.

##### 3.1.1.1 A3 Home Creek Riparian Habitat

###### 3.1.1.1.1 Expenditure

Budgeted **\$22,800**, Actual **\$18,313**

###### 3.1.1.1.2 Key outputs/measures this year

*Maintenance: Annual pest plant spray programme focusing on gorse and broom across the site and spraying of the walking track.*

*Capital: Installation of a second footbridge and board walk approach to complete the loop track without accessing the adjacent farm lane was completed.*

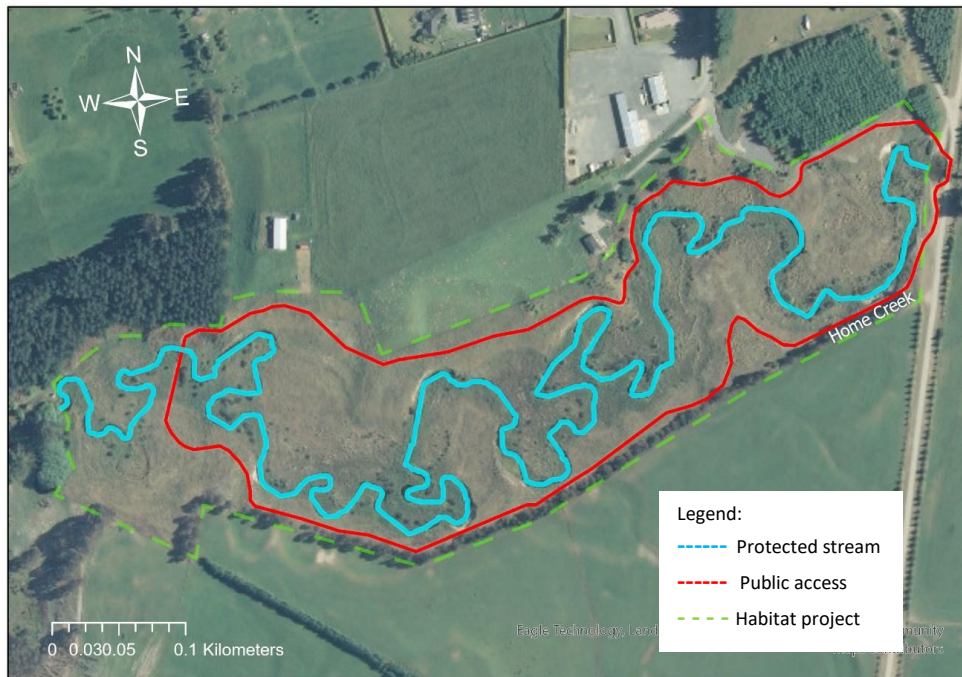
###### 3.1.1.1.3 Description of the project

This 14 ha project is located 1 km east of Manapouri and is accessible via a sign-posted public road from the Manapouri-Hillside Road. The permanent protection, through fencing (1997) and removal of grazing animals, continues to benefit this unique meandering stream and its riparian habitat.

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The 1.6km circular walking track around the lower part of the property, is popular with local people and visitors to the area; being an integral part of the Manapouri community "green belt". The track is maintained to a high standard.

Native restoration planting at the site has been underway for 20 years. Over 25,000 plants have been planted since 1998. It is a difficult site for plant establishment. Summer droughts and late spring frosts can impact new plantings.



*Figure 4: Home Creek Habitat Project.*



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*Figure 5: New foot bridge and board walk installed at the upstream end of the Home Creek Walkway.*

#### 3.1.1.1.4 Achievements and progress

##### 3.1.1.1.4.1 Maintenance

Annual pest plant spray programme, focusing on spraying the emergent broom seedlings throughout the area and the walking track.

##### 3.1.1.1.4.2 Capital

The Home Creek Project has become increasingly popular with members of the New Zealand Motor Caravan Association, which has a holiday park adjacent to the Project. In response to concerns about the hazard to pedestrians from the road bridge, at the eastern end of the loop track, a new footbridge was installed. This removed the need for walkers to pass through a gate onto a farm track, cross the bridge, and back through a gate on the other side to complete the loop. Removing the potential for interactions between pedestrians, stock and farm machinery. The New Zealand Motor Caravan Association provided \$20,000 towards the bridge through its Greenfund initiative, and Cam and Wendy McDonald, who own the adjacent farm, contributed \$5,000 towards the cost. The Trust is extremely grateful to both the NZ Motor Caravan Association and the McDonalds for their contributions to the bridge installation.

#### 3.1.1.2 Inanga Waiiau Mouth Habitat Project

##### 3.1.1.2.1 Expenditure

Budgeted **\$63,300**, Actual **\$46,680**

##### 3.1.1.2.2 Key outputs/measures this year

*Administration: Application to change resource consent, including compliance reporting requirements approved.*

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*Maintenance: Pest plant spray, wetland infrastructure, diversion channel inflows, footbridge repairs.*

*Monitoring: Bird surveys, wetland inflow recordings, pest trap monitoring.*

*Capital: additional Flax fields established with flax removed from NZTA highways near buy*

**3.1.1.2.3 Vision**

The Trust vision for the project is to enhance whitebait (predominantly inanga) habitat in the vicinity of the Waiau Lagoon and maximise opportunity for successful spawning and rearing of inanga, to benefit the whitebait fishery in the Waiau catchment.

In addition, maximise habitat benefits for other fish and wildlife species, as far as possible without detracting from the primary purpose. To also provide visitor facilities to enhance public use of the area and increase public understanding and appreciation of the habitat enhancement work at the site.

**3.1.1.2.4 Description of the project**

This project is located on Meridian Energy Ltd (MEL) land and DOC administered land, adjacent to the Waiau Lagoon, at the mouth of the Waiau River. Between 1999 and 2004 the Trust carried out whitebait habitat enhancement in the area on a small, experimental scale, creating 6 ha of open water whitebait (*inanga*) rearing habitat. Monitoring of the ecological outcomes of that work and expert advice received gave the Trust confidence to expand the scale of this project. This expansion involved the creation of large open water wetlands (30 ha in total), hydrologically linked to the Waiau River and Waiau Lagoon, on the low-lying flat paddocks adjacent to the Lagoon.

The below map shows the project site, comprising three 'suites' of wetlands, each approximately 10 ha in size. The Whitehead suite was constructed in March 2009. Originally water was pumped from the Holly Burn to supply the wetlands. Wetland water levels fluctuated with the seasons and the volume of water pumped, but they provided valuable fish and bird habitat. The McCulloch Suite followed in 2012, which is gravity-fed by a diversion channel from the main stem of the Waiau. 2015 saw the Inder Suite constructed, gravity-fed by another diversion channel 300 m upstream. As shown in the map below, the Inder Suite discharges into the McCulloch when full, and then into the Waiau Lagoon. Since 2016, the Inder Suite has also supplied the Whitehead Suite via a syphon, making the pump obsolete.

These wetlands has been hugely successful from a fisheries and wildlife perspective.

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Figure 6: Waiau Mouth Habitat Project.

**3.1.1.2.5 Achievements and progress**

Maintenance activities included pest animal trapping, pest plant spraying, and maintaining wetland infrastructure and the integrity of the diversion channels. We undertook spring bird counts, recorded wetland inflows and monitored the number and species of pests caught.

**3.1.1.2.5.1 Resource consents**

The Trust holds four resource consents at the Waiau Mouth Wetlands. RC 205792 was for the diversion of water from the Holly Burn, which is no longer undertaken.

Resource consents for the diversion from the Waiau River into the wetlands (AUTH-20211137-01) and discharge into the Waiau Lagoon from the wetlands (AUTH-20211137-02) were obtained in 2021 for a duration of 35 years. The Trust was not compliant with AUTH-20211137-01 in the 2022/23 year due to a change in interpretation of the conditions by Environment Southland Compliance, i.e. the operation of the wetlands was the same as previous years which had been deemed fully compliant.

In response to this, the Trust sought to change the offending condition, and used the consent review process to rationalise the compliance reporting at the same time. The Trust was successful in having the condition

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deleted and was subsequently fully compliant in 2023/24. The annual compliance reporting component has also been removed from the consents.

There is also a land use consent AUTH-20158428 to disturb the bed of the Waiau River side-braids. These 'dry cuts' are required periodically to maintain water supply into the diversion channels. Large floods change the river bed and channel pattern, while low flows (<50m<sup>3</sup>/s) can cut off flows down side-braids supplying the wetlands. This consent was used during this financial year. Consent compliance requirements involve reporting to Environment Southland before and after each time the consent is exercised. These requirements were met.

**3.1.1.2.5.2 Maintenance**

The nature of this project and its location, in a highly dynamic environment, means maintenance is an ongoing task.

Ground spraying of gorse/broom occurred in March 2024 - along the wetland dams, around the shorelines of the wetlands, the Inder diversion channel banks and regrowth at previous spray sites. This is an annual programme.

As a result of the change in the bed of the Waiau, and the resulting increases in wetland inflows, the wetlands have been full for the whole reporting period.

**3.1.1.2.5.3 Monitoring****3.1.1.2.5.3.1 Bird Surveys**

Two bird counts were completed this year, results shown in Table 1. All wetlands were counted, which can be difficult, so numbers should be treated as a minimum. Wetland water levels were at design (full) on the days of all counts. When the wetlands are a 'full' capacity the available feeding habitat for wading species such as dotterel is reduced.

This year Australasian Bittern have been observed, this is likely a reflection of their ability to travel vast distances meaning their absence during counts may not mean they have not utilised the habitat over the course of the year.

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Table 1: Results of Bird Surveys 2023/24. Greyed species have been observed in past surveys, but were not observed in 2023/24

Waterfowl	Water Associated Species		International Migrants	Other Species
 120 132 Mallard Duck	 35 0 Black-billed Gull	 South Is Pied Oystercatcher	 Bar-tailed Godwit	 4 0 Welcome Swallow
 52 21 NZ Scaup	 18 0 Pied Stilt	 Australasian Bittern	 Banded Dotterel	 1 1 Harrier Hawk
 13 0 Shoveler Duck	 4 2 Little Shag	 White Heron	 Asiatic Tern/Little Tern	 NZ Falcon
 1 0 Black Swan	 4 0 Royal Spoonbill	 Southern Skua	 White-winged Black Tern	 South Island Fern Bird
 Grey Teal	 3 0 White-fronted Tern	 Black-fronted Dotterel	 Sanderling	
 Canada Geese	 3 0 Black-backed Gull	 NZ Dotterel	 Glossy Ibis	
 Paradise Duck	 2 2 Pukeko	 Caspian Tern		
	 0 2 Spur Winged Plover	 Wrybill Plover (juvenile)		
	 0 1 Black Shag	 Marsh Crake		
	 1 0 White-faced Heron	 Black-fronted Tern		

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Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan Watson - Spur-winged Plover; Glenda Rees - Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell - Redpoll; Phillip Griffin - Starling; Raewyn Adams - Scaup; Rebecca Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross - Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead - Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.

3.1.1.2.5.3.2 Pest control

The pest trapping programme is an ongoing commitment for the Trust, involving 22 DOC 200 traps, 5 DOC 250 traps (designed for ferrets and feral cats) and 3 Timms traps (feral cats and possums). The trap network is shown in Figure 7 below. During the 2023-2024 financial year, the traps were checked on 9 occasions, while visiting the area for other purposes. Results from the permanent trapping programme are shown in Figure 8. Stoats, rats and cats are the main predators. While the stoat numbers are down on last year, their numbers are still of concern and a larger number of Weasels than previous have been caught. The pest control is an important aspect of this project.



Figure 7: Map of the Inanga Project showing the trapping network.

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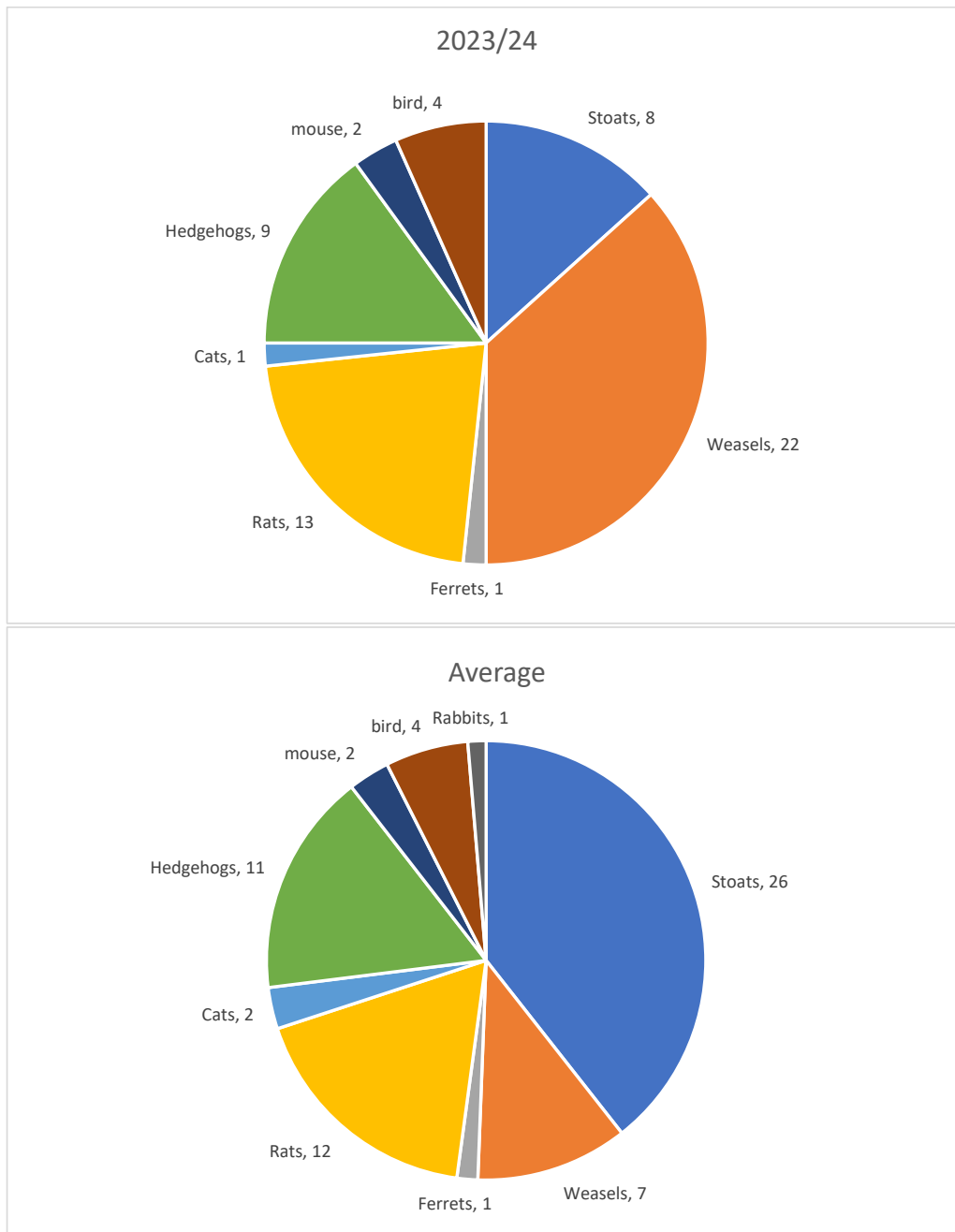


Figure 8. Pests Caught at the Inanga Project in 2023/24 compared to the annual average over the lifetime of the trapping programme.

3.1.1.2.6 Land management

Fowle Contracting of Orawia continue to harvest the standing grass at the project site, on areas of the project site not required for wetland creation. Baleage is cut, usually two to three times per year, on the 12 ha of higher terrace and some larger areas adjacent to the main wetlands. The Trust regrassed the higher terrace in December 2022. The Trust remains responsible for soil testing and fertiliser application on the higher terrace.

*Waiiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024***3.1.1.3 Lower Waiiau Whitebait Habitat – Papatotara****3.1.1.3.1 Expenditure**

Budgeted \$ **13,000**, Actual \$**13,275**

**3.1.1.3.2 Key outputs/measures this year**

*Administration and Planning: Completed compliance reporting to ES*

*Monitoring: Monitored performance of new dams and wetlands, Carried bird surveys on new wetlands.*

*Maintenance: Minor outlet channel maintenance was completed to remove macrophyte growth and maintain water levels at design height. Following the September flooding event, relocation and repairs to fences were carried out with support from the Tuatapere Lions Club.*

**3.1.1.3.3 Description of the project**

This project is located 1.5km upstream of the Waiiau River mouth on the Papatotara (west) side of the Waiiau River. The habitat enhancement project has a number of elements including:

- damming of 2 spring-fed streams to create 4ha of open water habitat.
- maintaining permanent fish passage between the wetlands, the “Blue Hole” (a known whitebait spawning site) and the Waiiau River.
- permanent fencing of the new wetlands and their riparian margins
- permanent fencing of the streams and their riparian margins supplying the wetlands.
- Permanent fencing of remnant kahikatea forest.

The project site is Stewardship land, under Section 62 of the Conservation Act 1987. It is administered and managed by DOC. Currently this parcel of Stewardship land (149ha) is under a Grazing Concession to the Erskine family who have grazed the area for many years. The Trust has worked very closely with the Erskine’s and DOC. The project is located on about 9 ha of the parcel of Stewardship land. The Resource Consent “to dam and use surface water for the purpose of creating two open water wetlands” expires in 2053. A Variation of Management Agreement with DOC, which enables to Trust to create the wetlands, was signed by both parties in February 2019.

It is not possible to access these wetlands from the Papatotara Road. Public access to the wetlands is possible by walking up the floodplain of the Waiiau River from the Lagoon, via public land.



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*Figure 9: Location of the Papatotara Wetland. Photo by Erin Garrick.*

#### **3.1.1.3.4 Achievements and progress**

##### **3.1.1.3.4.1 Maintenance**

Ongoing gorse and broom control has been required at this project site during the year.

Following a flood which peaked at over 2,000 m<sup>3</sup> in Tuatapere, there was significant damage to fences at the site. The fences have been replaced and repaired, with a redesign to make them more resilient to future events. The Erskine family and the Tuatapere Lions Club were among those who assisted in the clean-up, with the Trust providing a donation to the Club. The Trust gratefully acknowledges the support of the Tuatapere Lions Club.

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*Figure 10: damage and debris accumulated on fence lines at Papatotara following the September floods.*

### **3.1.1.3.4.2 Monitoring**

#### *3.1.1.3.4.2.1 Bird surveys*

The Water Permit required fish surveys for the first 3 years after completion of the wetlands. The last of these was completed in 2021. Future fish surveys at Papatotara will be undertaken when fish surveys are undertaken at other Habitat Projects in the future.

The survey results and observations to date show that the wetlands are meeting our original objectives for this project – creation of habitat for eel and inanga.












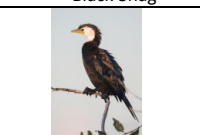
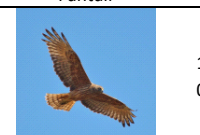






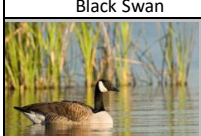







Spring bird counts are ongoing. Table 2 documents the results of bird surveys this year, and notes the birds which have been observed in previous surveys but not in 2023/24.

This year's results show continued bird presence at the wetlands, not only of waterfowl, but also passerine and forest species. The wetlands are located at the base of the high terrace, as are sheltered from the prevailing SW wind. This fact may contribute to the high use by many bird species.

Of particular note is the increasing use of the dead willows on the Terrace Wetland by Royal Spoonbills and Little Shags. The nesting colony of both species continues to expand with Royal Spoonbills having 20 nests and Little Shags 6 nests. This season the Wetlands have also become a Paradise Shelduck moulting site with up to 500 of this species present for a three week period.

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Table 2: Results of Bird Surveys 2023/24. Greyed species have been observed in past surveys.

Waterfowl	Water Associated Species		Other Species
 80 9	 22 12		 0 2
 8 50	 0 7		 0 1
 0 9	 4 0		 0 1
 4 0	 0 3		 1 0
 0 3	 2 2		 0 1
 0 3	 1 0		 0 1
 0 1	 0 1		
 1 0	 1 0		
			

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*Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan Watson - Spur-winged Plover; Glenda Rees – Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell – Redpoll; Phillip Griffin – Starling; Raewyn Adams - Scaup; Rebecca Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross – Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead – Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.*

**3.1.1.4 A10 Rakatu Wetlands**

**3.1.1.4.1 Expenditure**

Budgeted - **\$43,100**, Actual - **\$30,632**

**3.1.1.4.2 Key outputs/measures this year**

*Maintenance: Pest plant programme*

*Pest animal trap network*

*Walking track maintenance*

*Dam wall maintenance*

*Wetland spillways and secondary outfalls maintained.*

*Monitoring: Spring bird counts*

**3.1.1.4.3 Vision**

The Trust’s vision for the 278ha Rakatu property is:

To create an ecologically sustainable wetland/small stream ecosystem complex, for the benefit of fisheries and wildlife in the Rakatu/Redcliff area of the Lower Waiau River catchment. The complex will incorporate and link with the existing Redcliff Wildlife Reserve.

To provide public access to facilitate the public’s enjoyment, recreational use and aesthetic appreciation of the resources, and to educate and enhance the public understanding of the fisheries and wildlife habitat and the Waiau Trust’s objectives.

**3.1.1.4.4 Description of the project**

Rakatu Wetlands, purchased in 2000, has been open to the public since March 2006.

The property is located adjacent to the Lower Waiau River along the Clifden - Blackmount Road, 17 km from Manapouri Township and 7 km downstream of the Manapouri Lake Control Structure (Mararoa Weir).

Key elements of the project are set out in the table below.

**Table 3: The Rakatu Project**

<b>Actions</b>	<b>Details</b>
<b>Natural wetland protection</b>	4 wetlands, totalling 65.5 ha de-stocked and protected allowing natural regeneration processes to re-establish. These natural areas link with, and incorporate, created wetlands.
<b>Wetland creation</b>	20 interconnected open water habitats created, totalling 49 ha, with 18km of shoreline. All fenced.

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<b>Stream protection</b>	13.3 km of small stream habitat protected or incorporated into new wetlands.
<b>Forestry</b>	15.5 ha of forestry managed to provide ongoing income for the project.
<b>Native vegetation restoration</b>	Small areas to be trailed using natural regeneration processes, seed scattering techniques, native plantings and exotic plantings under planted by natives. Some amenity planting completed. Manuka trial.  Direct seeding trial of native species.
<b>Visitor facilities</b>	1.4km road and car park. 9.8 km of walking tracks, offering 4 different walking options, with stiles, bridges, toilet, lunch shelter, lookouts, signage and interpretative panels built.
<b>Pest Plant Control</b>	Annual spray programme to prevent spread on dry lands, wetland margins, access tracks and dams. Wetland water level design incorporates gorse/broom patches. Public walking tracks to be sprayed up to 3 times per year.
<b>Pest Animal Control</b>	Network of 58 DOC-200 and 6 DOC-250 traps set around Rakatu and the neighbouring Redcliff wetlands – installed 2011-2017. All are checked on a regular basis. Animal captures recorded.
<b>Ecosystem Monitoring</b>	Fish surveys – 5 yearly intervals  Spring bird counts - annual



Figure 11: Rakatu Wetlands.

3.1.1.4.5 Achievements and progress

3.1.1.4.5.1 Maintenance

Maintenance expenditure this year included:

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- Pest plant control (walking tracks, fences lines, gorse and broom)
- Regular cleaning contract (for toilets and Look Out).
- Maintenance of water damage to the walking track
- Maintenance of minor scour on the Rakatu wetland dam face
- Maintenance of a slip on the vehicle track through the property

**3.1.1.4.5.2 Monitoring***3.1.1.4.5.2.1 Bird surveys*

The Trust has now been undertaking spring bird counts at Rakatu for 14 years. Table 4 is the summary of data from spring bird counts conducted during 2023 and all the species observed over the last 13 years (greyed out). Two separate wetland habitats were sampled. One count were completed. A total of 5 waterfowl species and 2 water associated species were recorded, including broods of NZ Scaup, Mallard duck, and Black Swan.



The data shows a good diversity of species is resident, resident and breeding or visiting the wetlands. Waterfowl tend to dominate the wildlife population in terms of numbers of birds recorded, but numbers of individual species do vary from year to year. All waterfowl species have been recorded as breeding on site, over the 13 year sampling period.

The diversity of water associated species at Rakatu reflects the scale and types of habitat available. Shallow shorelines and pasture margins suit the waders. Regenerating native wetland vegetation suit S.Is Fernbird, plus the secretive Australasian Bittern and Marsh Crake (and chicks) both of which have been observed outside the official survey times. The shag species and White-faced Herons are clearly finding a food source within the open water habitats.

The wetlands and their margins provide additional habitat and food source for the bush birds living in the wider area, including Fiordland National Park. The regeneration of wetland vegetation, particularly the flaxes and shrub lands, are now visually noticeable and add to the biodiversity values of the wetland complex.

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Table 4: Results of 2022 Bird Counts at Rakatu – Species Present and Numbers.

Waterfowl	Water Associated Species		International Migrants	Other Species	
 60	 13			 1	
 38	 6			 1	
 32				 1	
 18					
 8					
 2					
					
					
					
					

Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan Watson - Spur-winged Plover; Glenda Rees – Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell – Redpoll; Phillip Griffin – Starling; Raewyn Adams - Scaup; Rebecca

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*Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross – Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead – Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.*

*3.1.1.4.5.2.2 Fish surveys*

A fish survey was not undertaken this year. Survey are typically undertaken approximately once every five years.

*3.1.1.4.5.2.3 Trap network*

The predator trap network around Rakatu and the neighbouring Redcliff Wetlands consists of 70 traps, 58 DOC 200 traps, six DOC 250 traps, two timms traps, and included four AT220's on loan from Environment Southland. . The traps were checked and rebaited on 8 occasions during the year.

The trapping network has grown over time, it started in 2011 with 35 traps, then 57 in 2014, then growing to the current network of 70 in 2023/24.



Figure 12: Trap locations of the Rakatu trapping network.



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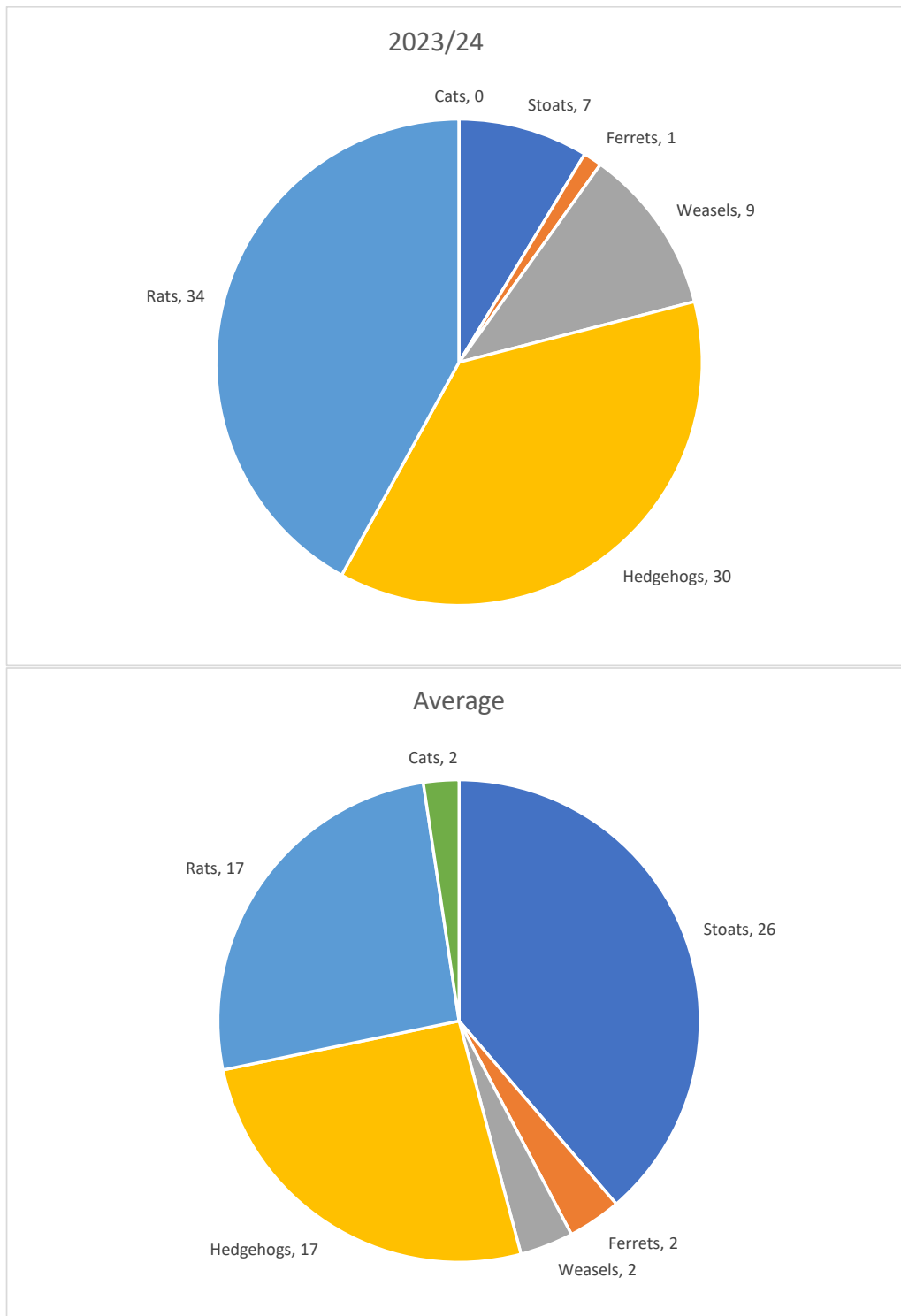


Figure 13: Trapping Results for 2022/23 compared with the annual mean results over the lifetime of the trapping programme.

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Predators are an ongoing problem at Rakatu and Redcliff. Stoats, rats and hedgehogs are the most numerous and problematic pests at the site. Numbers of stoats and rats fluctuate from year to year and are linked to the beech mast years. Beech masts occurred in 2016/17 and again in 2018/19. High numbers of stoats and rats typically occur in the following year. Reduction in pest animals should result in less predator pressure on bird species, particularly the ground nesting species.

*3.1.1.4.5.2.4 Vehicle and visitor numbers*

The vehicle counter stopped working over the 2023 winter. The Trust has decided not to replace it at this stage as the Trust now have several years of use data. Confirming that spring and summer are the busiest period.

**3.1.1.5 A5 Stony Creek/Whitestone Habitat Enhancement****3.1.1.5.1 Expenditure**

Budgeted - **\$1,500**, Actual - **\$221**

**3.1.1.5.2 Key outputs/measures this year**

*Maintenance: Spraying if required.*

**3.1.1.5.3 Achievements and progress**

This Trust owned project is located in the mid-reaches of the Whitestone Catchment. Our objectives for this property include restoration of the natural river meander processes of the Whitestone River, wetland creation, protection of a small stream (Stony Creek) and protection of the native vegetation on the terrace escarpment. Two shallow water wetlands were constructed in Dec 2006. As expected these wetlands are largely seasonal, filling over the winter months or during large floods and drying out over summer and autumn. They are built on free draining soils and underlying alluvial sediments. Seasonal wetlands provide valuable habitat for specific wildlife species (waterfowl and waders) and provide diversity of habitat type. Seasonal wetlands are of lesser fishery value. When full, these wetlands have a combined open water area of 2.6 ha and shoreline length of 1160m.

No spraying was undertaken at the site this year.

The Trust is of the view that the purchase of this 17.6 ha property has met its original objectives, in that the floodplain section of the property is again part of the Whitestone River berm, negating the need for ongoing expenditure on the maintenance of the adjacent stop banks.

The surrounding property has recently changed hands, the Trust has negotiated access with the new owners to continue easy access to the wetland area.

**3.1.1.6 A7 Dean Burn Kowhai Riparian Habitat:****3.1.1.6.1 Expenditure**

Budgeted - **\$0**, Actual - **\$287**

**3.1.1.6.2 Key outputs/measures this year**

*Maintenance: Willow control if necessary.*

**3.1.1.6.3 Achievements and progress**

The Dean Burn is a tributary of the Waiiau River. It arises in Fiordland National Park and the Dean Forest and flows in a southeasterly direction before joining the Waiiau River on the true right bank, 1.5km downstream of the Wairaki River.

This reach of the Dean Burn (1.5km) and the adjacent riparian habitat (5.9 ha) is protected, in perpetuity, by a QE II National Trust Covenant.

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Under the QE II National Trust's Management Statement for the covenanted area, the Waiau Trust has an ongoing obligation to "progressively control or eradicate" the crack willow within the area, after consultation with the landowner. The 2008 willow removal work plus the 2009 follow up spray work has been successful. Further follow up spray of willow regrowth occurred in the spring of 2014, and February 2022.

**3.1.1.7 A15 Ramparts Road Wetland and Riparian Habitat:****3.1.1.7.1 Expenditure**

Budgeted - **\$4,200**, Actual - **\$1,747**

**3.1.1.7.2 Key outputs/measures this year**

*Maintenance: Pest plant spray programme.*

**3.1.1.7.3 Achievements and progress**

This wetland property is located 9km northeast of Manapouri, along the Hillside-Manapouri Road. It is accessible to the public from Ramparts Road, via two easements and one main access road has been created on the easement at the lower end of the property.

The Trust has owned this 44ha property of wetland habitat and associated riparian margins, including 0.4km of outlet stream, since September 2000. This wetland complex is located immediately downstream, and connected to, the 16 ha DOC administered Steven's tributary wetland. A second wetland of 8 ha, on Landcorp's Stuart Farm also lies upstream of the Ramparts Road wetland. This Trust project contributes significantly to habitat protection within this sub-catchment. The wetland complexes, lying in the valley floor of this small catchment, are significant habitats and play an important role in sustaining stream flows.

Since the purchase of this property a number of areas in the same catchment, upstream of this wetland, have been fenced and protected by QEII Covenant or part of the Trust's Habitat Enhancement Agreement project.

The wetland had been subject to fire, grazing and drainage over the years, resulting in considerable disruption to the ecosystem. Under Trust ownership, these activities no longer take place, so the natural restoration processes occur undisrupted. The native vegetation continues to flourish in the absence of grazing animals.

In 2011 a 1 ha open water wetland at the lower end of the property was constructed. Spring bird counts were carried out in 2011 and 2012, and annually from 2015-2021.

The pest plant control programme, designed to maintain the integrity of the wetland and the indigenous vegetation cover, continued this year. The access track was also sprayed.

The replanted forestry block on the southern escarpment continues to flourish. It is undecided at this time whether intensive silviculture will be required.

**3.1.1.8 A2 Wairaki Wetland****3.1.1.8.1 Expenditure**

Budgeted - **\$57,400** Actual - **\$43,921**

**3.1.1.8.2 Key outputs/measures this year**

*Capital: Implementing the project, over a two year period.*

*Monitoring: Bird counts.*

*Maintenance: Weed spraying, public access and restoration planting.*

**3.1.1.8.3 Description of the project**

The Wairaki Wetland is listed as 'Regional Significant' in Environment Southland's Water and Land Plan. But despite this regulatory protection, the Wairaki Wetland has gradually degraded over time. We are fortunate

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that the current owners, the Smith Family, are keen to work with the Waiiau Trust and QEII to restore it. This includes not only protecting what is there but reinstating almost 2 ha of harakeke swamp at the southwestern corner of the Wetland and planting on the terrace whose springs feed into the Wetland. The wetland includes approximately 4 ha of open water and the total area protected is approximately 14 ha.



*Figure 14. Extent of the Wairaki Wetland Habitat Project. The open water portion covers approximately 6 ha within the protected area. The red line is the foot access path to a viewing platform at the top of the terrace looking out over the wetland. The carpark will be located at the corner of the road where the proposed footpath meets the road. The Main Stem of the Waiiau River is immediately to the west and the Wairaki River is immediately to the north.*

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*Figure 15: Wairaki Wetland trapping network.*

**3.1.1.8.4 Achievements and progress**















This year has been the first year with the public access open. It has been well used, with anecdotal reports of multiple cars often being parked there. The planting and weed control work continued, including planting on the escarpment above the wetland and a pest animal trap network has also been installed, it will be reported on in future once it has been operating for a full year. This work was supported by Environment Southland’s Environmental Enhancement Fund again, although given its June financial year-end, the Trust will receive the funds in the Trust/s 2024/25 financial year.

**3.1.1.8.4.1 Monitoring**

Bird counts are undertaken each year and fish surveys undertaken periodically to assess any changes overtime.

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Table 5: Wairaki Wetland bird count.

Waterfowl	Water Associated Species	Other Species
 <p>Canada Goose</p>	 <p>Royal Spoonbill</p>	 <p>Welcome Swallow</p>
48		2
 <p>NZ Scaup</p>	 <p>Coot</p>	 <p>Fantail</p>
42		3
 <p>Mallard Duck</p>	 <p>Black Shag</p>	 <p>Bellbird</p>
16		1
 <p>Paradise Duck</p>		 <p>Grey Warbler</p>
5		1
 <p>Black Swan</p>		
2		
 <p>Shoveler Duck</p>		
 <p>Grey Teal</p>		

Photos sourced from Birds Online NZ, reproduced with permission as follows: Adam Clark - White-faced Heron, Asiatic Tern/Little Tern, Chaffinch; Alan Tennyson - Grey Heron, House Sparrow, White-fronted Tern, Sanderling, Feral Goose; Andrew Thomas - White-winged Black Tern; Con Duyvestyn, Glossy Ibis; Craig Martin - Marsh Crake; Craig McKenzie - NZ Falcon, Tui, Bellbird, Grey Warbler; Diana Womersley - Australian Mountain Duck; Duncan

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*Watson - Spur-winged Plover; Glenda Rees – Bittern, Bar-tailed Godwit; Imogen Warren - Harrier Hawk; James Russell - Southern Skua; John Flux - Black-billed Gull; Les Feasey - Caspian Tern, Magpie; Neil Fitzgerald - Canada Goose, Black-fronted Dotterel, Banded Dotterel, Blackbird, Grey Duck; Ormond Torr - Pukeko, Paradise Duck, Shoveler Duck, Black Shag, White Heron, Welcome Swallow, Coot, NZ Pipit, Song Thrush, Kereru; Oscar Thomas - South Is. Fern Bird, Dunnock, Skylark, Red-billed Gull; Paul Sorrell – Redpoll; Phillip Griffin – Starling; Raewyn Adams - Scaup; Rebecca Bowater - Black-fronted Tern, South Is Pied Oystercatcher, Black-backed Gull, Kingfisher; Rob Lynch - Wrybill Plover, Greenfinch, Fantail; Sonja Ross – Yellowhammer; Steve Attwood - Royal Spoonbill; Tony Whitehead – Mallard, Grey Teal, Black Swan, Pied Stilt, Little Shag, NZ Dotterel, Goldfinch, Wax Eye.*

#### **3.1.2 Output A – Habitat Enhancement Agreements and Joint Waiau Trust/QEII National Trust Projects**

##### **3.1.2.1.1 Expenditure**

Budgeted - \$ **192,614** Actual - \$ **104,849**

##### **3.1.2.1.2 Key outputs/measures this year**

*Capital: HEA projects completed (6)*

*Joint Waiau Trust/QEII Trust projects completed (1).*

*Monitoring: On going photographic record of project site restoration*

*Year 5 of the ecosystem response monitoring programme -Macroinvertebrate and fine sediment.*

##### **3.1.2.1.3 Background**

The philosophy behind this aspect of the Trust’s work is to progressively achieve sub-catchment by sub-catchment wetland, gully and stream enhancement from the headwaters to the confluence with main stem waterways. This results in restoring longitudinal (upstream to downstream) and lateral (riparian) ecological linkages and enhancing habitat for the benefit of fisheries and wildlife.

This project work is split into two parts.

a). The first relates to the Trust’s **Habitat Enhancement Agreements** (HEA). This Agreement is designed to provide grant monies to landowners for the fencing of stream and wetland habitats and their riparian margins. The signing of the Agreement by the landowner provides a degree of long-term security for the Trust’s investment and security and protection for the enhanced habitat.

The Habitat Enhancement Agreement provides grant money as an interest free loan for a term of 20 years. At the 20 year point the grant money will be written off, if the Agreement has been complied with. The penalty for non-compliance during the 20year period requires the repayment of the capital sum, plus interest. If the land changes hands within the 20-year time frame, then the existing landowner must arrange for the new landowner to enter into a replacement agreement with the Waiau Trust. The 20-year term applies from the date of signing by the original landowner. The Trust has adopted the 20-year term, taking the view that riparian fencing will be standard practice within that time frame. Grants vary between 25 and 50% of the total cost of the fence, depending on the assessed ecological value of the habitat.

b). The second part of this work is the **Joint Projects** we undertake with the QEII National Trust and landowners. The joint approach of the Waiau Trust and QE II National Trust is an efficient use of resources, resulting in covenants over parcels of land with high conservation values and opportunities for fisheries and wildlife habitat enhancement.

In practice the joint approach means parcels of land that meet QE II criteria are covenanted, while those wetlands/streams/riparian margins with specific fisheries and wildlife values continue to be protected by the Waiau Trust’s Habitat Enhancement Agreement. From a financial perspective, the Waiau Trust has contributed to the fencing of a number of QE II Covenants, at a grant rate of 25% of the value of the fence. In these cases the Trust does not require the landowner to sign a Habitat Enhancement Agreement, as we are of

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the view that the QE II Covenant also secures the Trust’s interests in protecting the habitat in perpetuity. This arrangement works well.

**Achievements and Progress:**

This area of work remains a key focus for the Trust. Progress continued to be made during the year. It was a very busy year for this project.

This year 6 Habitat Enhancement Agreement projects and 1 Joint Waiau Trust/QE II Trust projects were completed. The total funding provided to landowners was \$58,250.10. A further 11 potential new projects were investigated, under Output J. These are at various stages of planning by landowners.

Time to completion of these projects can take from a few months to 2 years, which complicates our annual budgeting. Those not completed in a current financial year are often carried over to the following year.

**HEA Projects:**

Table 6 documents the 6 projects completed under the HEA category during the year. Protection of 4.4 km of stream and 18.6 ha of wetland and riparian habitat was achieved. Additionally 1.1 ha of open water habitat was created. The Trust now has 136 such agreements on its books. It should be noted, riparian fencing projects are often completed section by section, over a number of years. HEAs are signed at the completion of each section and once the whole project is complete.

*Table 6: Habitat Enhancement Agreements (HEAs) Signed This Year.*

Landowner	Catchment/ Stream	Fence Length (m)	Stream Length (m)	Riparian Area (ha)	Open Water Habitat Creation (ha)
Grassy Downs Farm Ltd. P. Cassells	Merton Creek	150	0	0.13	
Willanda Downs - Landcorp	Unnamed tributary of Morley Stream	260	175	0.83	
Brunnel Peaks – N. Robertson,	unnamed tributary of Ligar Creek	2560	1510	4.77	
Dunraigen Station - Landcorp	Unnamed tributary of Waiau River	1381	815	2.45	
Mararoa Station - Landcorp	Unnamed tributary of Lagoon Creek	2136	1300	5.7	1.1
Mararoa Station Landcorp	Unnamed tributary of Lagoon Creek	700	606	4.78	
<b>TOTAL</b>		<b>7187</b>	<b>4406</b>	<b>18.66</b>	<b>1.1</b>

NB: The measurements of fence length, stream length and area are not based on formal surveys and are measured off aerial photos. They are therefore less accurate.

**Joint Waiau Trust/QEII Trust Projects:**



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Table 7 details the 1 Joint Waiau Trust/QEII National Trust projects completed this year, protecting 9.8 ha of habitat (subject to final survey), 1.55 km of stream and creating an additional 1.6 ha of open water habitat. These are mainly headwater wetlands, gullies and stream systems with significant native vegetation cover; hence they met the QEII National Trust criteria. The Trust now has 129 Joint projects on the books.

*Table 7: Joint Waiau Trust/QEII National Trust Projects Funded this Year.*

Landowner and General Location	Description and Catchment	Fence Length (m) Area Protected (ha)*
Landcorp Mararoa	Anita's extension	2900 m 9.87 ha (including 1.6 ha created open water habitat)

\* The areas and fence lengths are subject to final survey and may change.

#### **Waiau River Liaison Committee:**

The Waiau River Liaison Committee, administered by Environment Southland, also runs a stream riparian fencing programme. This programme and the Trust stream protection work are complementary. Consultation from time to time ensures best use is made of limited resources and good environmental outcomes are achieved.

#### **Macroinvertebrate Monitoring:**

This year the Trust engaged its own contractors to undertake the Macroinvertebrate monitoring having previously, in 2017 approached Environment Southland to support the trust in the implementation of ecological monitoring a six sites where habitat enhancement including riparian fencing to exclude stock had been undertaken. The program includes three aspects of fresh water ecosystem health: Macroinvertebrates; Habitat Quality; and fine sediment in an on the stream bed. While a formal analysis of the data will be possible after 10 years, it is encouraging to observe a positive (although not significant) change in habitat quality which is generally consistent with the anticipated response to restoration via fencing and stock exclusion. It is relevant to note that the anticipated time frame for meaningful recovery is generally 10-15 years or greater depending on the nature of issues driving ecological degradation and scale of restoration activities undertaken.

### **3.1.3 Output B – Access projects**

#### **3.1.3.1.1 Expenditure**

Total for all Accesses: Budgeted - **\$7,900**, Actual - **\$5,047**

#### **3.1.3.1.2 Key outputs/measures this year**

*Maintenance: Annual maintenance programme.*

#### **3.1.3.1.3 Description of the project**

Access projects are about reconnecting people with the Waiau River. When the Waiau River was diverted for electricity generation, the recreational and cultural values of the River changed, and the places and ways people were able to access and interact with the River changed too. Through this workstream the Trust has created 13 public accessways to enable people to physically get to the main stem of the Waiau River and its

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tributaries. They comprise a mixture of pedestrian and vehicular accessways, distributed throughout the catchment, providing a range of opportunities for the community to engage with the River.

The access projects fulfill Purposes (b), (c), (g) and (l) of the Supplementary Deed.

**3.1.3.1.4 Achievements and progress**

The Trust’s efforts to provide public access to the Waiau River and its tributaries continues to be a priority and all accesses are fully operational. Public access to the resources is a broad concept and includes access for specific water based activities such as angling and harvesting the game bird resource, where appropriate. Important also is access for passive recreational pursuits, and in the case of our wetland properties, for education purposes.

The total number of Access Projects, open for public use is 13. The budgets for 4 of these (Rakatu, Ramparts, Wairaki Wetland and Home Creek) are associated with, and therefore accounted for under, Habitat Projects. Key expenditure relates to the maintenance of the other 9 accesses, which involves grading, maintenance graveling and spraying of the carriage-way, road side verges and walking tracks from the car parks to the river, as required.

This year maintenance expenditure (in the form of road spraying and grading and style hand rails) occurred at the Whare Creek, Rakatu, Jericho and Sunnyside/Monowai accesses. Styles at the Dean Burn and Sunnyside/Monowai access were maintained. Maintenance costs for the other accesses were slightly less than expected, as spraying and grading is not always needed at every access, every year.

Table 8 provides location details for the 13 accesses.

*Table 8: Waiau Trust Access Projects.*

Access	Location	To Where	Type	Purpose
<b>Whare Creek</b>	Lower Waiau, Blackmount-Redcliff Road, 4.2km d/s Mararoa Weir	Waiau River	1.5km gravel road to car park	Anglers, general recreation.
<b>Dean Burn</b>	Lower Waiau, west side, 25km upstream of Tuatapere	Dean Burn & Waiau River	0.5 km gravel road to car park	Anglers, general recreation.
<b>Wairaki</b>	Lower Waiau, east side, 25km upstream of Tuatapere	Waiau & Wairaki River	1km gravel road to car park	Anglers, general recreation.
<b>Wairaki Wetland</b>	Lower Waiau, east side, 25km upstream of Tuatapere	Viewing platform over the Wairaki Lagoon	300 m gravel walking track from roadside carpark.	General recreation, education.
<b>Redcliff/Jericho</b>	Waiau, Blackmount Redcliff Road, 12.6 km downstream of Mararoa Weir	Waiau River	1.62km gravel road to car park.	Anglers, general recreation.
<b>Princhester Creek</b>	SH 94, 28 km east of Te Anau	Princhester Creek & Mararoa River	0.5km gravel road, then grassed walkway to river	Anglers, general recreation.
<b>Rakatu</b>	Lower Waiau Blackmount -Redcliff Road, 8.8km downstream of Mararoa Weir	Waiau River and Rakatu wetlands	1.4km gravel road to car park, 9 km walking tracks round wetlands and to the Waiau River	Anglers, general recreation, walking, bird spotting, education.
<b>Home Creek</b>	Manapouri- Hillside Road, 1.5km from Manapouri	Home Creek	0.8km gravel road, 1.6km circular walking track.	Anglers, general recreation, walking, education.
<b>Johnston Access</b>	Dale Road Off Kakapo Road, 16 km from Te Anau	Upukerora River	1.2 km gravel road to car park	Anglers, general recreation.

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<b>Pump House Road</b>	Pump House road, off Lynwood Road, 14 km from Te Anau	Whitestone River	0.4 km gravel road to car park	Anglers, general recreation.
<b>Ramparts Wetland</b>	Ramparts Road, off Hillside -Manapouri Road, 11.5 km from Manapouri	Wetland	0.2km gravel road to car park, freedom walking around wetland	General recreation, botanical interest.
<b>Mararoa-Whitestone</b>	Off Hillside-Manapouri Road, 13km from Manapouri and 17.8 km from Te Anau	Whitestone River, Mararoa River and Flaxy Creek	0.75km gravel road to car park	Anglers, general recreation.
<b>Sunnyside-Monowai</b>	Off Sunnyside Road, 5km from Monowai Village	Lower Waiau River	0.32km gravel road to car park	Anglers, general recreation.

**3.1.4 Output C – Research projects**

The research projects fulfil Purposes (f) and (i) of the Supplementary Deed.

**3.1.4.1.1 Expenditure**

Budgeted - **\$10,500**, Actual - **\$0**

**3.1.4.1.2 Key outputs/measures this year**

No research projects were carried out in the 2023/24 financial year. The budgeted inanga habitat report has been deferred until the 2024/25 financial year to enable high resolution Lidar data to be used as it was being processed during the year. The scoping of a broad fish population monitoring programme, also budgeted for 2023/24, was not progressed as the organisations we needed to make it happen weren't able to resource support for it.

**3.1.5 Output D – Consultation, partnerships, communication, community relationships and advocacy**

This Output fulfills Purposes (g), (j), (k) and (l) of the Supplementary Deed.

**Expenditure:** Budgeted - **\$2,600**, Actual - **\$4,852**.

**3.1.5.1.1 Key outputs/measures this year**

*Administration: Attend relevant field days/educational initiatives in the catchment.*

*Maintain and enhance good working relationships with all partners and stakeholders.*

*Implement aspects of the Communications Plan*

**3.1.5.1.2 Achievements and progress**

Relationships within the community remain a high priority for the Trust. As part of the Strategic Plan review, this Output section was revamped. It is now separated into 4 categories:

**Consultation** – Formal consultation was required as part of the application to alter the consent for the Inanga Project this year. Consultation was undertaken with Te Ao Marama Inc., the Department of Conservation, Fish and Game Southland, and Meridian Energy Ltd. As an ongoing form of consultation the Trust provides a copy of its Annual Report to a number of relevant organisations, including the Te Waiau Mahinga Kai Trust and Tuatapere Amenities Trust.

**Partnerships**- these include formal partnerships with organisations/people with whom we have legally binding documents. The key partnership is with MEL, through the Trust Deed. Our relationship with Meridian Energy Ltd is of particular significance to the Trust, given the role the Trust has in terms of mitigating and remedying the adverse effects of the Manapouri Power Scheme on fisheries and wildlife habitat. It is important to keep

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Meridian up to date with Trust projects and progress. The Trust is mindful of the fact the Resource Consents for the Manapouri Power Scheme will need to be renewed prior to 2031.

Partnerships can also be informal and are more appropriately defined as “working relationships”. There is no doubt that the most important of all the people the Trust works with are landowners and farm managers. These are the people with whom we work to protect streams and wetlands and provide public accesses to the resources. The Trust highly values the working relationships established between Landcorp Farming Ltd, QE II National Trust, DOC, Environment Southland and Fish and Game Southland – all of whom have helped us achieve enhancement and protection of wetlands and streams during the year. We continue to work with the Waiau River Liaison Committee, Te Anau River Liaison Committee, the Waiau Rivercare Group, Te Waiau Mahika Kai Trust, Te Ao Marama Inc, the Waiau Working Party, The Orauea Catchment Group, Thriving Southland, Southland District Council, and others as required.

**Communication, Public Awareness and Information Dissemination** – This involves a multifaceted approach including, implementing the Communication Plan, identifying targeted audiences, key messaging, media items, project site public events, circulation of monitoring data and reports and the website ([www.waiiaustrust.org.nz](http://www.waiiaustrust.org.nz), designed and maintained by Tim Mann of Te Anau). The Trust has ongoing relationships with Hauroko Valley Primary School and Waiau Area School, which includes planting days at some of the Trust’s sites. The Trust circulates 120 copies of the Annual Report to interested organisations and individuals in the community. Roger provides tours of the Trust’s major habitat projects to various groups, and presents on the Trust’s work on request. The Trust education policy initiative, of using contract students to carry out project monitoring/research work is viewed as an important aspect of Trust work under this Output. The Trust has a number of ecological monitoring reports available on request.

**Advocacy** –The national interest in freshwater issues and biodiversity has gained momentum in the last few years with a number of statutory documents under-development. The Trust has engaged in statutory submission processes on a number of these documents. The increased awareness of the value of habitat protection and enhancement has assisted the Trust’s work, with increasing numbers of landowners keen to fence streams and wetlands.

### **3.1.6 Output E – Databases**

This Output fulfils Purposes (h) and (i) of the Supplementary Deed.

#### **3.1.6.1.1 Expenditure**

Budgeted - **\$21,620**, Actual - **\$3,660**

#### **3.1.6.1.2 Key outputs/measures this year**

*Administration and Planning: Update Photographic library*

*Maintain Databases*

*Develop catchment protection maps*

*Update HEA maps*

#### **3.1.6.1.3 Achievements and progress**

The Habitat Enhancement Agreement and Joint Waiau Trust/QEII Trust Project databases have been maintained during the year. The integrity of our databases is important, as they provide a detailed record of all projects - GPS points, fence lengths, areas protected and expenditure.

The extensive photographic record the Trust now has for all projects continues to be added to in both digital and hard copy form, as required. During the year further effort went into ensuring our project photographic

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reference library was fit for purpose, for the Trust's HEA projects. It is modelled on the QEII approach of reference photo points for each project.

Work continues on sub-catchment protection maps. These detail all the streams and wetlands the Trust has been involved in protecting.

The HEA project system has been running for more than 20 years now. Each agreement has an attached map showing streams and wetlands protected and fences funded. Hard copies of all HEA agreements are filed. A file (maps) of all the Joint projects completed with QEII National Trust is also maintained. A digital database of both types of HEA projects is also maintained.

The habitat enhancement ecological response monitoring reports commissioned or prepared by the Trust are also an important part of our information base.

### 3.1.7 Output G – Duncraigen Weir

This Output fulfills Purpose (e) of the Supplementary Deed.

#### 3.1.7.1.1 Expenditure

Budgeted - **\$0**, Actual - **\$0**

#### 3.1.7.1.2 Achievements and progress

No work was required at the Duncraigen Weir this year.

### 3.1.8 Output J – Project investigation and advice

This Output fulfills Purposes (a), (b), (c) of the Supplementary Deed.

#### 3.1.8.1.1 Expenditure

Budgeted-**\$15,500**, Actual- **\$18,026**

#### 3.1.8.1.2 Key outputs/measures this year

*Administration: Respond to landowner requests to investigate potential new projects.*

#### 3.1.8.1.3 Achievements and progress

This output category covers expenditure on investigating new habitat and access projects and providing advice on habitat enhancement and protection. 11 potential new projects were investigated during the year, involving a site visit. A number of phone call enquiries from landowners thinking about stream and wetland protection were responded to.

Initial project investigation involves a site visit, discussion with, and advice to, the landowner and assessment of the fisheries and wildlife habitat and conservation values. This then leads to a decision about proceeding with the project and if it is solely a Waiau Trust project, a QEII National Trust project or a joint project.

This work is very preliminary in nature and does not always result in a project coming to fruition. Such preliminary investigations are often confidential in nature and involve discussions with individual landowners, so it is considered appropriate that recording and reporting expenditure should be under this general category. The Trust is of the view that reporting this expenditure in this manner is a good balance between transparency and the privacy of the Trust and individual landowners.

When potential projects progress to the stage of becoming a certainty, they are assigned separate project numbers.

### 3.1.9 Output H – Project management

Expenditure

Budgeted - **\$27,000**, Actual – **\$19,431**

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This output covers all general planning work, by Contract Planner Claire Jordan, which cannot be readily attributable to a specific project. A number of projects have been worked on this year, in addition to the project planning work. The Annual Plan and Budget come under this output category, as does preparation of meeting agendas, meeting attendance, other day-to-day planning/management issues and inquiries, and keeping abreast of advances and news in the field.

**3.1.10 Output H – General field****3.1.10.1 Expenditure**

Budgeted – **\$35,000**, Actual – **\$16,433**

**3.1.10.1.2 Key outputs/measures this year**

*Administration: Management oversight of all projects.*

**3.1.10.1.3 Achievements and progress**

This output covers all project related work by Field Operations Manager Roger Hodson, which cannot be readily attributed to a specific project. The Annual Plan and Budget come under this output category as does meeting agenda preparation, meeting attendances, general enquiries and other day to day matters that arise.

**3.1.11 Output H – Trust servicing****3.1.11.1 General administration****3.1.11.1.1 Expenditure**

Budgeted – **\$38,825**, Actual – **\$33,656**

**3.1.11.1.2 Key outputs/measures this year**

*Administration: Annual Report completed by 30 June.*

**3.1.11.1.3 Achievements and progress**

All targets, including maintaining the Trust's financial accounts and records, securing a set of audited accounts for the Annual Report, coordinating Fund Manager reports, production and distribution of the Annual Report, negotiating contracts on behalf of the Trust, general office running and performing other administration/secretarial duties as required have been met. Insurance costs relating to public liability and statutory liability are accounted for under this output.

**3.1.11.2 H2 Trust Board****3.1.11.2.1 Expenditure**

Budgeted – **\$9,500**, Actual – **\$8,755**

**3.1.11.2.2 Key outputs/measures this year**

*Administration: Hold 5 meetings of the Trust Board*

*Insurance – Trustees Professional Indemnity.*

**3.1.11.2.3 Achievements and progress**

The Trust met on five occasions during the year, incorporating a field trip to the Wairaki Oxbow Wetland.

Trustees are of the view that this frequency of meetings enables them to keep abreast of project developments and maintain an appropriate level of continuity. The capped reimbursement scheme continued this year.

**3.1.11.3 H7 Financial management****3.1.11.3.1 Expenditure**

Budgeted – **\$70,000**, Actual – **\$53,444**

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The fund management system, involving three Fund Managers, continued.

**3.2 Compliance, outcomes and long-term performance**

The Annual Reporting process provides an opportunity for the Trust to critically review, assess and evaluate its performance, for the financial year. Section 3 (A) of the report does this in terms of Outputs. Over the longer time frame, it is an opportunity to assess our performance in terms of whether Outcomes are being achieved. The ecological monitoring programme the Trust has in place for major projects is a key component for determining if Outcomes are being achieved.

The requirement to report non-financial information, under the financial reporting requirements for Registered Charities/PBE's (effective from 1 April 2015), formalises and complements the practice, the Trust has adopted for some years.

Other aspects of the Trust's internal audit of activities, relate to compliance with the Charitable Trusts Act 1957, the Trustees Act 1956, the Trustee Amendment Act 1988 and the Charities Act 2005. An Outcome audit also needs to look at compliance and performance with the Trust Deed, Variation of Deed and the Strategic Plan.

The annual financial position of the Trust is subject to independent audit and the results of this are included in Section 5 of this report.

**3.2.1 Compliance with relevant legislation**

The legislation governing the operation of Trusts provides the basis for measuring the compliance of Trust activities and business practices. These statutes are: Charitable Trusts Act (1957), Trustees Act (1956), Trustees Amendment Act (1988), Charities Act 2005 and Health and Safety at Work Act (2015).

**3.2.1.1 Charitable Purposes**

The first matter of compliance is around the activities of the Trust being charitable. "Charitable purposes" is defined in Section 38 of the Charitable Trusts Act 1957 and the activities of the Trust comply with (g) and (k) of that section. The Trust is registered with Charities Services (Charities Act 2005) to ensure the continuance of the Trust "charitable-purpose tax exempt status". A requirement of the registration and the retention of the "charitable status" is to report to Charities Services on an annual basis. This requirement has been met.

Under the Financial Reporting Requirements for Charities, the Trust reports under Tier 3, which requires accrual accounting, but no independent audit. The Trust continues with an independent audit, as required by the Trust Deed and in line with the high standard of transparency and accountability adopted in the past. The more complex fund management arrangements now in place also influenced the decision to continue with a full independent audit.

**3.2.1.2 Prudent Financial Management**

The second matter relates to Part II, Investment, of the Trustee Amendment Act 1988, which provides key business and investment management compliance measures. Section 13 of the Act is of particular relevance, and places emphasis on prudent management.

The primary source of income for the Trust is from the returns on investment of the Trust Fund. Currently three Fund Managers manage the fund. Table 9 details each Managers opening balance, the balance at 31 March 2024 and the investment return for the year (based on interest, dividends and revaluations, less withdrawals, fees and brokerage). The balance as at 31 March 2024 for the 3 Fund Managers represents an average 8% investment return for the 2023/24 year.

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The Trust's Statement of Investment Policy and Objectives (SIPO) provides direction to the 3 Fund Managers. An independent review of the Investments and SIPO, commenced in 2019. It was debated in detail over subsequent months. In April 2020 a revised SIPO was adopted by the Trust.

Table 10 is the breakdown of investment types for each Fund Manager and the percentage (asset allocations) of the fund in each investment type. It also shows how the asset allocations relate to the agreed asset allocation limits (targets) for each Fund Manager, as at 31 March 2024. It is important to emphasize that because each Fund Manager has different asset allocation targets, each Manager's investment returns are not directly comparable. On occasions Fund Managers seek the approval of the Trust to deviate from the SIPO and in particular the asset allocation limits.

Reporting, by Fund Managers, to the Trust is very specific in terms of time, content and performance. Detailed quarterly reports were produced, plus the end of year report. Each Fund Manager came to at least one Board meeting during the year, on a rotational basis. Issues that arose between meetings or quarterly reporting dates, were discussed with the Trust Chairman.

The SIPO, and adherence to it, ensures the Trust continues to meet the key business and investment management compliance obligations set out in Section 13E of the Trustees Amendment Act 1988.

All the above processes enable informed decision- making.

*Table 9: Fund Managers and Investment Fund Values.*

	<b>Craigs Investment Partners</b>	<b>Milford Income Fund</b>	<b>Jarden (FNZC)</b>	<b>Total/ Ave % return</b>
Investment value 31 March 2024	3,469,336	2,267,131	1,610,929	7,347,396
Balance at 31 March 2024	3,563,807	2,741,429	1,716,884	8,022,121
Annual Net Investment return after withdrawals, fees & brokerage - 31 March 2024	8.06%	8.00%	10.28%	7.70%



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Table 10: Waiau Trust investments as at 31 March 2024

<b>Waiau Trust Investments as at 31st March 2024</b>						
<b>Table 10:</b>						
	<b>Craigs Investment Partners</b>	<b>Milford Income Fund</b>	<b>Jarden</b>	<b>Total</b>	<b>% of fund</b>	<b>Target %</b>
Cash	\$63,798	\$237,414	\$25,083	<b>\$326,295</b>	19%	5%
<b>Total Cash (I)</b>	<b>\$63,798</b>	<b>\$237,414</b>	<b>\$25,083</b>	<b>\$326,295</b>	<b>19%</b>	<b>5%</b>
NZ Fixed Interest	\$1,360,475	\$407,208	\$712,199	<b>\$2,479,882</b>	38%	55%
Australia & Global Fixed Interest	\$15,823	\$1,343,459	\$0	<b>\$1,359,282</b>	9%	
<b>Total Fixed Interest (I)</b>	<b>\$1,376,298</b>	<b>\$1,750,667</b>	<b>\$712,199</b>	<b>\$3,839,164</b>	<b>47%</b>	<b>55%</b>
		(Australasian)				
NZ Properties	\$172,725	\$138,516	\$112,094	<b>\$423,335</b>	5%	10%
Aust Properties	\$98,268			<b>\$98,268</b>	1%	
<b>Total Properties (G)</b>	<b>\$270,993</b>	<b>\$138,516</b>	<b>\$112,094</b>	<b>\$521,603</b>	<b>6%</b>	<b>10%</b>
		(Australasian)				
NZ Equities	\$696,375	\$195,710	\$376,455	<b>\$1,268,540</b>	14%	15%
Australia Equities	\$581,005	\$198,391	\$146,733	<b>\$926,129</b>	7%	13%
International Equities	\$639,135	\$458,146	\$369,404	<b>\$1,466,685</b>	7%	2%
<b>Total Equities (G)</b>	<b>\$1,916,515</b>	<b>\$852,247</b>	<b>\$892,592</b>	<b>\$3,661,354</b>	<b>28%</b>	<b>30%</b>
<b>Other</b>						
<b>Total portfolio</b>	<b>\$3,627,605</b>	<b>\$2,978,843</b>	<b>\$1,741,967</b>	<b>\$8,348,415</b>	<b>100%</b>	<b>100%</b>

The Trust is mindful that our mandate is to produce ecological outcomes and though it is difficult to put a dollar value on ecological assets, the Trust is of the view that these enhanced ecological assets also go some way toward inflation proofing the Fund.

The long-term horizon drives Trust thinking. Enhanced habitats need to operate in perpetuity to ensure permanent environmental outcomes and ongoing resources are required for the Trust to continue with its valuable habitat enhancement and other project work.

3.2.1.3 Other Income Sources

The Trust received \$80,945 of total income from sources other than the investment of the Trust Fund. The Trust owns or leases a number of properties that have the ability to produce income from grazing, production forestry (plus the Emissions Trading Scheme) and harvesting grass for silage/baleage/hay, without jeopardizing the primary purpose of habitat enhancement. This also includes the grant from the NZ Motor Caravan Association’s Greenfund towards the Home Creek footbridge, the contribution towards the footbridge from Cam and Wendy McDonald, and donations received at donation boxes at the major projects.

3.2.1.4 General Financial Management

The Trust sees itself operating in perpetuity and is now thinking strategically out to 2031 when the Meridian Energy Ltd, Resource Consents for the Manapouri Power Scheme expire and will need to be renewed. The Trust will continue to work with Meridian Energy to promote a shared vision of the catchment from a natural

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ecosystem perspective and how it might look beyond 2031. This will include continuing with the current habitat enhancement work including habitat enhancement agreements. In addition, the Trust intends to identify a series of new flagship projects as part of its strategic programme of works which will require new levels of funding into the future.

The Trust continues to look for efficiencies and effectiveness in the expenditure of the Trust Fund, in terms of project management, implementation and administrative structures. Reviews of expenditure and reassessment of project priorities throughout the year, depending on investment performance, are considered to be a prudent management approach. Contracts for the provision of secretarial/administration, field and planning services remain cost effective. Records of hours each contractor spends on Waiau Trust work are kept.

Trust costs continue to increase and management of resources will be an ongoing challenge. Habitat and access projects have been established in perpetuity. This will require the permanent provision of resources to manage and maintain such projects. As time moves on, the number of operative projects will increase as will the resources required to maintain the larger number of projects. Operationally this means providing for pest plant and animal control, road maintenance, fence maintenance and other habitat maintenance in the Annual Plan, as required. Financially this means ensuring the returns from investment of the capital fund are sufficient to provide income necessary to meet the ongoing costs of projects created by the Trust, long term. This is an issue of sustainability for the Trust and will require further thought in the future. In 2023/2024 project maintenance costs were \$53,499 (12.6% of expenditure and 11.8% of income). Monitoring costs in 2023/2024 were \$29,475 (7.0% of expenditure and 6.5% of revenue).

The provision of additional services, such as legal, surveying, valuation, audit, construction, fencing and pest plant control, some infrastructure design and installation are contracted as required. The Trust has a portfolio of such service providers, who provide efficient and effective service to the Trust. From time to time a selective tendering process is used to test the market or enable a number of contractors to compete for work. Local contractors are used if possible, so that Trust money stays within the local community.

#### **3.2.1.5 Health and Safety**

The Waiau Trust's current health and safety policy states:

"The Waiau Fisheries and Wildlife Habitat Enhancement Trust is committed to maintaining a safe and healthy working environment for our contractors in the workplace. Some of our projects enable public access for recreational purposes, so the Health and Safety Plan also applies to visitors to project sites."

The Health and Safety at Work Act (2015) came in to affect in April 2016. Governance responsibilities for health and safety require rigorous process and reporting on health and safety and implementation of Plans. The revised Health and Safety Plan was last updated and approved by the Board on 13 May 2020 due to Covid-19.

Currently, at each Trust meeting, Trustees receive a health and safety report, documenting the change in status of known hazards, any new hazards that have arisen at project sites and any incidents. Focus is particularly on the project sites where the public have access.

### **3.2.2 Compliance with the Trust Deed and Supplementary Deed of Variation**

#### **3.2.2.1 Objects and Purposes of the Trust**

The major compliance elements in the Trust Deed "*Objects of Trust*" and the Supplementary Deed of Variation "*Objects and Purposes*", provide the reporting framework. For simplicity the level of compliance focusses on the Supplementary Deed of Variation *Objects and Purposes* as they encompass all the original Deed *Objects*. The emphasis is on enhancement of fisheries and wildlife habitat, facilitation of public access to the enhanced Waiau River, fisheries research, databases, consultation, partnerships, communication, and advocacy.

### *Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024*

Meeting the *Objects and Purposes* of the Trust is reported in terms of Outputs, on an annual basis, and project by project, as per section 3 of this report. All habitat enhancement, access and research projects comply. Each new project is assessed to ensure compliance.

There has been activity on 9 of the 12 *Objects and Purposes* this year. The Trust has actively investigated new projects, particularly those suitable for Habitat Enhancement Agreements (Purposes a, b & d). The ongoing maintenance and monitoring at the two whitebait projects meet Purpose d.

There are 13 public access roads to the Waiau River and tributaries and wetlands, with their maintenance remaining a focus (Purpose c). The 9 km of walking tracks at Rakatu Wetlands and the 1.6 km circular track at Home Creek add significantly to the public access facilities provided by the Trust. These projects continue to meet Purpose c. Trust habitat enhancement work on private land always presents a dilemma for the Trust in terms of our purpose of providing public access to resources. The reality is that it is not always possible or desirable to provide such access.

The Trust has 16 major habitat enhancement projects on the books, 4 of which are also accounted for as joint Waiau Trust/QEII National Trust projects. There are 126 completed Habitat Enhancement Agreement projects (A100) for stream riparian and wetland habitat, plus 129 completed joint Waiau Trust/QEII National Trust projects. These 249 habitat projects come under Purposes a, b and d.

The maintenance of the Duncraigen Weir, (Purpose e) did not incur any costs this year and no further expenditure is anticipated in the medium term.

Provision of public access and interpretative signage at Trust project sites promotes public understanding of the values for which the Trust was established (Purpose g). The Rakatu project contributes substantially to the meeting of Purpose g. The work with Hauroko Valley Primary School and Waiau Area School also contributes to Purpose g.

Visitor numbers to Rakatu Wetlands continue at a reasonable level and we consistently receive positive feedback from visitors. Public access and interpretative panels about whitebait, their lifecycle and habitat requirements are an integral part of the Inanga Project at the Waiau Mouth.

Purposes h (Databases) and i (Monitoring) have long been part of the Trust's "business as usual". Consultation, partnerships and communication (Purposes g, j, and k) are similarly ongoing, but now more clearly defined in the Strategic Plan. The Trust continues to advocate (Purpose i) for ecosystem health, conservation, wetland and stream protection and sustainable riparian management in the national, regional and local flora.

#### **3.2.2.2 Other Trust Deed and Supplementary Deed of Variation Compliance Matters**

The Trust Deed directs Trustees to "consult at least annually" with the Trustees of the Te Waiau Mahika Kai Trust and the Tuatapere Amenities Trust and to provide them with a copy of the minutes of Board meetings within one month of the date of each meeting. Supply of our Annual Report has been found to be the most efficient and practical way to communicate. Any day-to-day issues are dealt with on an as required basis. The Trust is particularly supportive of the Te Waiau Mahika Kai Trust's protection initiatives at their Jericho property, which is in close proximity to Rakatu Wetlands and the Redcliff Reserve. Consultation with the Tuatapere Amenities Trust has occurred between individual Trustees and Contractors, usually at Waiau Working Party meetings.

The Trust is required to recognise and have regard to the traditional relationship of the tangata whenua with the resources of the Waiau River and in particular their interest in the native fishery. The enhancement of habitat for native species continues to be a significant part of all our habitat enhancement projects. We are particularly concerned about the state of New Zealand's eel fishery and view our habitat enhancement work as a significant contribution to sustaining populations of this and other native fish species, particularly in the

### *Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024*

Lower Waiau catchment. We have a good relationship with Te Ao Marama Inc, and Oraka Aparima Runaka who are very supportive of our habitat enhancement work.

The Trust Deed has specific requirements with respect to the Annual Report and Accounts. The first is the keeping of true and fair accounts of all money received and expended. This is covered elsewhere in this report. The second is the publication and circulation of the Annual Report and Financial Statement to the nominating organisations and Meridian Energy Ltd and any other person or organisation requesting a copy. These obligations have been met.

#### **3.2.3 Outcomes – Performance in relation to Deed Objects and Purposes and the Strategic Plan**

This section provides an assessment and evaluation of the annually reported Outputs in relation to the Trust Deed and Supplementary Deed of Variation Objects and Purposes and the Strategic Plan and expresses the Trust performance over time in terms of Outcomes.

The Strategic Plan covers a large number of topics, including legislative framework, land matters, conservation ethics, project security, community relationships, habitat enhancement principles, access principles, visitor facilities, etc. All strategies are designed to aid the smooth running of the Trust. All strategies have specific associated outcomes.

Outcomes, for the purpose of performance reporting, are the long-term cumulative expression of project outputs. They are broad in nature and measure the positive impacts of the Trust's work. Outcomes have quantity and quality elements over time and place. They need to be measured in order to assess performance.

##### **3.2.3.1 Key Trust Outcomes**

- a). Increasing the number and areas of **enhanced habitats** for a wide variety of fishery and wildlife species, in the modified areas of the Waiau catchment.
- b). **Improving ecosystem health** in the Waiau catchment by enhancing networks of connected habitats.
- c). Creating **awareness** and building strong **relationships with the community** to advance the Trust's work.
- d). Provision of facilities so the community can **access the river resources** in the Waiau Catchment for recreational and educational purposes.

##### **3.2.3.2 Outcome Performance Measures**

###### **3.2.3.2.1 Enhanced Habitats**

The quantity and types of habitat created and enhanced shows good progress over time. The Trust has 256 habitat projects, enhancing a total of **3,429** ha of habitat.

The quality of the enhanced habitats is measured through the monitoring programmes the Trust has developed for projects, based on the Trust Monitoring Strategy (2011).

The Monitoring Strategy is very focused, with emphasis on the ecological response and benefits to fisheries and wildlife at major projects. It is not possible, or necessary, to monitor every aspect of every project. The cost would be prohibitive. The ecological benefits of riparian fencing of streams and wetlands are well established and reported widely in the national and international literature. Preventing animal access to streams has benefits for stream bed and bank stability as well reducing direct sediment, faecal and nutrient inputs to streams. Protected riparian margins allow vegetation recovery and often regeneration of native species. Healthy swards of riparian vegetation improve the uptake of nutrients and sediment and improve the filtering ability of these margins, thus reducing all contaminant inputs to streams. These are all positive benefits for stream ecosystem health. Our monitoring programmes therefore reflect the type and scale of

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each project and provide information to indicate progress with the enhancement of the habitat and assist management of the enhanced habitat.

As reported earlier a macroinvertebrate, fine sediment and electric fishing monitoring programme is in place at 6 sites in the Te Anau basin, where the Trust has completed on-farm stream and wetland protection. This long-term programme is run in conjunction with Environment Southland. All results will be provided to the relevant landowners.

With each passing year more data becomes available for the monitored projects. Ecological outcomes of particular note are the fishery and bird monitoring results at the Whitebait habitats. This project site started with grass paddocks. The creation of wetlands has produced productive fishery and wildlife habitats, linked to the Waiau Lagoon and the Waiau River. This response occurred within a very short time frame.

The Trust has extensive photographic library of all projects. Comparisons of sites over time is a good visual measure of ecosystem restoration and health.

*Table 11: Habitat Enhancement Project data bases and monitoring information.*

Habitat Enhancement Project	Types of Data Available.
Home Creek Riparian Habitat	Baseline fisheries data, Baseline vegetation survey, Permanent photograph points and monitoring of re-vegetation sites.
Lower Waiau Whitebait Habitat, Waiau Mouth	Pond physical properties, Colonization – macrophytes and fish, fish biomass, (4 reports, 1999-2003). Photograph records Spring bird counts and preliminary fish surveys on new habitat -2011-2020. Analysis of water flow volumes into wetlands, up to 2024 Baseline fisheries surveys of Whitehead and McCulloch Wetlands – 2013 and 2014. Pest animal trap lines installed and maintained. Pest tallies Fish distribution, life history and re-establishment PhD study 2017 - 2020
Lower Waiau Whitebait Habitat, Papatotara.	Pre- dam construction- bird surveys Pre- dam construction – fish surveys, Terrace Creek and Erskine Stream Post wetland construction - annual fish and bird surveys from 2020. Pest animal trap lines data– from 2020
Dean Burn Kowhai Riparian Habitat	Occasional spring native bird counts, Monitoring of kowhai vegetation and willow control, Permanent photograph points.
Wairaki Wetland	Spring native bird counts Baseline fish and macroinvertebrate survey 2022.
Rakatu	Baseline reconnaissance survey of natural wetland vegetation, Baseline stream hydrology, Fisheries and wildlife surveys and comparisons with other habitats, Photographic records.

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	<p>M.Sc. project funded, includes baseline fish community surveys</p> <p>Fish Survey, (J Futter 2008)</p> <p>Fish Survey, 2014</p> <p>Fish Survey, 2021</p> <p>Spring Bird counts completed 2010 – 2020.</p> <p>Predator trap network installed 2011 and expanded and maintained. Pest tallies.</p> <p>Vehicle and visitor numbers (2006-2020).</p>
Upukerora Wetland	<p>Baseline vegetation survey,</p> <p>Permanent photograph points,</p> <p>Baseline fisheries survey, wildlife counts – pre and post wetland construction</p>
Ramparts Wetland	<p>Baseline vegetation survey,</p> <p>Permanent photograph points,</p> <p>Anecdotal monitoring of wetland water levels for forward planning</p> <p>Spring bird counts 2011, 2012, 2013,2014,2015, 2016, 2017, 2018, 2019, 2020</p>
Flaxy Creek	<p>Water quality data above and below fenced stream,</p> <p>Photographic records</p>
A100 Projects	<p>Photographic records of all projects.</p> <p>Water Quality data - Dale Farm,</p> <p>Baseline fishery surveys of a number of streams 2010.</p> <p>Annual inspections as per QEII Trust requirements</p> <p>Macroinvertebrate/electric fishing programme. – 6 sites</p>

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**QEII/Waiau Trust Joint Projects photos**



*Figure 16: Anita's QEII extension on Pamu Farms NZ - Mararoa Station.*



*Figure 17: Anita's QEII extension on Pamu Farms NZ - Mararoa Station.*

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**HEA Project photos**



*Figure 18: HEA area on Mararoa Station incorporating 1.1 ha constructed wetland habitat.*



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*Figure 19: HEA works on unnamed tributary of the Ligar, on the Robertson's Brunel Peaks Station.*



*Figure 20: Kowhai trees within the HEA area on the unnamed tributary of the Ligar.*

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*Figure 21: HEA work on unnamed tributaries of the Waiau River on Pamu Farms NZ - Duncraigen Farm.*



*Figure 22: HEA work on unnamed tributaries of the Waiau River on Duncraigen Farm.*

*Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024***3.2.3.2.2 Improved ecosystem health**

The Waiau community, as expressed through the Waiau Working Party and the Waiau Rivercare Group, is focused on improving ecosystem health of the Waiau River and catchment. The Trust's habitat enhancement strategies and their implementation will produce long-term positive outcomes for ecosystem health. An ecosystems approach to habitat enhancement has been adopted. This means understanding past disruption to stream and wetland ecosystem processes. We take a sub-catchment by sub-catchment approach and restore longitudinal (headwaters to confluence) and latitudinal (riparian) linkages. In practice it results in enhanced habitats and enhanced ecosystem connectedness and networks. The Trust has now achieved the complete protection of wetlands and streams in a number of sub-catchments, particularly in the Te Anau basin. The new macroinvertebrate/electric fishing programme will quantify ecosystem health within the catchments sampled.

Ecosystem restoration, through habitat enhancement is a complex process, but often there are immediate, measurable results. The regeneration and re-establishment of native vegetation takes decades but is faster where seed sources exist. The colonisation of created wetland habitats by wildlife can occur within a matter of months; establishment of sustainable fisheries takes longer. We have seen the beginnings of a recovery of remnant native vegetation at Home Creek (in wet areas and along stream banks), aided by restoration plantings. The colonisation by macrophytes, inanga, eels and bullies in some of the original whitebait habitat enhancement ponds was rapid, as was the colonization of the "Whitehead", "McCulloch" and "Inder" wetlands at the same locality. The expansion of bird life into new habitats at Rakatu (early 2000's) was rapid and permanent. Likewise, the Papatotara wetlands rapidly provided valuable habitat for many bird species and Short and Long Fin Eel. Similar rapid colonisation of new smaller 1-2 ha open water habitats has been observed with waterfowl and wading species being some of the first to utilise new habitats.

The Trust is confident that over time the cumulative effect of all Trust projects will be very positive for the Waiau catchment ecosystem and its fisheries and wildlife values.

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**Ecosystem restoration progress – before/after photos:**



*Figure 23: Dale Farm Fredburn Wetlands prior to protection and enhancement 2019.*



*Figure 24: Dale Farm Fredburn Wetlands QEII covenant completed wetland 2021.*

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*Figure 25: Duncraigen Roses Covenant 2013.*



*Figure 26: Duncraigen Roses covenant Oct 2021.*

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*Figure 27: Duncraigen Tims covenant April 2013.*



*Figure 28: Duncraigen Tims covenant Nov 2021.*

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*Figure 29: McCulloch Suite Whitebait Project May 2012.*



*Figure 30: McCulloch Suite Whitebait Project July 2021.*

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*Figure 31: Whitebait Project direct seeding trial showing the growth of native plants after 15 months.*



*Figure 32: Whitebait Project direct seeding trial showing the growth of native plants as of February 2024.*



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*Figure 33: Whitebait project planting flaxes with a digger 2021 a 5K further enhancement of the flax fields*

#### 3.2.3.2.3 Community relationships and awareness

Community relationships and the Trust's identity within the Waiau Catchment and wider community are important aspects of our Strategic Plan. The Trust is well aware that habitat enhancement and access projects would not be possible without the co-operation of individual landowners and the wider community. In achieving the habitat enhancement and access projects, the Trust has worked with a large number of individual landowners and managers. All this work is carried out within a context of also considering the practicalities of every-day farming and other land use activities. This approach is working well, with mutual benefits for both landowners and fisheries and wildlife habitat being achieved.

The Trust has become established as an independent entity contributing to fisheries and wildlife habitat enhancement and management in the Waiau River catchment. Building and maintaining working relationships with individual landowners, Landcorp Farming Ltd, Department of Conservation, LINZ, Southland District Council, Environment Southland, QEII National Trust, Meridian Energy Ltd, Te Waiau Mahika Kai Trust, and Te Ao Marama Inc. remains a top priority. The outcome of this effort over time has resulted in some very good habitat enhancement and access projects. The co-operation of these people and their understanding and acceptance of the Trust's work is very important to the Trust.

The number of ongoing enquires the Trust receives from landowners and the number of new projects completed each year is testament to the high level of public awareness of the Trust and the good community relationships that have been established.

#### 3.2.3.2.4 Access to resources

Public access to habitat enhancement projects to encourage passive recreation, educate the public about fisheries and wildlife and promote the Trust's work is an important part of the Strategic Plan. The Trust has placed great emphasis on providing quality paths/roads (**13 in total**) and other visitor facilities at project sites; examples include the Rakatu Wetlands and the Whitebait Project.

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Vehicle and/or walking access is available on land owned by the Trust, via easement (Right of Way) or across Crown land at 6 of the major projects. The other access projects provide access to various rivers in the catchment. Use of these facilities occurs at a steady, consistent level, where measured. Access, where provided is free to all.

The Habitat Enhancement Agreement places lesser importance on public access as many of these projects are on private land, often well away from public roads. Access is available at some of these project sites or upon request from the landowner.

#### 4 Summary of the year's operation of the Trust

The twenty-sixth year of operation of the Waiau Fisheries and Wildlife Habitat Enhancement Trust has resulted in further advancement of the Trust's Objects. Project and administration expenditure for the year totalled **\$423,823**. The Trust had a trading surplus of **\$27,970**, or a surplus of **360,905** when including a revaluation of the investment portfolio, with a ROI of **7.70%**.

The Trust's Statement of Investment Policy and Objectives (SIPO) continues to focus on investment types designed to provide certainty of cash flow, as well as providing for long-term growth of the Fund. The return on the investment portfolio **7.70%**. Investment returns are estimated based on Investment Income received (including both realised and unrealised gains less fees and brokerage) divided by the opening portfolio balance less withdrawals for the year.

The following is a list of achievements the Trust considers to be the highlights for the year:

- Monitoring and Compliance reporting on the Papatotara whitebait habitat project.
- Ongoing monitoring and maintenance of the whitebait habitats -Whitehead Suite (built in March 2009), McCulloch Suite (constructed March 2012) and Inder Wetland (built February 2015), at the mouth of the Waiau River.
- Completion of 6 HEA projects protecting 4.4 km (18.66 ha) of streams, wetlands and their riparian margins, involving 7.2 km of fencing.
- Completion of 1 joint Waiau Trust/QEII Trust projects protecting 9.87 ha of wetlands, streams and bush habitat, involving 2.9 km of fencing.
- Investigation of 6 potential new wetland and stream riparian protection projects.
- Maintaining the predator trap network at Rakatu/Redcliff wetlands.
- Maintaining the predator trap network at the Whitebait project.
- The ongoing relationships between the Waiau Trust and the QEII National Trust, Landcorp Farming Ltd and Meridian Energy Ltd.
- The ongoing implementation of macroinvertebrate/electric fishing long-term monitoring programme in Te Anau basin sub-catchments in conjunction with Environment Southland.
- The third year of implementing the Wairaki Wetland project, primarily planting and weed control using contractors.

#### 5 Performance report for the year ended 31 March 2024 (BDO)



# Performance Report

Waiau Fisheries And Wildlife Habitat Enhancement Trust  
For the year ended 31 March 2024

Prepared by BDO Invercargill



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## Entity Information

### Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

#### Nature of Business

As a charitable organisation. The objectives of the Trust are to enhance and develop fisheries and wildlife habitat in the Waiau River Catchment.

#### Sources of Cash & Resources

The Trust's main source of revenue is derived from investment income.

#### Trustees

- Cam McCulloch - Chairman
- Glenys Dickson - Dept of Conservation
- John Whitehead - Dept of Conservation
- Mike O'Brien - Rural Community Representative
- Peter Sutton - Southland Fish & Game Council
- Andrew Feierabend - Meridian Energy Ltd
- Graeme L Watson - Southland Fish & Game Council
- Nathan Cruickshank

#### Secretary

Kristy Nind  
**INVERCARGILL**

#### Solicitors

Preston Russell Law  
**INVERCARGILL**

#### Investment Advisors

Craigs Investment Partners  
**INVERCARGILL**

Jarden (FNZC)  
**CHRISTCHURCH**

Milford Asset Management  
**AUCKLAND**

#### Auditors

Crowe New Zealand Audit Partnership  
**INVERCARGILL**

#### Charities Commission

Registration Number: CC20449





## Statement of Service Performance

### Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

The objectives of the Trust are to enhance and develop fisheries and wildlife habitat in the Waiau River Catchment these objectives are achieved via an annual plan focusing on the following.

#### Description of the Entity's Outcome

1. Protection, restoration, creation and enhancement of fisheries and wildlife habitat in the Waiau Catchment, including whitebait habitat in the vicinity of the Waiau River mouth.
2. Provision and maintenance of public access to the resources of the Waiau River.
3. Provision of facilities and information to enhance the understanding of the public of the values for which the Waiau Fisheries and Wildlife Habitat Enhancement Trust was established.
4. Fund research and monitoring to measure habitat enhancement ecological outcomes.

Description and Quantification of Entity's Outputs	Actual \$ 2024	Budget \$ 2024	Actual \$ 2023
<b>Wairaki Wetland:</b> C: Planting, weed control, public access, fencing, signage. MON: Bird counts	43,876	57,400	69,094
<b>Whitebait Project, Waiau Mouth:</b> C: Rockwork. M: Pest plant control, fertiliser application, re-grassing, native seeding trial	44,775	63,300	46,038
<b>Whitebait Project, Papatotora:</b> C: Plants. M: Pest control. MON: Bird counts	12,824	13,000	4,864
<b>Rakatu Wetland</b> MON: Bird counts, pest animal control	30,397	43,100	34,908
<b>HEA Projects:</b> C: Joint QEII projects + HEA projects (1 and 6 respectively)	100,393	192,614	71,844
<b>Access Projects:</b> M: Spraying, grading, fence repairs, 13 sites (including new public access at Wairaki Wetland)	4,856	7,900	4,286
<b>Project Investigation and advice:</b> AP: 11 x Potential new projects	16,925	15,500	15,601

#### Additional Output Measures:

**Total number of habitat projects completed (1997-2024): 265 projects protecting 3,371 ha of habitat.**

Over time, the cumulative number of habitat enhancement projects completed (and area protected) contributes to the ecosystem health of the Waiau catchment.

**Total number of Access projects completed (1997-2024): 13 created and open to the public. 4 habitat project sites have walking access and other facilities.**

The cumulative number of public access projects contributes to recreational use of resources and understanding of the natural values of the resources.

#### Additional Information

The Trust intends to operate in perpetuity. Habitat and access projects will require ongoing maintenance and management to ensure their long term sustainability. AP = Administration & Planning, C = Capital, M= Maintenance, MON = Monitoring



## Approval of Financial Report

### Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

The Trustees are pleased to present the approved financial report including the historical financial statements of Waiau Fisheries And Wildlife Habitat Enhancement Trust for year ended 31 March 2024.

APPROVED

Cam McCulloch - Chairman  
Trustee

Date ..... 17/7/24 .....

Peter Sutton  
Trustee

Date ..... 17/07/24 .....



## Statement of Financial Performance

### Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

	NOTES	2024	2023
<b>Revenue</b>			
<b>Donations and Grants</b>			
Rakatu Wetland - Donation Box		174	357
Other Donations		25,000	20,000
<b>Total Donations and Grants</b>		<b>25,174</b>	<b>20,357</b>
<b>Sales of Goods and Services</b>			
Rakatu Wetland - Grazing Lease		20,000	20,000
Whitebait Habitat - Sale of Baleage		32,115	24,850
Rebate - Fertiliser		-	88
<b>Total Sales of Goods and Services</b>		<b>52,115</b>	<b>44,938</b>
<b>Interest and Dividends</b>			
BNZ Interest		3,656	834
Investment Interest & Dividends		370,848	229,475
<b>Total Interest and Dividends</b>		<b>374,504</b>	<b>230,309</b>
<b>Total Revenue</b>		<b>451,793</b>	<b>295,604</b>
<b>Expenses</b>			
<b>Project Costs</b>			
<b>Dean Burn Kohwai QE11</b>			
Admin & Planning		287	-
<b>Total Dean Burn Kohwai QE11</b>		<b>287</b>	<b>-</b>
<b>Home Creek Riparian Habitat</b>			
Admin & Planning		7,294	14,692
Capital Expenses		9,468	24,381
Ongoing Maintenance		1,551	768
<b>Total Home Creek Riparian Habitat</b>		<b>18,313</b>	<b>39,841</b>
<b>Lower Waiau Whitebait Habitat, Waiau Mouth</b>			
Admin & Planning		17,855	7,618
Capital Expenses		2,940	4,977
Monitoring		11,025	4,567
Ongoing Maintenance		14,860	28,876
<b>Total Lower Waiau Whitebait Habitat, Waiau Mouth</b>		<b>46,680</b>	<b>46,038</b>
<b>Lower Waiau Whitebait Habitat, Papatotora</b>			
Admin & Planning		5,257	2,912
Capital Expenses		390	350
Monitoring		2,163	1,602
Ongoing Maintenance		5,465	-
<b>Total Lower Waiau Whitebait Habitat, Papatotora</b>		<b>13,275</b>	<b>4,864</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.





Statement of Financial Performance



	NOTES	2024	2023
<b>Stony Creek / Whitestone Habitat</b>			
Admin & Planning		221	659
<b>Total Stony Creek / Whitestone Habitat</b>		<b>221</b>	<b>659</b>
<b>Dean Burn Wetlands</b>			
Admin & Planning		360	-
<b>Total Dean Burn Wetlands</b>		<b>360</b>	<b>-</b>
<b>Kepler Trig Wetland</b>			
Admin & Planning		235	51
<b>Total Kepler Trig Wetland</b>		<b>235</b>	<b>51</b>
<b>Rakatu Wetland</b>			
Admin & Planning		9,876	7,728
Capital Expenses		-	8,569
Monitoring		6,898	6,143
Ongoing Maintenance		13,182	11,742
Ongoing Maintenance Withholding Tax		676	725
<b>Total Rakatu Wetland</b>		<b>30,632</b>	<b>34,908</b>
<b>Ramparts Road Wetland</b>			
Admin & Planning		401	502
Monitoring		420	58
Ongoing Maintenance		926	897
<b>Total Ramparts Road Wetland</b>		<b>1,747</b>	<b>1,456</b>
<b>Habitat Enhancement Agreements</b>			
Admin & Planning		26,568	14,457
Capital Expenses		67,532	52,411
Monitoring		8,969	3,206
Ongoing Maintenance		1,780	1,770
<b>Total Habitat Enhancement Agreements</b>		<b>104,849</b>	<b>71,844</b>
<b>Whare Creek Access</b>			
Admin & Planning		279	329
Ongoing Maintenance		1,072	963
<b>Total Whare Creek Access</b>		<b>1,352</b>	<b>1,291</b>
<b>Motu / Lower Dean Burn</b>			
Admin & Planning		240	97
<b>Total Motu / Lower Dean Burn</b>		<b>240</b>	<b>97</b>
<b>Princhester Creek Access</b>			
Admin & Planning		-	121
<b>Total Princhester Creek Access</b>		<b>-</b>	<b>121</b>
<b>Redcliff / Jericho Access</b>			
Admin & Planning		180	404
Ongoing Maintenance		1,333	1,486
<b>Total Redcliff / Jericho Access</b>		<b>1,513</b>	<b>1,890</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.



Statement of Financial Performance



	NOTES	2024	2023
<b>Johnson Access</b>			
Admin & Planning		225	156
<b>Total Johnson Access</b>		<b>225</b>	<b>156</b>
<b>Mararoa Whitestone Access</b>			
Admin & Planning		-	120
<b>Total Mararoa Whitestone Access</b>		<b>-</b>	<b>120</b>
<b>Sunny Side / Monowai Access</b>			
Admin & Planning		593	57
Ongoing Maintenance		900	555
<b>Total Sunny Side / Monowai Access</b>		<b>1,493</b>	<b>611</b>
<b>Wairaki Access</b>			
Admin & Planning		124	-
<b>Total Wairaki Access</b>		<b>124</b>	<b>-</b>
<b>Soper Access Pumphouse Road</b>			
Admin & Planning		100	-
<b>Total Soper Access Pumphouse Road</b>		<b>100</b>	<b>-</b>
<b>Wairaki Lagoon Oxbow</b>			
Admin & Planning		7,128	12,036
Capital Expenses		25,389	56,417
A20 Wairaki Oxbow Lagoon - Ongoing Maintenance		11,404	642
<b>Total Wairaki Lagoon Oxbow</b>		<b>43,921</b>	<b>69,094</b>
<b>Databases</b>			
Admin & Planning		2,685	2,908
Capital Expenses		625	990
Ongoing Maintenance		350	525
<b>Total Databases</b>		<b>3,660</b>	<b>4,423</b>
<b>Education and Public Awareness</b>			
Admin & Planning		4,726	5,648
Website Design		126	303
<b>Total Education and Public Awareness</b>		<b>4,852</b>	<b>5,951</b>
<b>Land &amp; Water Science</b>			
Admin & Planning		-	67,500
<b>Total Land &amp; Water Science</b>		<b>-</b>	<b>67,500</b>
<b>Project Investigation and Facilitation</b>			
Possible Future Projects and Facilitations		18,026	15,601
<b>Total Project Investigation and Facilitation</b>		<b>18,026</b>	<b>15,601</b>
<b>General Field</b>			
General Field (Roger Hodson)		16,433	45,477
<b>Total General Field</b>		<b>16,433</b>	<b>45,477</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.



Statement of Financial Performance



	NOTES	2024	2023
<b>General Planning</b>			
General Planning Claire Jordan		18,720	16,313
Travel Expenses Claire Jordan		711	725
<b>Total General Planning</b>		<b>19,431</b>	<b>17,037</b>
<b>Total Project Costs</b>		<b>327,969</b>	<b>429,031</b>
<b>Administration Expenses</b>			
Accounting Fees		6,035	6,261
Annual Report		2,244	2,764
Audit Fees		5,500	4,660
Bank Fees		27	39
Depreciation		3,070	1,743
General		14,828	12,744
General Equipment		372	-
Insurance		1,070	815
Legal Fees		-	1,252
Printing, Stamps & Stationery		510	625
<b>Trust Board Expenses</b>			
Board Meeting Expenses		1,298	7,445
Board Mileage		4,750	4,650
Insurance		2,707	2,465
<b>Total Trust Board Expenses</b>		<b>8,755</b>	<b>14,560</b>
<b>Financial Planning</b>			
Brokerage	4	5,236	5,286
Investment Management Fees	4	48,208	47,364
<b>Total Financial Planning</b>		<b>53,444</b>	<b>52,650</b>
<b>Total Administration Expenses</b>		<b>95,855</b>	<b>98,113</b>
<b>Total Expenses</b>		<b>423,823</b>	<b>527,144</b>
<b>Trading Surplus / (Deficit)</b>		<b>27,970</b>	<b>(231,540)</b>
<b>Revaluation of Investments</b>			
Revaluation of Investments		332,936	(297,018)
<b>Total Revaluation of Investments</b>		<b>332,936</b>	<b>(297,018)</b>
<b>Operating Surplus</b>		<b>360,905</b>	<b>(528,558)</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.





## Statement of Financial Position

### Waiau Fisheries And Wildlife Habitat Enhancement Trust As at 31 March 2024

	NOTES	31 MAR 2024	31 MAR 2023
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	2	430,433	782,744
Accounts Receivable		9,375	174
Goods & Services Tax		10,608	12,391
Accrued Income		9,100	24,850
<b>Total Current Assets</b>		<b>459,517</b>	<b>820,159</b>
<b>Non-Current Assets</b>			
Property, Plant and Equipment	5	463,320	464,927
Investments	3	8,022,121	7,347,396
<b>Total Non-Current Assets</b>		<b>8,485,441</b>	<b>7,812,323</b>
<b>Total Assets</b>		<b>8,944,958</b>	<b>8,632,482</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accrued Expenses		11,104	12,380
Accounts Payable		5,857	53,010
<b>Total Current Liabilities</b>		<b>16,961</b>	<b>65,390</b>
<b>Total Liabilities</b>		<b>16,961</b>	<b>65,390</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>8,927,997</b>	<b>8,567,092</b>
<b>Accumulated Funds at the Beginning of the Year</b>			
Opening Balance		8,567,092	9,095,650
Net Surplus / (Deficit) For The Year		360,905	(528,558)
<b>Total Accumulated Funds at the Beginning of the Year</b>		<b>8,927,997</b>	<b>8,567,092</b>

This Statement is to be read in conjunction with the Auditor's Report and notes to the Financial Statement.





## Statement of Cash Flows

### Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

<b>Cash Flows from Operating Activities</b>	NOTES	2024	2023
<b>Cash was received from:</b>			
Receipts from providing goods or services		59,920	31,363
Interest, dividends and other investment receipts		374,439	230,135
Donations or grants paid		25,174	20,357
GST		-	3,264
<b>Cash was applied to:</b>			
Payments to suppliers and employees		(463,033)	(498,497)
GST		(5,560)	-
<b>Total Cash Flows from Operating Activities</b>		<b>(9,060)</b>	<b>(213,379)</b>
<b>Cash Flows from Investing and Financing Activities</b>			
<b>Cash was received from:</b>			
Receipts from financial assets		-	202,017
<b>Cash was applied to:</b>			
Withdrawals from financial assets		(341,789)	-
Payments to acquire property, plant and equipment		(1,463)	-
<b>Total Cash Flows from Investing &amp; Financing Activities</b>		<b>(343,252)</b>	<b>202,017</b>
<b>Net Increase/ (Decrease) in Cash</b>		<b>(352,311)</b>	<b>(11,362)</b>
<b>Bank Accounts and Cash</b>			
Opening cash		782,744	794,106
Closing cash		430,433	782,744
<b>Net change in cash for period</b>		<b>352,311</b>	<b>11,362</b>



## Statement of Accounting Policies

### Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

#### Reporting Entity and Basis of Preparation

Waiau Fisheries and Wildlife Habitat Enhancement Trust is a charitable trust and has elected to apply PBE SFR-A (NFP) Public Benefit Entity Simple Format Reporting Accrual (Not For-Profit) on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$5,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

The Trustees have also elected to adopt PBE NFP IPSAS 41, with reduced disclosure Requirements applied, in its accounting for Financial Instruments. This is an allowable departure from PBE SFR-A (NFP).

#### Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of earnings and financial position on an historical cost basis are followed, except for Investments that are reported at current market value.

#### Presentation Currency

These financial statements are presented in New Zealand dollars, rounded to the nearest dollar.

#### Revenue Recognition

##### **Donations and Grants**

Donation Revenue is recorded when the cash is received. Grant revenue is recognised when received unless a use or return condition is attached in which any unused portion is recorded as a liability.

##### **Goods**

Revenue is recorded when the goods are sold to the purchaser.

##### **Lease Income**

Revenue is recorded on a straight line basis over the term of the agreement.

##### **Interest & Dividends**

Revenue is recorded as it is earned during the period.

##### **Cash and Cash Equivalents**

Cash and cash equivalents include cash on hand, bank balances, deposits held at call with banks, and other short term highly liquid investments with original maturities of three months or less, and bank overdrafts. The carrying amount of cash and cash equivalents represent fair value.

#### Accounts Receivable

Accounts Receivable are stated at expected realisable value.



**Fixed Assets & Depreciation**

All assets are stated at cost less depreciation. Depreciation has been calculated on a diminishing value basis over the estimated useful life of the asset using depreciation rates published by Inland Revenue.

Buildings	3 - 4%
Land	0%
Land Development	6.3%
Office Equipment	39.6 - 48%
Plant	12 - 100%
Rakatu Forestry Blocks	0%

**Investments**

Investments have been valued at current market value. All interest due is recorded as owing to the Trust.

Current investments represent funds invested with an original maturity between 3 and 12 months. Term investments represent funds invested with an original maturity exceeding 12 months.

**Financial Instruments**

The Trust initially recognises financial instruments when the Trust becomes a party to the contractual provisions of the instrument. The Trust derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the group is recognised as a separate asset or liability. The Trust derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire. The Trust also derecognises financial assets and financial liabilities when there has been significant changes to the terms and/or the amount of contractual payments to be received/paid.

Financial assets and liabilities are offset and the net amount presented in the Statement of Financial Position when, and only when, the Trust has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

The entity classifies financial assets into the following categories:

Financial assets Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost, or fair value through surplus or deficit (FVTSD).

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTSD:

- i. it is held within a management model whose objective is to hold assets to collect contractual cash flows; and
- ii. its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost as described above are measured at FVTSD. This includes the investment portfolios (see note 3).

1. Craigs Investment Partners
2. Jarden (FNZC)
3. Milford Asset Management

Financial Instruments classified as fair value through surplus or deficit are subsequently measured at fair value with gains or losses being recognised in surplus or deficit.





### Amortised cost financial liabilities

Financial liabilities classified as amortised cost are non-derivative financial liabilities that are not classified as fair value through surplus or deficit financial liabilities.

Financial liabilities classified as amortised cost comprise payables.

### Financial assets – Management model assessment

The Trust makes an assessment of the objective of the management model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management.

The information considered includes:

- i. the stated policies and objectives of the portfolio.
- ii. how the performance of the portfolio is evaluated and reported to the group's management.
- iii. the risks that affect the performance of the management model (and the financial assets held within that management model) and how those risks are managed; and
- iv. the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTSD.

### Financial assets – Subsequent measurement and gains and losses

Financial assets at FVSD - These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in surplus or deficit.

Financial assets at amortised cost - These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in surplus or deficit. Any gain or loss on derecognition is recognised in surplus or deficit.

### Financial liabilities – Classification, subsequent measurement and gains and losses

The Trust classifies all its financial liabilities at amortised cost. These financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in surplus or deficit. Any gain or loss on derecognition is also recognised in surplus or deficit.

### Impairment of non-derivative financial assets

The Trust recognises loss allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Trust measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- i. bonds and term deposits that are determined to have low credit risk at the reporting date; and
  - ii. other bonds and term deposits and bank balances for which credit risk (i.e., the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.
- The Trust considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the entity in full, without recourse by the group to actions such as realising security (if any is held); or
  - the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months). The maximum period considered when estimating ECLs is the maximum contractual period over which the Trust is exposed to credit risk.

### Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e., the difference between the cash flows due to the group in accordance with the contract and the cash flows that the group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.







### Credit-impaired financial assets

At each reporting date, the Trust assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. The gross carrying amount of a financial asset is written off when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

The Trust considers bonds and term deposits to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

### Taxation

As a Charitable Trust all investment and other income is not liable for income tax.

### Goods & Services Tax

The Trust is registered for Goods & Services Tax.

The financial statements have been prepared on a basis exclusive of Goods & Services Tax.

### Accounts Payable

The total value of Accounts Payable is represented by trade creditors.

### Statement of Cash Flows

For the purposes of the statement of cash flows, cash is considered to be cash on hand, in banks and cash equivalents, net of bank overdrafts and highly liquid investments that are readily convertible to known amounts of cash within 90 days that are subject to an insignificant risk of changes in values.

### Changes in Accounting Policies

#### (i) PBE IPSAS 41 Financial Instruments

PBE IPSAS 41 Financial Instruments replaces parts of IPSAS 29 Financial Instruments: Recognition and Measurement, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

PBE IPSAS 41 Financial Instruments is effective from 1 January 2022 and was adopted by the Trust on that date.

PBE IPSAS 41 introduces new recognition and measurement requirements for financial assets and restricts the ability to measure financial assets at amortised cost to only those assets that are held within a management model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In addition, measurement of financial assets at fair value through other comprehensive revenue and expense is also restricted.

#### (i) Impairment

The adoption of PBE IPSAS 41 has changed the Trust's accounting for impairment losses for financial assets by replacing PBE IPSAS 29's incurred loss approach with a forward-looking expected credit loss (ECL) approach. PBE IPSAS 41 requires the Trust to recognise an allowance for ECL's for all debt instruments not held at fair value through surplus and deficit.

Upon the adoption of IPSAS 41 on 1 January 2022, the Trust did not recognise any additional impairment.

The above standards and interpretations were applied for the first time in 2023. The adoption of PBE IPSAS 41 Financial Instruments, which introduces new recognition and measurement requirements for financial assets, did not have a material impact on the performance report.



## Notes to the Performance Report

### Waiau Fisheries And Wildlife Habitat Enhancement Trust For the year ended 31 March 2024

#### 1. Nature of Business

The principal business activity of Waiau Fisheries and Wildlife Habitat is that of developing fisheries and wildlife habitat in the Waiau River catchment.

	2024	2023
<b>2. Cash and Cash Equivalents</b>		
BNZ	104,139	103,632
Craigs Investment Partners - Cash on Call	63,798	67,705
Jarden (FNZC) - Cash on Call	25,083	16,721
Milford Fund Cash	237,414	594,686
<b>Total Cash and Cash Equivalents</b>	<b>430,433</b>	<b>782,744</b>

	2024	2023
<b>3. Investments - Fair Value through Surplus or Deficit</b>		
<b>Craigs Investment Partners</b>		
Craigs Investment Portfolio	3,563,807	3,469,336
<b>Total Craigs Investment Partners</b>	<b>3,563,807</b>	<b>3,469,336</b>
Withdrawals for the Year	180,000	180,000
Net Investment Return after Withdrawals, Fees & Brokerage	8	(2)
<b>Jarden (FNZC)</b>		
Jarden (FNZC) Portfolio	1,716,884	1,610,929
<b>Total Jarden (FNZC)</b>	<b>1,716,884</b>	<b>1,610,929</b>
Withdrawals for the Year	48,000	48,000
Net Investment Return after Withdrawals, Fees & Brokerage	10	(3)
<b>Milford Income Fund</b>		
Milford Income Fund Portfolio	2,741,429	2,267,131
<b>Total Milford Income Fund</b>	<b>2,741,429</b>	<b>2,267,131</b>
Withdrawals for the Year	96,000	96,000
Net Investment Return after Withdrawals, Fees & Brokerage	8	(1)
<b>Total Portfolio Investments</b>	<b>8,022,121</b>	<b>7,347,396</b>
Net Investment Return after Withdrawals, Fees & Brokerage	8	(2)

Investment returns are estimated based on Investment Income received (including both realised and unrealised gains less fees and brokerage) divided by the opening portfolio balance less withdrawals for the year.



Notes to the Performance Report



**Realised and Unrealised Gains**

	<b>2024</b>	<b>2024</b>	<b>2023</b>	<b>2023</b>
	Realised	Unrealised	Realised	Unrealised
	\$	\$	\$	\$
Craigs Investment Partners	76,569	81,809	10,788	(180,830)
Milford Asset Management	-	55,701	-	(46,201)
Jarden (FNZ)	15,211	103,645	(4,767)	(76,008)
	91,780	241,155	6,021	(303,039)
<b>Total (Realised + Unrealised)</b>	<b>332,935</b>		<b>(\$297,018)</b>	

2024 2023

**4. Investment Management Fees and Brokerage**

H7 Craigs Investment Partners Brokerage	5,236	5,286
H7 Craigs Investment Partners - Fees	15,414	15,487
H7 Jarden (FNZC) - Investment Fees	14,137	13,001
H7 Milford Income Fund - Fees	18,656	18,876
<b>Total Investment Management Fees and Brokerage</b>	<b>53,444</b>	<b>52,650</b>

Milford Asset Management Fund is a PIE investment with fees calculated on a management and administration expenses ratio which includes a base administration fee and a performance based fee (if performance exceeds a benchmark).





**5. Fixed Assets**

<b>2024</b>	Cost	Opening Book Value	Additions / (Disposals)	Depreciation	Closing Book Value
Plant	26,776	5,170	869	1,523	4,516
Land	403,369	403,369	-	-	403,369
Office Equipment	9,761	19	594	601	12
Buildings	43,340	25,566	-	771	24,795
Forestry Blocks	28,048	28,048	-	-	28,048
Land Development	9,230	2,755	-	174	2,581
	\$520,524	\$464,927	\$1,463	\$3,069	\$463,321

<b>2023</b>	Cost	Opening Book Value	Additions / (Disposals)	Depreciation	Closing Book Value
Plant	26,776		-	751	5,170
Land	403,369	403,369	-	-	403,369
Office Equipment	9,761	52	-	12	19
Buildings	43,340	27,180	-	795	25,566
Forestry Blocks	28,048	28,048	-	-	28,048
Land Development	9,230	2,940	-	185	2,755
	\$520,524	\$466,670	-	\$1,743	\$464,927

Fixed Assets are recorded at cost.

Depreciation has been charged on assets at rates allowed by the Inland Revenue Department.

**Heritage Assets**

Waiiau Fisheries and Wildlife Habitat Enhancement Trust hold assets of environment significance. These are reflected in the Financial Statements at initial purchase cost and included in Land above. Subsequent work and value is not able to be reliably measured. Heritage assets include:

**Home Creek (purchase cost \$1,868)**

Meandering stream system and riparian habitat. Re-fencing and pest control work along with re-vegetation with native plants to provide a green belt for the local community.

**Rakatu Wetlands (purchase cost \$329,478)**

The creation of ecologically sustainable wetlands and small stream ecosystems for the benefit of fisheries and wildlife in the Lower Waiiau River catchment. The establishment of a public access and facilities for recreational and educational use to promote the values of the wildlife and fishery habitats.

**Public Access Ways**

**Marora / Whitestone (purchase cost \$14,990)**

**Princhester Creek (purchase cost \$6,475)**

Public access ways created to the Waiiau River and tributaries to improve access for recreational and educational activities.



Notes to the Performance Report



**Waghorns / Stony Creek (purchase cost \$26,243)**

Restoration of natural Whitestone River meandering process via establishment of 2 wetland areas and protection of small creeks and native vegetation.

**Ramparts Road (purchase cost \$30,805)**

Significant wetland, protected and created for habitat protection of the sub-catchment of the Mararoa River to ensure sustainability of stream flows.

	2024	2023
<b>6. Financial Research Commitments</b>		
<b>Operating Lease Commitments</b>		
Current	2,000	2,000
Non-Current	5,000	7,000

Meridian Lease of 54.3 hectares. Sec 1-3 plan 12225. Registration number 35841 Waiau Mouth. This lease is a 35 year lease with rights to renewal every 5 years. The lease was renewed on the 30 September 2022 for a further 5 years until September 2027 at an annual lease payment of \$2,000 per year.

**7. Capital Commitments**

There were no capital commitments as at 31 March 2024

**8. Operational Commitments**

The Trust has an operating commitment to Landcorp Farming Ltd to provide funding for project work at Eweburn for wetland extensions and at Willanda Downs for habitat enhancement work undertaken but not yet complete at balance date. This operating commitment as at 31 March 2024 is estimated to total \$31,844 (2023: \$Nil)

**9. Related Parties**

Peter Sutton is a Trustee of the Trust. Peter is related to Mark Sutton, project manager for the Trust. Mark's services for the year ended 31 March 2024 totalled \$Nil (2023: \$65,196).

**10. Subsequent Events**

There are no subsequent events at balance date (2023: \$Nil).

**11. Additional Information - Emissions Units**

**Pre 1990 Forest**

Included in Rakatu wetland is pre 1990 foresty land. The land is subject to the provisions of the New Zealand emissions trading scheme ('ETS'). The implication of this on the financial statements is twofold:

1. Should the land be deforested (i.e. The land is changed from forestry to some other purpose), a deforestation penalty will arise;
2. Given the deforestation restriction, compensation units are being provided from the New Zealand Government.



Notes to the Performance Report



Compensation units have not been recognised as income in the financial statements. As a registered charity, any income from the receipt or sale of these units is not taxable.

The deforestation contingency is not recognised as a liability on the balance sheet as there is no current intention of changing the land use subject to the ETS.

**Post 1989 Forest**

Waiau Fisheries And Wildlife Habitat Enhancement Trust has voluntarily entered into ETS in respect of further forest land located on the rakatu wetland (the specified area). This entitles the Trust to receive emission units ('The units') for carbon stored in the specified area, from a 2008 baseline. As at the date of this report the Trust holds 2,428 NZU's.





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## INDEPENDENT AUDITOR'S REPORT

### To the Trustees of Waiau Fisheries and Wildlife Habitat Enhancement Trust

#### Opinion

We have audited the performance report of Waiau Fisheries and Wildlife Habitat Enhancement Trust (the Trust) on pages 4 and 7 to 20, which comprises the statement of financial performance and statement of cash flows for the year ended 31 March 2024, the statement of financial position as at 31 March 2024, and the statement of accounting policies and other explanatory information.

In our opinion:

the performance report on pages 4 and 7 to 20 presents fairly, in all material respects:

- the entity information for the year ended 31 March 2024; and
- the financial position of the Trust as at 31 March 2024, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit).

#### Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and of the entity information in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under these standards are further described in the *Auditor's Responsibilities for the Audit of the Performance Report* section of our report.

We are independent of the Trust in accordance with Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards) (New Zealand)* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.

#### Other Matter

We are not responsible for expressing an opinion on the statement of service performance.

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### **Information Other Than the Performance Report and Auditor's Report**

The Trustees are responsible for the other information. The other information comprises the information included on pages 5 to 6, but does not include the performance report and our auditor's report thereon.

Our opinion on the performance report does not cover the other information and we do not express any form of audit opinion or assurance conclusion thereon.

In connection with our audit of the performance report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Trustees' Responsibilities for the Performance Report**

The Trustees are responsible on behalf of the Trust for:

- (a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance;
- (b) The preparation and fair presentation of the performance report, which comprises:
  - the entity information;
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued in New Zealand by the New Zealand Accounting Standards Board; and

- (c) For such internal control as the Trustees determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Trustees are responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Performance Report**

Our objectives are to obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional





judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Trustees and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trust's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Restriction on Use**

This report is made solely to the Trustees, as a body. Our audit has been undertaken so that we might state to the Trust's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Trust and the Trust's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Crowe

**Crowe New Zealand Audit Partnership**  
CHARTERED ACCOUNTANTS

Dated at Invercargill this 17th day of July 2024

The title 'Partner' conveys that the person is a senior member within their respective division and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries.

*Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024*

## Appendix A: Objects and Purposes of the Trust Deed and Supplementary Deed of Variation

*Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024*

The Trust Objects State:

“ The Settlor directs and the Trustees declare that the Trustees hold the Trust Fund upon the following trust, to be used to further the following charitable purposes and objects with the intent that the Trust Fund shall be expended on projects within the Waiau River catchment which, together with the minimum flow regime in the conditions of consent for the Manapouri Power Scheme, will create, enhance and maintain habitat for freshwater fish and wildlife to at least the quantity and quality which studies carried out for the Waiau Working party have identified as being the maximum achievable by flows of up to 30 cumecs from the Manapouri Lake Control Structure and to facilitate public access to the enhanced Waiau River, including:

- i. *To identify and evaluate areas of the Waiau catchment worthy of protection, restoration, improvement, creation or procurement (primarily as fisheries and wildlife habitat) and to create habitat within the Waiau catchment.*
- ii. *In order to carry out the first purpose to negotiate, where appropriate the protection, restoration, improvement, creation or procurement of fisheries and wildlife habitat with landowners and to ensure the best possible public access to fisheries and wildlife resources.*
- iii. *To provide and maintain two access tracks for anglers' access in the vicinity of Whare Creek and Redcliff Creek confluences such that advantage can be taken of the fishery.*
- iv. *In accordance with the first and second purposes, to provide for the creation of additional areas of whitebait habitat on land owned by ECNZ<sup>1</sup> or held by the Minister of Conservation adjacent to the Waiau Lagoon as defined by studies carried out for the Waiau Working Party, as necessary.*
- v. *To provide for the rearrangement and ongoing maintenance of the rock weir immediately below the Duncraigen Bridge identified in studies carried out by ECNZ as necessary to enhance the habitat for fish and the aesthetic sense of landscape values of the river between the weir and the Manapouri Lake Control Structure at minimum flows.*
- vi. *To provide for a study over 5 years of freshwater fish in Lakes Manapouri and Te Anau to demonstrate the present state of the fisheries and present trends.*
- vii. *To provide or assist with the provision of information or facilities to enhance the understanding of the public of the values for which the Trust was established.*
- viii. *Such further or other measures which, in the opinion of the Trustees will better provide for the matters set out in sections 5(2)(a), 5(2)(c), 6(a), 6(d), 7(a), 7(c), 7(f) and 7(h) of the Resource Management Act 1991.*

*The objects or purposes of this Trust are or shall be charitable as approved by the Commissioner of Inland Revenue and shall be deemed not to include or extend to any matter or thing which is or shall be held or determined to be non-charitable and the powers and purposes of the Board and trusts hereby created shall be so restricted.”*

A Supplementary Variation of Deed was approved by the Companies Office in March 2019 and Charities Services in May 2019. The purpose of the Deed review was twofold. Firstly, the review updated the Deed to reflect the Charities Act 2005 (and Amendments). Secondly the Objects and Purpose of the Deed were revised to better reflect the work of the Trust 22 years after inception. The revised objects and purposes DO NOT replace the original Deed Objectives and Purpose.

The Supplementary Deed of Variation Objects and Purposes are:

*The Settlor directs, and the Trustees declare, that the Trustees hold the Trust Fund upon the following trusts, (in this clause 4.1) and to be used to further the following charitable purposes and objects in 4.2(a) to (k).*

*The Trust Fund shall be expended on projects within the Waiau River catchment which, together with the minimum flow regimes in the conditions of consent for the Manapouri Power Scheme, will mitigate and remediate adverse effects by:*

- *Creating, enhancing, protecting and maintaining habitat for freshwater fish and wildlife;*

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<sup>1</sup> ECNZ is now Meridian Energy Ltd.

*Waiau Fisheries and Wildlife Habitat Enhancement Trust Annual Report 2024*

- *Maximising ecological connections and habitat sustainability within and between all water bodies;*
- *Enhancing the overall ecosystem health and biodiversity values of the Waiau River and its tributaries;*
- *Facilitating and enhancing public access to the Waiau River;*
- *Enhancing the recreational and amenity values of the catchment.*

*Purposes of the Trust*

- (a) *To identify and evaluate habitats within the Waiau Catchment worthy of protection, restoration, improvement or creation as fisheries and wildlife habitat. This will include areas for possible procurement with potential for habitat enhancement.*
- (b) *To negotiate the protection, improvement, creation or procurement of fisheries and wildlife habitat with landowners and ensure, where practicable, the best possible public access to fisheries and wildlife resources and other recreational resources, is secured.*
- (c) *To provide and maintain public accesses for recreation activities to the main stem of the Lower Waiau River and the major tributaries within the catchment.*
- (d) *To provide for the creation of additional habitat for fish and wildlife, and in particular whitebait habitat, on land owned or administered by MEL, the Minister of Conservation or other public land, adjacent to the Waiau Lagoon.*
- (e) *To provide for any rearrangement and ongoing maintenance of the rock weir immediately below the Duncraigen Bridge identified in studies carried out by Electricity Corporation of New Zealand/MEL as necessary to enhance habitat for fish and the aesthetic sense of landscape values of the river between the weir and Manapouri Lake Control at minimum flows.*
- (f) *To provide for studies of freshwater fish in Lakes Manapouri and Te Anau, to determine the state of the fisheries and trends over time, as necessary.*
- (g) *To provide or assist with the provision of information or facilities to enhance the understanding of the public of the values for which the Trust was established.*
- (h) *To provide for the development and maintenance of project databases, documenting:*
  - *The number and scale of all habitat enhancement and access projects;*
  - *The cumulative mitigation and remediation outcomes achieved.*
- (i) *To provide for the monitoring of the ecological response of the enhanced habitats, to ensure habitat enhancement outcomes are achieved.*
- (j) *To work with MEL to communicate and disseminate information about the quantity and quality of habitat and public access mitigation and remediation outcomes achieved, in the Waiau catchment by the Trust.*
- (k) *To foster partnerships with other organisations in the community in order to achieve habitat enhancement and environmental outcomes and public access to resources in the Waiau catchment, in a cost effective manner.*
- (l) *Such further or other measures which in the opinion of the Trustees will:*
  - (a) *Assist with the implementation of the National Policy Statement for Freshwater (NPSFW) or any other relevant policy statement; and*
  - (b) *Provide for the matters set out in sections 5(2)(a), 5(2)(c), 6(a), 6(c), 6(d), 7(a), 7(aa), 7(d), 7(c), 7(f) and 7(h) of the RMA 1991*

*In the Waiau River catchment.*

*The objects or purposes of this Trust are or shall be deemed not to include or extend to any matter or thing which is or shall be held or determined to be non-charitable other than an ancillary non-charitable purpose within the meaning of Section 5 Charities Act 2005 and the powers and purpose of the Board are restricted accordingly.*

## 5 Confirmation of minutes I Whakau korero

Attached are the minutes from the Strategy and Policy meeting held 16 October 2024.

## Minutes of the Strategy and Policy Committee – Rautaki me Mahere

Held at Environment Southland, 220 North Road, Invercargill  
Wednesday 16 October 2024 at 10:00 am

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### Present:

Cr Lyndal Ludlow (Chair)  
Cr Paul Evans  
Cr Alastair Gibson  
Cr Robert Guyton  
Cr Peter McDonald  
Cr Jeremy McPhail  
Cr Jon Pemberton  
Cr Phil Morrison  
Cr Maurice Rodway (Deputy)  
Cr Eric Roy  
Chairman Nicol Horrell (ex officio)  
Mr Stewart Bull (Mana whenua representative)

### Also Present:

Ms Rachael Millar (General Strategy, Policy and Science)  
Ms Mariette Geldenhuys (Meeting Secretary)

## 1 Welcome I Haere mai

The chairperson welcomed everyone to the Strategy and Policy committee meeting for 16 October 2024, and opened the meeting with a karakia.

## 2 Apologies I Ngā pa pouri

### Resolved:

**Moved Chairman Horrell, seconded Cr Gibson that apologies be accepted on behalf of Cr Cook.**

**Carried**

## 3 Declarations of interest

At the time of the agenda closing. No declarations of interest had been received for this meeting.

## 4 Public forum, petitions and deputations I He huinga tuku korero

At the time of the agenda closing, no public forum, petitions or deputations were received for the meeting.

Strategy and Policy Committee - Rautaki me Mahere - Minutes - 16 October 2024



## 5 Confirmation of minutes I Whakau korero

### **Resolved:**

**Moved Cr Roy, seconded Cr McPhail that the minutes of the Strategy and Policy committee meeting held on 12 September 2024 be confirmed as a true and accurate record.**

**Carried**

## 6 Notification of extraordinary items/urgent business I He panui autaiia hei totoia pakihi

At the time of the agenda closing, no notifications of extraordinary or urgent business had been received for the meeting.

## 7 Questions I Patai

At the time of the agenda closing, no questions had been received for the meeting.

## 8 Chairman and councillors reports I Ngā purongo-a-tumuaki me ngā kaunihera

There were no councillor or chairman reports.

## 9 Reports

### 9.1 Revised Regional Climate Change Strategy

The purpose of this item was to recommend the revised Regional Climate Change Strategy for adoption by the Environment Southland Strategy & Policy Committee.

### **Resolved:**

**Moved Cr Morrison, seconded Cr McPhail that Council:**

- 1 receive the report - Revised Regional Climate Change Strategy.**
- 2 note the changes made to the proposed Regional Climate Change Strategy, resulting from the deliberations by the Regional Climate Change Working Group hearing panel.**
- 3 note recent considerations made by our RCCWG partner agencies to endorse/adopt the revised Regional Climate Change Strategy.**
- 4 adopt the revised Regional Climate Change Strategy.**

**Carried**

Strategy and Policy Committee - Rautaki me Mahere - Minutes - 16 October 2024



## 9.2 The Mineral Potential of New Zealand and draft Critical Minerals List

The purpose of this item was to brief the Strategy and Policy committee on the contents of two recent Government reports – a stocktake on NZ's known mineral potential and a draft critical minerals list and to provide an overview of the local resource extraction industry.

These pieces of information was designed to inform discussion on the potential regional implications of the ongoing national policy reform.

Staff advised to write a letter to the Minister of Resources expressing our displeasure regarding the short time frames for consultation.

### **Resolved:**

**Moved Cr Morrison, seconded Chairman Horrell that Council receive the reports - The Mineral Potential of New Zealand and draft Critical Minerals List.**

**Carried**

## 9.3 Government Legislation and Policy Monitor

The purpose of this item was to update the Strategy and Policy committee and internal staff on recent national legislation and policy changes that may impact Environment Southland's operations, with the goal of building a knowledge base for effective engagement with Central Government and preparing for successful implementation.

The chairperson suggested scheduling a workshop to discuss the Treaty principles, led by our Treaty partners, to help us understand their views.

### **Resolved:**

**Moved Cr Roy, seconded Cr Morrison that Council receive the report - Government Legislation and Policy Monitor.**

**Carried**

*Cr Gibson left the meeting at 10:54 am and returned to the meeting at 11:40 am.*

## 9.4 Coastal Plan Update

The purpose was to provide an update of the current work streams underway for the Regional Coastal Plan review, and detail for the 'targeted workstreams' and to provide an update on progress with Plan Change 5 to the Regional Coastal Plan for Southland - Surface Water Activities on the internal waters of Fiordland from Yates Point to Puysegur Point.

### **Resolved:**

**Moved Cr McDonald, seconded Cr Rodway that Council receive the report - Coastal Plan Update.**

**Carried**



Strategy and Policy Committee - Rautaki me Mahere - Minutes - 16 October 2024



## 9.5 Freshwater policy update

The purpose of this item was to provide an update on the water and land planning and policy work that has advanced since the last update to this committee on 16 September 2024.

**Resolved:**

**Moved Chairman Horrell, seconded Cr Rodway that Council receive the report - Freshwater policy update.**

**Carried**

## 9.6 Policy and Strategy Group update

The purpose of this item was to provide an update on the work being carried out by the Strategy, Policy and Science Group.

**Resolved:**

**Moved Chairman Horrell, seconded Cr McPhail that Council receive the report - Group Programme Update.**

**Carried**

## 9.7 Update on Councillor Requests and Actions

The purpose of this item was to outline the captured Councillor requests and actions that have occurred during Strategy and Policy Committee meetings and provides an update on how these are being responded to.

**Resolved:**

**Moved Cr Roy, seconded Cr Evans that Council receive the report - Update on Councillor Requests and Actions.**

**Carried**

## 10 Extraordinary/urgent business | Panui autia hei totoia pakihi

There was no extraordinary or urgent business dealt with at this time.

## 11 Public excluded business | He hui pakihi e hara mo te iwi

There was no Public Excluded business considered by the meeting.

## 12 Termination

There being no further business, the chairman closed the meeting at 11:42 am.

## **6 Adoption of committee resolutions**

### **6.1 Climate Change Subcommittee - 6 November 2024**

Attached are the minutes from the Climate Change Subcommittee meeting held 6 November 2024.

## Minutes of the Climate Change Subcommittee

Held at Environment Southland, 220 North Road, Invercargill  
Wednesday 6 November 2024 at 1:30 pm

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### Present:

Cr Maurice Rodway (Chair)  
Cr Lyndal Ludlow  
Cr Peter McDonald  
Cr Phil Morrison (Deputy)  
Cr Eric Roy  
Chairman Nicol Horrell (ex officio)

Mrs Rachael Millar (General Manager Strategy, Science and Engagement)  
Mrs Mikayla Wass (Committee Advisor)

## 1 Welcome I Haere mai

The chairman welcomed everyone to the Climate Change Subcommittee meeting for 6 November 2024, and opened the meeting with a karakia.

## 2 Apologies I Ngā pa pouri

### Resolved:

Moved Cr Ludlow, seconded Cr Morrison that apologies be accepted on behalf of Cr Guyton and Mr Stewart Bull.

Carried

## 3 Declarations of interest

There were no declarations of interest made by councillors.

## 4 Public forum, petitions and deputations I He huinga tuku korero

There were no public forum, petitions or deputations presented at the meeting.

## 5 Confirmation of minutes I Whakau korero

### Resolved:

Moved Cr Morrison, seconded Cr Ludlow that the minutes of the Climate Change Subcommittee meeting held on 14 August 2024 be confirmed as a true and accurate record.

Carried

Climate Change Subcommittee - Minutes - 6 November 2024



## 6 Notification of extraordinary items/urgent business I He panui autaiā hei totoia pakihi

There were no extraordinary items or urgent business tabled for inclusion in the agenda.

## 7 Questions I Patai

There were no questions asked by the councillors.

## 8 Chairman and councillors reports I Ngā purongo-a-tumuaki me ngā kaunihera

There were no Chairman or councillor reports.

## 9 Reports

### 9.1 Environment Southland's Second Greenhouse Gas Emissions Annual Report

The purpose of this item was to present the second Organisational Greenhouse Gas (GHG) Emissions Annual Report. A presentation (a copy of which would be retained on file) was given to provide a background and overview of the report. It was noted that a third party had verified the inventory and report.

A discussion took place on the functionality of carbon credits and the next steps for reducing emissions within the business. It was noted that a report on practical ways that the business could reduce emissions would be commissioned for December 2024/early 2025.

It was suggested that DISH (the Great South data hub) could be used as a way to share information and tools.

**Resolved:**

**Moved Cr Roy, seconded Cr McDonald that Council receive the report - Environment Southland's Second Greenhouse Gas Emissions Annual Report.**

**Carried**

Climate Change Subcommittee - Minutes - 6 November 2024



## 9.2 Presentation by National Public Health Service

Laura Pope from the National Public Health Service was in attendance. She presented the Climate Change and Health in Waitaha Canterbury report – May 2023, so that the committee could consider the relationship between climate change impacts and health for the Murihiku Southland region. It was noted that a copy of the presentation could be provided.

Laura advised that Councillors could direct questions about the impacts of climate change on Southland's health to her.

It was noted that the health response priorities should be considered in the Murihiku Climate Change Strategy moving forward.

### **Resolved:**

**Moved Cr McDonald, seconded Cr Morrison that Council receive the report - Presentation by National Public Health Service.**

Carried

## 10 Extraordinary/urgent business I Panui autia hei totoia pakihi

There were no extraordinary items or urgent business tabled for inclusion.

## 11 Public excluded business I He hui pakihi e hara mo te iwi

There was no public excluded business.

## 12 Termination

There being no further business, the chairman closed the meeting at 3:03 pm.

## **7 Notification of extraordinary items/urgent business I He panui autaiā hei totoia pakihi**

At the time of the agenda closing, no notifications of extraordinary or urgent business had been received for this meeting.

## **8 Questions I Patai**

At the time of the agenda closing, no questions had been received for this meeting.

## **9 Chairman and councillors reports I Ngā purongo-a- tumuaki me ngā kaunihera**

Attached is a councillor report from Cr Rodway regarding the Mid Ōreti Catchment Group workshop on Catchment Mapping.

**Chairman and councillors reports | Ngā purongo-atumuaki me ngā kaunihera**

**Mid Oreti Catchment Group workshop on Catchment Mapping.**

I attended a workshop hosted by the Mid Oreti Catchment Group on 10<sup>th</sup> October.

Thriving Southland has contracted Collaborations, a software development company that

has developed an interactive map for the Winton Stream catchment that identifies areas that wetlands can be made based on topography (using LiDaR), soil types, climatic information, aerial photos, and other electronic GIS data. Landowners can use it to site wetlands and the tool will produce estimates of contaminant loss based on the above data. The story about the tool can be found here: <https://storymaps.arcgis.com/stories/88509c12378b47558f0dfce0598d19c8>

It has also been used in Taranaki for farm management purposes and other applications in NZ.

An output is shown here:



The model is currently set up for the Winton Stream Catchment only but it could be expanded to other catchments where LiDaR has been done. Further funding would be needed but this would be a good tool to assist with farm planning. ES land sustainability staff have been working with this software.

Maurice

## 10 Reports

### 10.1 Land use change to forestry

**Report by:** Karen Wilson, Chief Scientist

**Approved by:** Rachael Millar, General Manager Strategy, Policy & Science

**Report Date:** 12 December 2024

#### Purpose

The purpose of this item is to provide information in response to Councillor queries on the magnitude of land use change to plantation forestry occurring in Southland, and address what impact this may be having on water quality.

#### Summary

Accurate, spatially specific information on the rate of land use change to plantation forestry occurring in Southland is difficult to obtain, however, available data indicates the amount of land in commercial forestry has increased by approximately 9,300 hectares (ha) over the past 5-7 years. By Freshwater Management Unit (FMU) the change ranges from -0.1% in the Mataura FMU to 27.7% in the Waiau FMU. The impact of this land use change to nitrogen loads and concentrations at the base of catchments is predicted to be negligible.

#### Recommendation

**It is recommended that the Strategy and Policy Committee resolve to:**

- 1 Receive the report - Land use change to forestry.

#### Background

Councillors have queried what the magnitude of conversion of land to plantation forestry is in Southland and what impact this is having on water quality outcomes in the region. To answer this, staff have utilised in-house land use information and searched multiple sources to derive an up-to-date commercial forestry land cover layer. This information was then used to run a scenario through existing water quality models to estimate changes in predicted nitrogen loads and concentrations at mainstem river monitoring sites.

#### Methods

The following steps were used to estimate the impact of land use change to forestry on water quality:

- (a) Estimate the proportion of land converted to plantation forest between October 2017 and June 2024 within each FMU.
- (b) Implement the calculated percent change in forest areas to each of the five water quality models that represent five of Southland FMU's. This generates a scenario simulating the change in land use composition.
- (c) Run each water quality model and assess any differences between the '2017 baseline' and the '2024 forest' scenario.
- (d) Compare the results from each model configuration and report these changes in estimated nitrogen concentrations and loads at key assessment sites.

The methodology is described in greater detail below, including limitations and assumptions.

#### Results

##### *Estimation of land conversion to plantation forestry*



Environment Southland’s compiled land use data was the primary source of information used to estimate the area and percent of land converted to plantation forest. The methods for compilation and representation of this land use data are documented in Pearson and Couldrey (2016 and 2018). Land use data from October 2017 and June 2024 were compared in tabular form using Microsoft Excel. Hectares of land categorised as commercial forestry was summarised for each FMU and compared between the 2017 and 2024 datasets. This provided an estimate in hectares of the increase or decrease in land used for commercial forestry over that 7-year period (Table 1).

**Table 1: Changes in commercial forest areas for Southland’s five Freshwater Management Units (FMUs) in hectares (ha) and percentage (%) change.**

	Waituna	Mataura	Ōreti	Aparima	Waiau
Change in commercial forestry 2017 to 2024 (ha)	41	-16	405	90	8,781
Change in commercial forestry 2017 to 2024 (%)	8.6%	-0.1%	2.0%	0.4%	27.7%
Proportion of FMU land area that is forestry in 2024 (%)	2.5%	2.5%	5.0%	11.0%	4.7%

Other data sources were explored for use in this assessment:

#### Forest notifications under the National Policy Statement for Plantation Forestry (NPS-PF)

Environment Southland receives notifications of forest plantation as required by the NPS-PF. This provides good information on the hectares and locations of forest planted. This data was not utilised in this assessment because reliable notifications have only been submitted since 2021 meaning the data does not adequately cover the 2017 – 2024 assessment period. Additionally, notifications are not required for conversion of land from forest to other land uses and therefore net gain and loss of commercial forest areas within a catchment is difficult to obtain using this data.

#### Ministry for Primary Industries (MPI) New Zealand forest data

MPI maintain a database with detailed information on hectares of forest planted and total standing forest hectares. This data was not used for this assessment as it cannot be broken down spatially by FMU’s for Southland.

#### *Impact of land use change to water quality*

Environment Southland developed models to allow scenarios to be run to assess the impact of different land use scenarios on water quality. The models are described in (Cox et al., 2024), with one Simplified Contaminant Allocation Modelling Platform (SCAMP) model existing for each of the five Southland FMU’s. These models use a catchment land use input tables that can be altered to simulate the effects on water quality of changes in catchment land use. The SCAMP models have been calibrated to 2017 data as part of work undertaken for freshwater planning, therefore, 2017 was used as the baseline period.

Model output results, summarised in Table 2, show the estimated change in commercial forestry areas have resulted in negligible changes to in-stream nitrogen load and concentrations at the bottom of the Mataura, Ōreti and Aparima catchments. The largest estimated percentage change in commercial forestry was in the Waiau (27.7% increase between 2017 and 2024). Despite being a notable percentage increase, the amount of forestry in hectares is small relative to the size of the catchment, therefore, the predicted effect on water quality is also negligible. The estimated 8.6% increase in commercial forest area in the Waituna FMU is predicted to have had a small effect on nitrogen load and concentrations at the bottom of the catchment (1.4% and 1.3% decrease respectively).

**Table 2: Changes in in-stream nitrogen load and concentrations between the ‘baseline’ (2017) and ‘2024 Forest’ scenarios.**

FMU and assessment site*	Change in aerial extent of commercial forestry (%)	Change in nitrogen load from baseline to scenario (%)	Change in nitrogen concentration from baseline to scenario (%)
<b>Waituna FMU:</b> Waituna Lagoon	+8.6	-1.4%	-1.3%
<b>Mataura FMU:</b> Toetoes Estuary	-0.1	0.0%	0.0%
<b>Ōreti FMU:</b> Ōreti River at New River Estuary	+2.0	0.0%	0.0%
<b>Aparima FMU:</b> Jacobs River Estuary	+0.4	0.0%	0.0%
<b>Waiau FMU:</b> Waiau River at Waiau Lagoon	+27.7	-0.9%	0.0%

\*the assessment site is located at the most downstream model assessment point, typically at the entrance to the estuary.

Overall, while thousands of hectares have been converted to commercial forest across Southland the impact this is predicted to have on nitrogen loads and concentrations at the bottom of the FMU’s is negligible or very small. Localised impacts to water quality could be meaningful, however, this will be variable depending on the location and circumstances.

### Limitations

This assessment is limited by the availability of accurate land use data. Estimates of net change in commercial forestry extent in Southland can, at present, only be derived from a region wide land use map such as the one administered by Environment Southland (e.g., Pearson and Couldrey, 2016). Estimates from other source, such as NPS-PF notifications or industry data, do not provide sufficient temporal or spatial information for finer scale assessment. The land use area estimates generated using the land use map data are uncertain and should only be used as an indication.

The water quality assessment was limited to the bottom of the catchment and only considered nitrogen loads and concentrations. As such, it does not consider other contaminants that contribute to water quality such as sediment, phosphorus, and *E. coli*. Additionally, due to the broad (e.g., FMU) scale nature of the assessment, it does not consider any localised or temporally variable effects of land use change to commercial forestry. The SCAMP models contain over 300 assessment points so finer scale analysis could be undertaken; however, this has not been done due to the limitations in the land use data on commercial forestry and the temporal nature of plantation forest cycles.

### References

Cox, T., Snelder, T., Kerr, T., 2024. Southland Region Catchment Nutrient Models: Nitrogen Allocation Simulations. RMA Client Report 2024-ES-1. Prepared for Environment Southland. March 2024.

Pearson, L. and Couldrey, M. (2016). Methodology for GIS-based lands use maps for Southland. Environment Southland Technical Report. Publication. No 2016-10.

Pearson, L. and Couldrey, M. (2018). Update Procedure for Southland Land Use Map. E3 Scientific Technical Report prepared for Environment Southland. Reference. No 18005.

### Fit with strategic framework

OUTCOME	CONTRIBUTES	DETRACTS	NOT APPLICABLE
Managed access to quality natural resources	X		
Diverse opportunities to make a living	X		
Communities empowered and resilient			X
Communities expressing their diversity			X

### Attachments

Nil

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## 10.2 Government Policy and Legislation Monitor

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**Approved by:** Rachael Millar, General Manager Strategy, Policy & Science

**Report Date:** 12 December 2024

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### Purpose

To update the Strategy and Policy Committee on recent national legislation and policy changes that may impact Environment Southland's operations, with the goal of building up a knowledge base for effective engagement with the central government as well as relevant stakeholders, and for successful implementation of national directives.

### Summary

The latest policy updates regarding the Government reform agenda include the passing of the Resource Management (Freshwater and Other Matters) Amendment Act and the progress of the Fast Track Approvals Bill. The Resource Management Amendment Bill number two is expected to be released for consultation in December, with the draft National Direction package to follow in February 2025.

Running in parallel with the RMA reform are consultations on Treaty Principles Bill and Regulatory Standards Bill, both of which could significantly influence the development and implementation of legislation across all domains in New Zealand.

### Recommendation

**It is recommended that the Strategy and Policy Committee resolve to:**

- 1 Receive the report - Government Policy and Legislation Monitor.

### Background

Since the last update, significant national policy changes took place.

The Resource Management (Freshwater and Other Matters) Amendment Act has been passed into law, introducing a range of changes with both short-term and long-term implications. The Act has a significant impact on the timing and content of the current review of the Southland Land and Water Plan. Notably, Ministers are no longer required to publish section 32 evaluation reports when making or amending national directions, although regulatory impact assessments are still required for legislation of significant impact.

The Fast Track Approvals Bill is also nearing enactment, with the Select Committee report released on 18 October 2024. Key changes to the original Bill included shifting the final decision-making to the expert panel, clarifying cost recovery processes, and changes to various timeframes. The Resource Management Amendment Bill number two is also expected to be released soon in December, with the draft National Direction package to follow in February 2025.

The release of the Treaty Principles Bill has generated intense debate nationwide. Less publicly discussed, the Ministry of Regulation has launched a public consultation on the Regulatory Standards Bill, which seeks to establish a framework for quality lawmaking in New Zealand. While it has garnered less attention, the Bill holds significant potential to shape the future of national law-making over the long term.

For specific details on these matters and other policy changes, please refer to the attached Monitor document.

### Fit with strategic framework

OUTCOME	CONTRIBUTES	DETRACTS	NOT APPLICABLE
Managed access to quality natural resources	X		
Diverse opportunities to make a living	X		
Communities empowered and resilient	X		
Communities expressing their diversity	X		

### Attachments

1. 202412 03 Government Policy and Legislation Monitor - final [10.2.1 - 28 pages]

# Government Policy and Legislation Monitor

**Updated: 2 December 2024**

This monthly document monitors the most significant of the policy and legislation changes the coalition government is driving across various areas. All information is publicly available or received via formal channels such as letters from ministries and correspondence from LGNZ, Taituarā, and Te Uru Kahika. To make it easier to follow, updates to the previous version have been marked in red.

## Index

The following colour coding is used throughout:

Resource Management	Climate Change and Biosecurity	Te Tiriti/Te Ao Māori	Transport and other Infrastructure
Mining	Other topics		

The format is as follows:

Policy area	
Legislation/policy name	Announcements, dates, and signals
	ES staff involvement and implications and next steps

## Updates

Resource Management	
<i>Overview of RMA reform programme</i>	<p>The Coalition Government has committed to a three-phase reform of the resource management system, as follows:</p> <p><b>Phase 1:</b> repeal the Natural and Built Environment Act (NBA) and Spatial Planning Act (SPA) (complete);</p> <p><b>Phase 2A:</b> progress the Fast-Track Approvals Bill, a consenting and permitting regime for regionally and nationally significant projects <b>(complete)</b>;</p> <p><b>Phase 2B:</b> progress targeted legislative changes to the Resource Management Act 1991 (RMA), along with proposals to amend, review or develop many national direction instruments; and</p> <p><b>Phase 3:</b> replace the current RMA with new resource management legislation.</p> <p>Budget 2024 provides \$92.2m over four years to deliver the Government’s resource management reforms, including fast-track consenting legislation, Resource Management Act (RMA) 1991 amendments, updates to national</p>

	<p>direction and RMA replacement legislation. This is the only new funding provided under Vote Environment in Budget 2024.</p>
	<p>The ‘three phase’ language is a useful tool for understanding the components of the work programme. The impact and outlook for Environment Southland are outlined in separate discussions below.</p>
<p><i>Fast-Track Approvals Bill (Phase 2A)</i></p>	<p>The Fast-Track Approvals Bill is intended to expedite the approval process for regionally and nationally significant development projects. The original Bill was released in March 2024 and underwent a high-profile public consultation.</p> <p>The original design required that, to access the fast-track approvals process, a project is either listed in Part A of Schedule 2 or project owners apply to the joint Ministers. A project would then be referred to an expert panel to assess the project and make a recommendation to the joint Ministers, who would then determine whether the approvals should be granted or declined.</p> <p>On 25 August 2024, <a href="#">the Cabinet announced</a> several recommendations signalling significant potential changes, including giving the final decision-making authority to the expert panel instead of the Ministers, making the Minister for Infrastructure responsible for referring projects to the expert panel, broadening the expertise basis of the expert panels to include expertise in environmental matters and Māori development, and extending timeframes for comments at the referral and panel stages.</p> <p>On 7 October 2024, 149 projects were announced to be included in Schedule 2 of the legislation meaning that these projects could apply directly to the Expert Panel for approval. In Southland, there are four projects listed being:</p> <ul style="list-style-type: none"> <li>- Invercargill City Council – infrastructure project to establish an alternate water supply for the city</li> <li>- Sanford Limited – aquaculture project to establish a hatchery at Makarewa</li> <li>- Ngāi Tahu Seafood – Aquaculture project to develop the Hananui open ocean marine farm</li> <li>- Impact Marine Bluff – Aquaculture project to construct a land-based salmon farm in Bluff.</li> </ul> <p>The <a href="#">Environment Committee’s final report</a> to the Parliament was released on 18 October. The main amendments proposed in this report commentary relate to the following topics:</p> <ul style="list-style-type: none"> <li>• the bill’s purpose statement</li> <li>• decision-making powers</li> <li>• eligibility criteria</li> <li>• ineligible activities</li> <li>• referral application requirements and time frames</li> <li>• obligations relating to Treaty settlements</li> <li>• expert panel membership and process requirements</li> <li>• decision-making process and requirements for approvals under specified legislation</li> <li>• international obligations, including international conservation agreements</li> <li>• restructuring of the bill’s provisions to improve its workability</li> </ul>

	<p>The second reading took place on 13 November. The third reading is expected to commence shortly, with the Bill anticipated to be passed into law before the end of the year.</p>
	<p>The longer-term impacts of the Bill on Environment Southland will depend on its final form, and where and how often the new consenting powers are applied in our region. Once a project gets consented through the fast-track process, it would be the responsibility of the usual consenting authority to implement and monitor the consent, hence significant resourcing implications.</p> <p>The Cabinet’s announcement made on 25 August revealed that 14 out of 384 applications for the Fast Track process came from the Southland region. This means that there are 10 projects in Southland that did not make it into Schedule 2. Environment Southland has been engaging with external agencies, including Great South, to establish a robust understanding of the intentions of potential applicants.</p> <p>Some of the amendments to the Bill, proposed by the Select Committee, appear to aid Environment Southland in the process. For example, the timeframe for providing comments at the referral stage has been extended from 10 to 20 working days, and a specific provision has been made for the recovery of actual and reasonable costs councils incur. However, the fact remains that Environment Southland’s ability to regulate how various development projects, such as fisheries, mining, and power generation, are initiated and conducted in the region will be significantly diminished. The expert panel appointed for the process has the power to make final decisions regarding the grant of approvals and any attached conditions whereas regional councils participate by providing comments and reports at various referral and expert panel stages. Regional councils can also exert influence indirectly through the development of regional data and planning documents, which will be considered by the Minister at the initial stage of the process.</p> <p>Staff are currently undertaking a thorough analysis of the implications of the proposed changes to the bill, which will be made available for consideration soon.</p>
<p><i>RM (Freshwater and Other Matters) Amendment Act</i></p> <p><i>(Phase 2B - RM Amendment Bill No.1)</i></p>	<p><b><a href="#">This Act</a> was introduced into the Parliament as a Bill on 23 May and underwent some changes before being passed into law on 23 October. The key aspects of the Act have been outlined below.</b></p> <ol style="list-style-type: none"> <li>1. Exclude the NPS-FM's (National Policy Statement for Freshwater Management) hierarchy of obligations from resource consenting.</li> <li>2. Repeal the low slope map and related stock exclusion regulations.</li> <li>3. Repeal intensive winter grazing regulations from the NES-F (National Environmental Standard for Freshwater).</li> <li>4. Align coal mining provisions with other mineral extraction activities under the NPS-IB (National Policy Statement for Indigenous Biodiversity), NPS-FM, and NES-F.</li> <li>5. Suspend for three years the NPS-IB's requirement for councils to identify and include new SNAs (Significant Natural Areas) in district plans.</li> </ol>



	<ol style="list-style-type: none"> <li>6. Enable a consent authority to grant a discharge permit or a coastal permit if the conditions of the consent 'will contribute to a reduction of the effects... over the duration of the consent'.</li> <li>7. Prohibit notification of regional plan changes implementing National Policy Statement for Freshwater Management until the revised version is published by the Government.</li> <li>8. Remove the requirement for the preparation of an evaluation report when preparing or amending a national planning standard, and when exercising power to amend regional coastal plans.</li> <li>9. Pause the application of farm plan regulations.</li> </ol>
	<p>Environment Southland provided our written submission to the Select Committee (<a href="#">Objective ID: A1170580</a>) and orally submitted on 17 July 2024 regarding the proposals that were contained in the original Bill (points 1-5 above). Some of them are likely to have limited impact on Environment Southland's operations, as our regional plan (pSWLP) has Te Mana o te Wai incorporated, and already contains regional rules for managing intensive winter grazing and stock exclusion.</p> <p>On the other hand, other changes are likely to have more substantial impacts on Environment Southland's operations. The amendments to s107 may somewhat ease the pressure on Environment Southland's operations over the short term by eliminating the need to require additional resource consents from Southland farmers. However, the prohibition on notifying regional plans implementing NPSFM interferes with the timeframe for the current review of the Southland Land and Water Plan. Furthermore, the removal of the requirement for an evaluation report reduces the level of transparency in national policy making.</p>
<p><i>RM Amendment Bill No. 2 (Phase 2B)</i></p>	<p>The Government is currently developing the policy proposals of this Bill with a view to introduce it to the Parliament in December 2025. The Bill will propose targeted changes to the RMA to improve the efficiency and effectiveness of the system and deliver coalition agreements and manifesto commitments aimed at:</p> <ol style="list-style-type: none"> <li>1. Doubling the amount of renewable energy available (<a href="#">Electrify NZ</a>)</li> <li>2. Enabling the delivery of high-quality infrastructure (<a href="#">Infrastructure for the Future</a>)</li> <li>3. Unlocking development capacity for housing (<a href="#">Going for Housing Growth</a>); and</li> <li>4. Enabling primary sector growth and development, including aquaculture, forestry, pastoral, horticulture, and mining (<a href="#">Getting Back to Farming</a>)</li> </ol> <p>During an engagement workshop held in August, the Ministry for the Environment advised that the Bill may include measures to:</p> <ol style="list-style-type: none"> <li>1. Primary sector             <ul style="list-style-type: none"> <li>• Reduce regulatory overlap between the RMA and Fisheries Act 1996</li> <li>• Provide efficient consent processing for wood processing facilities</li> <li>Update consents in an efficient manner (including marine farm consents)</li> <li>• Improve freshwater farm plans</li> </ul> </li> <li>2. Housing and urban development             <ul style="list-style-type: none"> <li>• Review housing rules relating to Medium Density Residential Standards</li> <li>• New regulation-making power for emergency responses</li> </ul> </li> </ol>

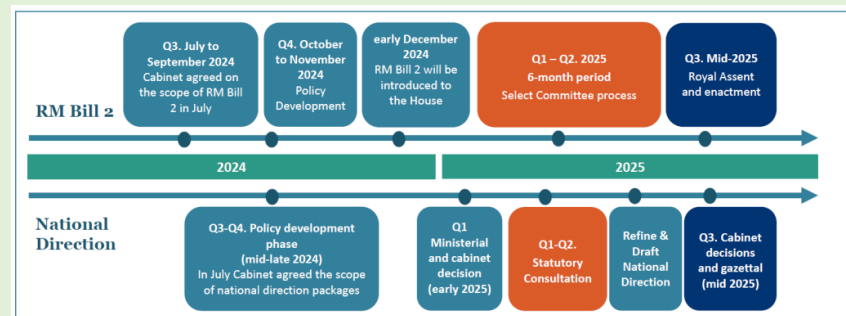
- Ability to decline land-use consents or attach conditions where there are significant natural hazard risks
3. Infrastructure and energy
- Default consent duration of 35 years for renewable energy
  - Reduce consent processing time
  - Amend consents information requirements
  - Default lapse period for designations of 10 years
  - Extend requiring status to housing and other service providers, including Kainga Ora, ports, and emergency services.
  - Remove or simplify alternatives test and reduce assessment requirements
  - Extend port permits by 20 years

The Ministry shared more details during a webinar held in November as shown below.

National Direction/Regulations/ Ministerial intervention	Planning and consenting	Interface with the RMA	System improvements and Designations
<p><b>National Direction</b></p> <ul style="list-style-type: none"> <li>• New ability to amend activity category for change of condition applications for rules relating to marine aquaculture</li> <li>• Enable councils to cost recover for national direction directed consent reviews</li> <li>• Enable NPSs to direct which planning process (including streamlined planning process) to use to implement the NPS</li> </ul> <p><b>Ministerial intervention</b></p> <ul style="list-style-type: none"> <li>• Ministerial power to direct a council to change all or part of a document required by national direction</li> <li>• Ministerial power to direct councils to use a specific plan change process (eg, the Streamlined Planning Process) to address non-compliance with national direction</li> </ul> <p><b>Regulation making powers</b></p> <ul style="list-style-type: none"> <li>• Emergency Response (new) – valid for 3 years if there's a declaration under OEM</li> <li>• Farm Plans (Existing) – amend the scope of Part 9A to allow for more recognition of industry organizations in delivering FW-FP certification and audit services</li> <li>• Long-lived infrastructure (for 35yr default duration) – further activities can be added to the list of long-lived infrastructure activities</li> </ul>	<p><b>Changes to plans and the relevant processes</b></p> <ul style="list-style-type: none"> <li>• Changes to SPP decision making remove the Minister decision making role and only allow appeals on IHP recommendations rejected by a council. No supreme Court appeals.</li> <li>• A process to allow Tier 1 councils to opt-out from implementing the Medium Density Residential Standards (MDRS)</li> <li>• Amendment to s 70 of the RM to align with the changes to s 107 through RM Bill 1</li> </ul> <p><b>Consent processes</b></p> <ul style="list-style-type: none"> <li>• One-year consenting (with exceptions) for renewable energy and wood processing consents</li> <li>• Amendments to streamline resource consent decision making processes, including proportionality considerations for further information requests and hearing decisions</li> <li>• Ability for councils to return abandoned applications</li> <li>• Formalise request to review draft conditions</li> </ul> <p><b>Consent decisions</b></p> <ul style="list-style-type: none"> <li>• Default consent duration of 35 years (new presumption) for renewable energy and long-lived infrastructure (with some exceptions)</li> <li>• Lapse period to increase from five years to 10 years for renewable energy, with some exceptions</li> <li>• Amendments to allow councils to decline land use consents if there's significant natural hazards risk</li> </ul>	<p><b>Fisheries Act</b></p> <ul style="list-style-type: none"> <li>• Clarify and constrain the extent to which councils can control fishing for biodiversity purposes under the RMA</li> </ul> <p><b>Heritage</b></p> <ul style="list-style-type: none"> <li>• Provide clear direction to councils on the listing and delisting of heritage building and structures</li> </ul>	<p><b>Compliance and Monitoring</b></p> <ul style="list-style-type: none"> <li>• Adopt some changes made to compliance through the NBA, including increased penalties, amendments to access to jury trials and better enabling cost recovery</li> <li>• Enabling regulators to consider a person's compliance history for resource management authorisation decisions</li> </ul> <p><b>Designations</b></p> <ul style="list-style-type: none"> <li>• Simplify and provide more certainty for requiring authorities by increasing default lapse period</li> <li>• Considering application of consideration of alternatives test</li> </ul>

Source: Ministry for the Environment (Nov 2024)

This Bill is expected to be introduced in December and become law by mid-2025, following review by a select committee involving public consultation.

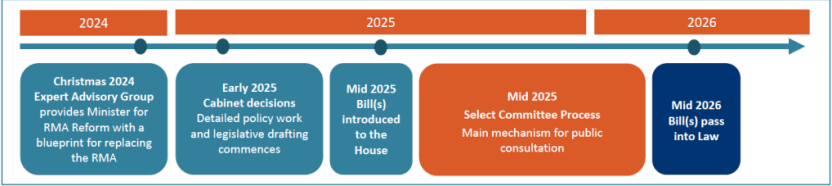


Source: Ministry for the Environment (Nov 2024)

Staff have been supporting the Ministry in the policy development process by providing feedback through regular online meetings of managers, as well as several one-off targeted discussions focused on specific topics, attended by representatives from local councils across New Zealand. The implications of the

	<p>proposed changes are also being explored at a high level through engagement with both internal and external stakeholders.</p>
<p><i>National Direction Programme (Phase 2 B)</i></p>	<p>In a speech to the New Zealand Planning Institute, the Minister for RMA Reform advised that, aside from the “straightforward priority amendments” that will be included in the RMA amendment Bills, all other work on national direction will be combined into a <b>single programme</b>. The programme will likely include the development of 7 new National Direction instruments, and amendments to 14 existing instruments. <b>The programme will be delivered in 4 packages, with formal consultation for each package beginning concurrently</b>. Formal consultation is planned for early 2025 with cabinet decisions to come mid 2025.</p> <p>The RMA Reform Minister, Chris Bishop, will be delegated the National Direction-making RMA functions with the exception of the NZ Coastal Policy Statement, which the Conservation Minister has statutory responsibility for.</p> <p>The proposals are intended to deliver objectives for Electrify NZ, Infrastructure for the Future, Going for Housing Growth and Getting Back to Farming. The following list has been provided by the Ministry.</p> <p><b>Infrastructure and energy</b></p> <ul style="list-style-type: none"> <li>• Amendments to NES-Telecommunications Facilities</li> <li>• Amendments to NPS-Renewable Electricity Generation, NPS-Electricity Transmission, NES-Electricity Transmission Activities, so they are more directive and enabling of renewable electricity generation and transmission.</li> <li>• New NPS-infrastructure to enable a range of energy and infrastructure projects</li> <li>• New NESs for different types of energy generation and infrastructure</li> <li>• Amendments to NZ Coastal Policy Statement</li> </ul> <p>Housing</p> <ul style="list-style-type: none"> <li>• Amendments to NPS-Urban Development and NPS-Highly Productive Land</li> <li>• New National Direction for housing targets, granny flats and papakāinga.</li> <li>• New national direction for Natural Hazard Management</li> <li>• New national environmental standards for heritage bundled into the housing package.</li> </ul> <p>Farming &amp; Primary sector</p> <ul style="list-style-type: none"> <li>• Amendments to:             <ul style="list-style-type: none"> <li>○ NPS-Freshwater Management</li> <li>○ <b>NES-Freshwater Management (including water storage)</b></li> <li>○ NPS-Indigenous Biodiversity</li> <li>○ NES-Commercial Forestry</li> <li>○ NES-Drinking Water</li> <li>○ NES-Marine Aquaculture</li> <li>○ Stock Exclusion Regulations</li> </ul> </li> </ul> <p>Emergencies &amp; Natural Hazards</p> <ul style="list-style-type: none"> <li>• <b>New national direction for natural hazards management</b></li> </ul>
	<p>Staff have been supporting the Ministry through regular online meetings with local authority managers, as well as targeted one-off webinars featuring technical experts from local councils. It is anticipated that Environment Southland will continue to engage in the consultation process and participate in the formal parliamentary procedures, working closely with other regional and local authorities, Te Uru Kahika, Taituarā and other stakeholders. The implications of these various policy changes are set out in the next table.</p>

<p><i>RMA replacement legislation (Phase 3)</i></p>	<p>The final component of the Government’s reform programme is a permanent replacement for the RMA.</p> <p>During <a href="#">a speech to Resource Management Law Association</a> on 20 September 2024, Hon Chris Bishop and Simon Court revealed more details about the replacement framework. It is announced that the new system will represent a shift away from the failed integrated management, which ‘stifles growth’, toward a model that makes it easier to build houses, the necessary infrastructure, power generation and transmission facilities, and enable growth in the primary sector. The new system will be more limited in scope, rules-based, and will embed respect for property rights. ‘Development will go from a privilege to a protected right’.</p> <p>Its ten core design features are outlined below.</p> <ul style="list-style-type: none"> <li>• Narrow the scope of the resource management system to focus on managing actual effects on the environment.</li> <li>• Establish two Acts with clear and distinct purposes – one to manage environmental effects arising from activities, and another to enable urban development and infrastructure.</li> <li>• Strengthen and clarify the role of environmental limits and how they are to be developed.</li> <li>• Provide for greater use of national standards to reduce the need for resource consents and simplify council plans. This would mean that an activity which complies with the standards cannot be subject to a consent requirement.</li> <li>• Shift the focus away from consenting before activities can get underway, and towards compliance, monitoring and enforcement of activities’ compliance with national standards.</li> <li>• Use spatial planning and a simplified designation process to lower the cost of future infrastructure.</li> <li>• Realise efficiencies by requiring one regulatory plan per region, jointly prepared by regional and district councils.</li> <li>• Provide for a rapid, low-cost resolution of disputes between neighbours and between property owners and councils, with the potential for a new Planning Tribunal (or equivalent).</li> <li>• Uphold Treaty of Waitangi settlements and the Crown’s obligations.</li> <li>• Provide faster and cheaper processes with less reliance on litigation, contained within shorter and simpler legislation that is more accessible.</li> </ul> <p><a href="#">A cabinet paper</a> released on 22 October 2024 provided more details of the key aspects of the reform. It indicated that cabinet decisions on the new legislation are expected in early 2025, with drafting to occur in the first half of the year. The select committee process will follow in the latter half of 2025, and the legislation is anticipated to be in place by mid-2026</p> <p>An Expert Advisory Group, consisting of seven members with diverse technical expertise, has been established to develop a ‘workable and practical plan that officials can quickly turn into new legislation’. Their report is expected to be submitted to the government before Christmas.</p>
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<h3>RM Reform Phase 3: timeline of policy development</h3> 	
	<p>Source: Ministry for the Environment (Nov 2024)</p> <p>Replacing the RMA will have a profound impact on Environment Southland’s operations in the management of Southland’s environment, as the Act provides the mandate and the framework that underpin many areas of its work.</p> <p>It is anticipated that Environment Southland will continue to engage in the consultation process and participate in the formal parliamentary procedures, working closely with other regional and local authorities, Te Uru Kahika, Taituarā and other stakeholders.</p>
<b>Freshwater Farm Plans</b>	<p>On 23 October, by passing the Resource Management (Freshwater and Other Matters) Amendment Act, the Government paused the rollout of freshwater farm plans. With the withdrawal of the national regulation, regional rules took centre stage, requiring Southland farmers to have a certified Southland Farm Plan by 27 November 2024 (six months following the Southland Water and Land Plan becoming operative). On 21 November, the Government <a href="#">announced</a> that it is applying an alternate national timeline in Southland, giving farmers further 18 months to comply with the Southland Water and Land Plan rule for certified Southland Farm Plans (until 2026).</p>
	<p>Farm plans have long been a cornerstone of Southland’s approach to managing environmental contamination risks associated with farming activities and are a key tool in the Southland Water and Land Plan. To comply with the plan, Southland farmers have until mid-2026 to get a certified farm plan. The outcome of the Government’s review of national policies on farm plans could potentially affect the implementation of regional farm plan rules in Southland, depending on the specifics of the proposals.</p>

<h3>National direction – topics &amp; individual national policy statements</h3>	
<b>Infrastructure and Energy</b>	<p>During an online presentation held on 28 November, Ministry for the Environment officials outlined the key aspects of the proposed national policies relating to infrastructure and energy, being:</p> <ul style="list-style-type: none"> <li>• A new NPS-Infrastructure to enable infrastructure projects.</li> <li>• National direction to provide a consistent approach to quarrying – make it easier to obtain consents for quarrying materials like crushed rock, gravel, and sand</li> <li>• Changes to the NES-Telecommunications Facilities will keep up to date with technological developments and give telcos greater certainty and reduced consenting costs as they upgrade their infrastructure.</li> </ul>

	<ul style="list-style-type: none"> <li>• Amend the National Policy Statements for Renewable Electricity Generation and Electricity Transmission so they are far more directive and enabling of renewable electricity and transmission.</li> <li>• Potentially standards for different types of energy generation and infrastructure.</li> </ul>
	Staff are exploring the implications of the proposed changes through collaborations with the Ministry as well as regional and local authorities.
<i>Housing and Urban Development</i>	<p>During an online presentation held on 28 November, Ministry for the Environment officials outlined the key aspects of the proposed national policies relating to housing and urban development, being:</p> <p>Going for Housing Growth:</p> <ul style="list-style-type: none"> <li>○ The establishment of Housing Growth Targets for Tier 1 and 2 councils. These targets will require these Councils to “live-zone” feasible development capacity to provide for at least 30 years of housing demand at any one time.</li> <li>○ New rules that make it easier for cities to expand outwards at the urban fringe</li> <li>○ A strengthening of the intensification provisions in the NPS-UD</li> <li>○ New rules requiring councils to enable mixed-use development in our cities</li> <li>○ The abolition of minimum floor areas and balcony requirements</li> <li>○ New provisions making the MDRS optional for Councils</li> </ul> <p>Changes are also being made to the National Policy Statement for Highly Productive Land.</p> <p>New national direction on granny flats, heritage buildings, and papakāinga housing.</p>
	Staff are exploring the implications of the proposed changes through collaborations with the Ministry as well as regional and local authorities.
<i>Farming and primary sector change</i>	<p>During an online presentation held on 28 November, the Ministry for the Environment official outlined the key aspects of the proposed national policies relating to farming and primary sector, being:</p> <p><b>Freshwater</b> Replace the National Policy Statement for Freshwater Management 2020, including enabling vegetable growing and on-farm water storage to support economic and environmental goals.</p> <p><b>Drinking water</b> Existing drinking water standards will be clarified, making it easier for regional councils to implement regulations while adopting a risk-based approach to source water protection.</p> <p><b>Indigenous biodiversity</b> Policies around indigenous biodiversity will be adjusted to protect the most unique environments without putting undue restrictions on land-use and better support quarrying and mining activities.</p>

	<p><b>Commercial forestry</b> Regulations for commercial forestry will be streamlined. This includes reversing parts of the regulations which allowed for increased council discretion for afforestation, and reviewing forestry slash management.</p> <p><b>Marine aquaculture</b> Changes to s127 of the RMA in respect of the aquaculture industry and marine farms.</p>
	<p>Staff are exploring the implications of the proposed changes through collaborations with the Ministry as well as regional and local authorities.</p>
<i>Emergencies and natural hazards</i>	<p>During an online presentation held on 28 November, Ministry for the Environment officials advised that National Direction on natural hazards, including risks from climate change, will be a single instrument rather than a two-step process as previously intended. The new national direction will provide direction to councils on how to identify natural hazards, assess the risk they pose, and how to respond to that risk through planning controls.</p>
	<p>Staff are exploring the implications of the proposed changes through collaborations with the Ministry as well as other local authorities.</p>
<i>NPS Renewable Electricity Generation</i>	<p>To progress the Coalition Government’s commitments to begin doubling renewable energy production, the Government is updating the National Policy Statement on Renewable Energy Generation and National Policy Statement on Electricity Transmission. A relevant Beehive release is linked here. <a href="#">Next steps on Electrifying New Zealand</a></p> <p>Based on the information provided by the Ministry for the Environment, various proposals are likely to be included in the RM bill No. 2 and the National Direction Programme. Proposals under consideration include shortening the consenting process to 1 year, extending the consent lapse period to 10 years, and increasing the minimum consent durations for all relevant consents to 35 years. Additional policy options include providing for ‘decision-making in one place’, creating a tailored effects management hierarchy system, defining significant environmental values to apply to these activities, and streamlining the consenting process for electricity distribution.</p> <p>More details are expected to become available in December this year.</p>
	<p>The proposals will likely have a significant impact on Environment Southland’s operations and the communities within Southland, which holds significant potential for renewal energy projects due to its abundant natural resources. However, there is also a considerable risk of negatively affecting areas of high environmental and cultural value.</p> <p>Staff have been engaging with the Ministry through targeted online meetings and will continue to participate in the discussions.</p>
<i>NPS Highly Productive Land</i>	<p>In August 2024 the NPS-HPL 2022 was amended. The changes brought in with this amendment support the development of “specified infrastructure”, indoor primary production, and greenhouse activities. It had been signalled that</p>

	<p>amendments were anticipated to exclude LUC3 land from being classified as highly productive. In the updated version it still contains LUC3 land. A further review of NPS-HPL is planned as part of the National Direction Programme.</p>
	<p>Initial discussions on a regional mapping process for Southland commenced in 2022. This work is still required to be completed by October 2025. Excluding LUC3 land could significantly impact land use patterns in Southland, as a large portion of the region falls within this category. <b>The land use capability map can be accessed <a href="#">here</a>.</b></p>
<p><i>NES Commercial Forestry</i></p>	<p>On 5 September, the Forestry Minister <a href="#">announced</a> plans to streamline regulations by reversing parts of the regulations that allowed for increased council discretion for afforestation, and by reviewing forestry slash management. It is to be achieved through repealing regulation 6(4A), amending regulation 6(1)(A), and improving slash management standards to clarify rules around low-risk slash.</p> <p>In the meantime, it appears that the development of national policies to slow down farm-to-forest conversion is facing delays. The Government’s action plan for the final quarter of 2024 pledges that there will be an announcement before the end of the year on policy direction to limit farm conversions. <a href="#">Farm-to-forest conversion policy sent back to drawing board - Newsroom</a></p>
	<p>The proposed changes to NES-CF will likely reduce the extent of Environmental Southland’s regulatory control over commercial forestry activities. It would take away Council’s ability, provided under NES-CF since November 2023, to set more stringent rules for managing afforestation activities in general, reverting to the previous situation where more stringent regional rules can only be set in situations specified in Regulation 6 of the NES. The specified situations include instances where a relevant rule supports the implementation of the objectives of the NPS-FM, or facilitates the protection of outstanding natural features and landscapes.</p> <p>The details of the review are expected to become available in December as part of the National Direction Programme.</p>
<p><i>Review of New Zealand Coastal Policy Statement</i></p>	<p>The Ministry of Conservation informed local authorities that NZCPS will be reviewed as part of the National Direction Programme to make it easier to consent new infrastructure, including renewable energy, and enable aquaculture and other primary industries.</p> <p>The key proposals include:</p> <ol style="list-style-type: none"> <li>1. Strengthening policies 6 and 8 to provide for priority activities, including aquaculture, resource extraction, and specific infrastructure (e.g. renewable electricity generation and transmission);</li> <li>2. Reviewing the effects management policies for Policies 11 (indigenous biodiversity), 13 (natural character), and 15 (natural features and landscapes);</li> <li>3. Incorporating changes from interactions with the National Policy Statement (NPS) for Renewable Electricity Generation, NPS for Electricity Transmission, and NPS for Infrastructure; and</li> </ol>



	<p>4. Updating natural hazards policies (Policies 24-27) to align with natural hazards national direction work if necessary. Further details of the proposals are expected to become available in early 2025 as part of the National Direction Programme.</p>
	<p>The proposed shifting of priorities in the management of New Zealand’s coastal environment is anticipated to have a significant impact on our region since Southland has a vast coastal area with high natural values, as well as a significant potential for expansion of industries such as aquaculture and mineral extraction.</p>

<b>Coastal Matters</b>	
<i>National Environmental Standards for Marine Aquaculture (NES-MA)</i>	<p>Recognising the critical role of marine aquaculture in both regional and national economies, the Government sought to achieve regulatory consistency for the industry by establishing this NES. They became effective from December 2020 with a three-year review undertaken last year. It was in line with the Government’s Aquaculture Strategy. The goals of NES-MA include enhancing regulatory consistency, ensuring proper environmental management, and fostering industry confidence to stimulate investment. It is being reviewed as part of the Resource Management Reform phase 2B package to be available for consultation in early 2025.</p>
	<p>Staff provided written feedback in June 2024 during the three-year review, responding to various questions posed by the Ministry, many of which were addressing biosecurity concerns.</p>
<i>Introduction of 20-year extension to the duration of port consents</i>	<p>New Zealand's various ports existed before the introduction of the Resource Management Act (RMA) in 1991. With the implementation of the RMA, existing port activities were given a transitional period until September 2026. Activities initiated thereafter have been subject to standard application procedures for permits. With only two years remaining in the special transitional period for the basic port activities, the government is considering extending this adaptation period by an additional 20 years. The Government had announced its intention to include the relevant policy proposals in the RM Amendment Bill No. 2.</p>
	<p>Environment Southland provided feedback through an online meeting with the representatives from the Ministry of Transport in June 2024.</p>
<i>RMA (Extended Duration of Coastal Permits of Marine Farms) Amendment Act</i>	<p>This <b>Act was passed on 27 August 2024 to extend</b> the duration of all coastal permits currently issued under the RMA authorising aquaculture by 20 years, but not beyond 2050. The extension automatically covers all RMA consents needed for a marine farm. While the Act provides a mechanism for consent authorities to review consent conditions of extended consents, its use is limited as cost recovery has not been provided for.</p>
	<p>Southland currently has 55 existing consented aquaculture activities of which 85% are concentrated in Big Glory Bay, 18% Bluff Harbour and the remainder in several other areas in Foveaux Strait. Most have been established since the mid 1990’s and 45 aquaculture consents were expiring in January 2025. Given</p>

	<p>this background, automatic extension of existing marine consents is likely to prevent the effective management of the adverse effects of such activities.</p> <p>Environment Southland provided a written submission (<a href="#">Objective ID: A1103212</a>) to the Primary Production Committee and the Chairman and GM Policy and Government Reform presented orally to the Committee on 24 June 2024, emphasizing the efficiency in using existing planning tools to manage marine farms to achieve balanced outcomes, and the need to retain regional council’s ability to review conditions and recover costs.</p>
<i>Providing for offshore renewable energy generation</i>	<p>On 26 August 2024, the Government <a href="#">announced</a> plans to develop a separate regulatory regime for offshore renewable energy generation, to be in place by mid-2025 with the aim of opening a first feasibility permit round in late 2025.</p>
	<p>This proposal is likely to have a substantial impact on the management of marine resources within Southland’s coastal waters and directly affect the current review of the regional coastal plan. Staff will provide updates on opportunities for participation in the consultation process.</p>

<b>Climate Change</b>	
<i>National Climate Change Strategy</i>	<p>On 10 July 2024, the Government released New Zealand’s <a href="#">climate change strategy</a> ‘Responding to a changing climate’, setting out the approach to how it will deliver on New Zealand’s climate goals.</p> <p>The strategy is focused on five pillars:</p> <ul style="list-style-type: none"> <li>• Infrastructure is resilient and communities are well prepared</li> <li>• Credible markets support the climate transition</li> <li>• Clean energy is abundant and affordable</li> <li>• World-leading climate innovation boosts the economy</li> <li>• Nature-based solutions address climate change.</li> </ul>
	<p>Staff discussed the details of the strategy with Councillors at the workshop held on 24 July 2024.</p>
<i>Adaptation Inquiry/ Climate Adaptation Bill</i>	<p>In late 2023, the Environment Committee sought submissions on an inquiry into community-led retreat and climate adaptation funding, started by the previous government. Environment Southland contributed to the development of submissions through collaborations with Taituarā and LGNZ.</p> <p>The Minister for Climate Change Hon Simon Watts undertook a new climate adaptation inquiry, with support from political parties across the House. The purpose of the inquiry, led by the Finance and Expenditure Committee, was to develop guiding objectives and principles for the design of a climate adaptation framework for New Zealand. The <a href="#">Committee released its report</a> on 1 October 2024. The 60-pages report provides a diagnosis of the current situation as well as a set of recommendations on the system design, roles and responsibilities, cost sharing, Maori communities, and data and information. The list of recommendations is available <a href="#">here</a>.</p>

	<p>The Committee specifically recommended establishing a clear legislative framework and designating a lead agency for climate adaptation. In its discussion of managed retreat, the Committee endorsed a view of an Expert Working Group, expressed in its August 2023 report, that “preserving people’s wealth or protecting property owners from the risks of property ownership” are not legitimate objectives of the funding system. However, the Committee chose not to recommend specific methodologies for cost sharing, suggesting instead that the Government should make decisions based on a combination of relevant principles: beneficiary pays, exacerbator pays, public pays, and ability to pay.</p> <p>The report will inform the development of the national framework for climate change adaptation and any associated legislation. The Government has 60 working days to respond to the report in writing. When received, its response will be available on the Parliament website.</p>
	<p>Environment Southland staff will continue a watching brief on this work.</p>
<p><i>Natural hazard information to be included in LIMs</i></p>	<p>The Department of Internal Affairs (DIA) consulted on draft regulations that will support councils in implementing recent <a href="#">amendments to the LGOIMA</a> to improve natural hazard information disclosure in LIMs.</p> <p>Key amendments include a purpose to ensure that natural hazard information in LIMs is understandable, a requirement that regional councils must provide territorial authorities with natural hazard information, and a limitation of legal liability for local authorities when making available natural hazard information in good faith in LIMs.</p> <p>In order to support local authorities in implementing the changes to the LGOIMA, the draft regulations aim to:</p> <ul style="list-style-type: none"> <li>▪ Ensure that LIMs share information about natural hazards in a way that’s clear, concise, easy to understand, and more consistent across the country.</li> <li>▪ Give councils greater certainty about the changes and reduce their risk of legal liability.</li> </ul>
	<p>While the regulations are likely to assist Environment Southland in making natural hazard information more accessible, they need significant refinement to improve clarity and functionality. Environment Southland engaged with Taituarā regarding the submission.</p>
<p><i>Natural Hazards Insurance Act</i></p>	<p>This Act came into effect on 1 July 2024, replacing the Earthquake Commission Act 1993. It establishes the objectives, principles, and operational mechanisms for the newly named Natural Hazards Commission. The primary goal of the Commission is to minimise the impact of natural hazards on individuals, property, and communities. In alignment with this goal, the Commission assists homeowners affected by natural disasters, contingent upon them having private insurance coverage. To further support homeowners throughout the claims process, a Code of Insured Persons’ Rights and an external dispute resolution scheme have been introduced.</p>

	<p>This Act is aimed at enhancing the efficiency of insurance claims processing for natural hazards such as flooding and earthquakes. Therefore, it is likely to benefit the Southland community at large.</p>
<p><i>Second Emissions Reduction Plan (ERP2)</i></p>	<p>The consultation on the draft second Emissions Reduction Plan (ERP2) took place between 17 July and 25 August 2024. ERP2 is part of a comprehensive national climate response framework that includes emissions reduction budgets, plans, risk assessments, and ongoing monitoring and reporting. <a href="#">The discussion document</a> sets out actions needed to reduce emissions to meet the second emissions budget for the years 2026–2030. <a href="#">The emissions budget</a> is set at the national level with no regional specificity. Being ‘on track’ to meet the second emissions budget is one of the nine recently announced Government Targets – the only environmental target.</p> <p>The policy proposals have been categorised into five climate change priority areas being energy, transport, agriculture, forestry and waste. It also relies heavily on the Emissions Trading Scheme pricing to drive net emission reductions.</p> <p>The document also outlines seven key policies which the Government believes will have the greatest impact on reducing emissions, alongside other actions in each sector:</p> <ul style="list-style-type: none"> <li>• Increasing renewable energy by reducing the consenting burden through Electrify NZ</li> <li>• Targeting 10,000 public EV chargers by 2030</li> <li>• Lowering agricultural emissions by giving farmers the tools to reduce emissions and through fair and sustainable pricing of on-farm agricultural emissions by 2030</li> <li>• Investing in resource recovery through the Waste Minimisation Fund</li> <li>• Improving organic waste and landfill gas capture</li> <li>• Improving public transport</li> <li>• Investigating carbon capture, utilisation and storage (CCUS)</li> </ul>
	<p>Environment Southland has an interest in engaging with this programme of work to ensure it advances the interests of the Southland Region and enables effective collaboration across central and local government. Environment Southland’s submission (Objective ID:A1134930) was developed with a significant amount of input from staff and governance. It focused on addressing the risks associated with the projected failure to meet long-term emissions reduction targets, evaluating the 'least-cost' and 'net-based' approaches, and advocating for system-wide changes. Additionally, it was pointed out that there is a need to empower local governments to play a more significant role in climate change responses. <b>The final ERP2 is expected to be released by the end of 2024.</b></p>
<p><i>Review of biogenic methane targets</i></p>	<p>On 27 June 2024, the Government <a href="#">announced</a> that it commissioned an independent review of biogenic methane targets. A panel of five experts is tasked with producing “estimates of biogenic methane emissions reductions needed in 2050 and 2100 to achieve and maintain a state of no additional</p>

	warming from New Zealand’s biogenic methane emissions relative to 2017 levels of warming”. They will report back to the Government by the end 2024. <a href="#">The Ministry for the Environment website</a> states that the Government will consider their work alongside the <a href="#">Climate Change Commission’s review</a> of the 2050 targets.
	Staff will keep watching brief on this matter and provide updates as developments occur.
<i>Climate Change Response (Emissions Trading Scheme Agricultural Obligations) Amendment Act 2024</i>	<p><b>This Act commenced on 26 November 2024. The initial Bill was introduced to Parliament on 20 June.</b> It amends the Climate Change Response Act 2002(CCRA) to remove agriculture activities from the New Zealand Emissions Trading Scheme(ETS). It supports the Government’s coalition agreements and the National Party’s manifesto commitment to keep agriculture out of the NZ ETS.</p> <p><b>Previously, agricultural processors were required to</b> surrender New Zealand units (NZUs) for emissions starting January 2025, and animal farmers must report their emissions and surrender NZUs starting January 2027. <b>The rationale behind the amendments includes that</b> processor-level pricing may not effectively incentivise emission reductions, a single price for all gases conflicts with New Zealand’s split-gas targets, and including farms in the NZ ETS would pose administrative and cost challenges.</p>
	The exclusion of agriculture activities from the New Zealand ETS is expected to have substantial implications for the Southland region, as the introduction of agricultural levy was predicted to significantly influence future land use patterns and the makeup of the regional economy. At the national level, investments will be needed to identify and pursue alternative methods for achieving the necessary reduction in GHG emissions, given this Act is likely to encourage the current status quo in land use.
<i>Review of Industrial allocation settings for ETS</i>	The last review took place in 2010. The review began in 2020 and will ensure that free allocations more accurately reflect emissions by firms receiving allocations. They are designed to preserve incentives to reduce emissions, while avoiding emissions leakage. Updated regulations are expected to be published later in 2024.
	Staff will keep a watching brief.
<i>Climate Change Commission's first annual monitoring report on emissions reductions</i>	On 30 July, He Pou a Rangi - Climate Change Commission released its <a href="#">first annual monitoring report on emissions reductions</a> , which assesses progress against the 2050 target, emissions budgets and the first emissions reduction plan. The assessment shows there is an urgent need to strengthen policies and strategies to put Aotearoa New Zealand on track to meet future emissions budgets and the 2050 target, including the 2030 biogenic methane component of the target. An at a glance summary for decision makers can be accessed <a href="#">here</a> .
	Considering that the report highlights the need to strengthen policies and strategies at every level, staff will continue to engage with relevant agencies

	to influence national policy and facilitate necessary regional discussions for progressing actions to reduce regional greenhouse gas emissions.
<i>Climate Change Commission's first progress report on the implementation of the first National Adaptation Plan</i>	<p>On 15 August, the Commission released its first-ever monitoring report on the government's national adaptation plan, which was released in 2022. Its report provides an independent, evidence-based assessment of how effective the plan is and how its implementation is progressing.</p> <p>Concluding that Aotearoa New Zealand is not adapting to climate change at the scale or pace that is needed, the report made nine recommendations: seven focused on helping the country shift from the current reactive approach to a more proactive one, and two on improving national adaptation planning and monitoring.</p> <p>The report will be delivered every two years. More details can be accessed <a href="#">here</a>. The Government is legally mandated to consider the advice of the Climate Change Commission. The report is relevant to the Government's inquiry into adaptation.</p>
	Staff will closely monitor any relevant developments.

<b>Biosecurity &amp; Conservation</b>	
<i>Amendments to the Biosecurity Act</i>	<p>The Ministry for Primary Industries (MPI) has completed a review of the Biosecurity Act 1993 and is proposing a range of updates to modernise it. It is now undertaking consultation to collate feedback from the public to inform its advice to the Government on a potential amendment bill. More details are available <a href="#">here</a>. The consultation closes on 13 December 2024.</p> <p>The proposals relate to 6 topics listed below.</p> <ol style="list-style-type: none"> <li>1. System-wide issues.</li> <li>2. Funding and compensation.</li> <li>3. Border and imports.</li> <li>4. Readiness and response.</li> <li>5. Long-term management.</li> <li>6. Surveillance and legislative interfaces.</li> </ol>
	<p>The proposals represent the outcome of collaboration between the MPI and various stakeholders, including Te Uru Kahika, which has been feeding the ministry with the views of regional and unitary councils across New Zealand to ensure the improved system enhances operations on the ground. While requiring further refinement, the proposals are expected to improve Environment Southland's biosecurity operations by addressing some of the issues of the current national biosecurity framework. Staff are currently liaising with Te Uru Kahika to benefit from the collective knowledge and to influence the sector's submission. Environment Southland will also present an independent submission offering our regional perspective.</p>

<p><i>Conservation system reform</i></p>	<p>On 15 November 2024, the Government <a href="#">released</a> two discussion documents that include proposals to:</p> <ul style="list-style-type: none"> <li>• explore charging for access to some public conservation land</li> <li>• streamline concessions and planning processes and enable more flexibility around land exchange and disposals.</li> </ul> <p>These proposals support delivery of the Government’s priorities for the Conservation portfolio, which include generating new revenue, recalibrating costs for conservation, targeting investment into high-value conservation outcomes, strengthening relationships with Iwi/Hapū, and fixing the concessions process. Submission are open from 15 November 2024 and will close at 5 pm on 28 February 2025. A relevant press release can be accessed <a href="#">here</a>.</p>
	<p>Staff will consider the implications of the proposals in collaboration with the wider regional sector, and report back for further discussion with Council in the New Year.</p>
<p><i>Wildlife Act Review</i></p>	<p>This review aims to repeal and replace the 70-year-old Wildlife Act 1953, which no longer provides adequate protection for over 4,000 native species at risk of extinction or becoming threatened. Led by the Department of Conservation (DOC) since 2022, the review has been informed by advice from an independent Strategic Oversight Group of experts. Discussions are ongoing regarding the options for a new, updated species Act and its role within the broader conservation framework.</p> <p>However, the progress of this review appears to be slow. The Coalition Government’s work plan and coalition agreements lack focus on the protection of threatened species. Additionally, DOC’s website indicates that in 2024 and 2025, the focus will be on developing a public consultation document. More details can be accessed <a href="#">here</a>.</p>
	<p>The protection of threatened species is one of the key regional priorities for Southland, as outlined in the Regional Policy Statement. Staff can seek to influence the development of this national policy development through available networks.</p>

<p><b>Mining of Minerals</b></p>	
<p>Draft Minerals Strategy for New Zealand to 2040</p>	<p>The Ministry of Business, Innovation and Employment is currently developing Minerals Strategy for New Zealand to 2040. The ministry aims to stimulate economic growth by achieving a twofold increase in exports from the minerals sector to \$2 Billion by 2035.</p>
	<p>Policy changes on the extraction of minerals can have a substantial impact on Southland’s economy, environment as well as Environment Southland’s operations. It appears that Southland may have significant reserves of some minerals including coal, which may bring economic gains in favourable market conditions if supported by feasible technologies. To ensure such gains do not come at the cost of disproportional damage to the environment, it is crucial to ensure appropriate safeguards are in place to assess, monitor, and manage the adverse environmental effects of mining.</p>

	Staff will continue to keep a watching brief on this work.
Amendment to the Crown Minerals Act 1991	<p>On 26 September, the Government introduced a Bill encompassing <a href="#">a package of changes to the Crown Minerals Act 1991</a> to address gas security challenges and increase revenue from mining activities. The package includes the reverse of the 2018 ban on new petroleum exploration outside onshore Taranaki, changes to how petroleum exploration permits are allocated, streamlining of regulations for recreational gold mining, and other changes to signal to the international market that New Zealand is ‘open for business’. It is notable that only one week was allocated for public consultation. More details on the consultation are available <a href="#">here</a>.</p> <p>The Bill <b>has gone through</b> the Select Committee process and <b>passed its second reading on 5 November</b>. It is <b>currently being debated at the Committee of the Whole House</b>. The Government expects to pass the Bill into law before the end of 2024.</p>
	The impact of the measures to be introduced on Southland and Environment Southland’s operations is yet to be investigated in detail. It will be influenced by multiple factors, including market demands, and the cost of production. The short timeframe for consultation did not allow sufficient time for Environment Southland to develop a submission.
Critical Minerals List & Stocktake of NZ’s known mineral potential	<p>The Government released a stocktake of NZ’s known mineral potential (28 August 2024) and a draft critical minerals list (September 2024) to underly a strategic, considered approach to developing the country’s resources and strengthening mineral resilience.</p> <p><a href="#">The Stocktake of Mineral Potential of New Zealand report</a> provides a stocktake of NZ’s known mineral potential. It is supplemented by a <a href="#">draft Critical Minerals List</a>, which identifies the domestic and imported minerals pivotal to the economy but which may be at risk of supply disruptions, and the potential opportunities to meet these needs domestically. A final list is expected to become available in December.</p>
	Minerals included in the final Critical Minerals List may attract increased interest from investors, boosting the potential for the expansion of related businesses. Staff will provide an update when the final list becomes available.

<b>Te Tiriti legislation</b>	
The Principles of the Treaty of Waitangi Bill	<p>The National-ACT’s coalition agreement commits to introducing and passing a Treaty Principles Bill through a first reading in 2024. The Bill aims to define the principles of the Treaty, which have primarily been defined by courts.</p> <p><b>The Bill describes the principles of the Treaty as follows:</b></p>



	<ul style="list-style-type: none"> <li>• Principle 1: The Executive Government of New Zealand has full power to govern, and the Parliament of New Zealand has full power to make laws, in the best interests of everyone and in accordance with the rule of law and the maintenance of a free and democratic society.</li> <li>• Principle 2: The Crown recognises, and will respect and protect, the rights that hapū and iwi Māori had under the Treaty of Waitangi/te Tiriti o Waitangi at the time they signed it. However, if those rights differ from the rights of everyone, the preceding applies only if those rights are agreed in the settlement of a historical treaty claim under the Treaty of Waitangi Act 1975.</li> <li>• Principle 3: Everyone is equal before the law and everyone is entitled, without discrimination, to the equal protection and equal benefit of the law and the equal enjoyment of the same fundamental human rights.</li> </ul> <p>The bill passed its first reading on 14 November and public consultation is open until 7 January 2024. <a href="#">This cabinet paper</a> provides some background information. <a href="#">The consultation page</a> set up by the Justice Committee provides additional details. The Committee will report to the Parliament by May 2025.</p> <p>National and New Zealand First have agreed to support the Bill to the select committee stage but have refused so far to commit any support beyond that.</p>
	<p>Introducing the Bill has given rise to debates and discussions about the Treaty in a range of settings. <b>Opportunities for further discussion will be available during the Council workshop on 13 December 2024.</b></p>

<p>References to Tiriti in legislation</p>	<p>The National-NZ First coalition agreement promises to review all legislation, aside from Treaty settlements, that include reference to the “principles” of the Treaty of Waitangi. The agreement also includes a pledge to replace all such references with specific words relating to the relevance and application of the Treaty or repeal the references.</p> <p>According to <a href="#">media reports</a>, the Cabinet agreed to the scope and purpose of the review last month, confirming the specific 28 laws that will have their Treaty provisions changed or removed.</p> <p><a href="#">Legislation</a> in-scope of the review</p> <ol style="list-style-type: none"> <li>1. Environment Act 1986</li> <li>2. Conservation Act 1987</li> <li>3. Oranga Tamariki Act 1989</li> <li>4. Smokefree Environments and Regulated Products Act 1990</li> <li>5. Crown Minerals Act 1991</li> <li>6. Harbour Boards Dry Land Endowment Revesting Act 1991</li> <li>7. Resource Management Act 1991</li> <li>8. Crown Research Institutes Act 1992</li> <li>9. Hazardous Substances and New Organisms Act 1996</li> <li>10. Crown Pastoral Land Act 1998</li> <li>11. Energy Efficiency and Conservation Act 2000</li> <li>12. Hauraki Gulf Marine Park Act 2000</li> <li>13. Climate Change Response Act 2002</li> <li>14. Local Government Act 2002</li> <li>15. Land Transport Management Act 2003</li> <li>16. Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012</li> <li>17. Kāinga Ora–Homes and Communities Act 2019</li> <li>18. Criminal Cases Review Commission Act 2019</li> <li>19. Education and Training Act 2020</li> <li>20. Urban Development Act 2020</li> <li>21. Taumata Arowai–The Water Services Regulator Act 2020</li> <li>22. Mental Health and Wellbeing Commission Act 2020</li> <li>23. Data and Statistics Act 2022</li> <li>24. Plant Variety Rights Act 2022</li> <li>25. Pae Ora (Healthy Futures) Act 2022</li> <li>26. Therapeutic Products Act 2023</li> <li>27. Digital Identity Services Trust Framework Act 2023</li> <li>28. Organic Products and Production Act 2023</li> </ol> <p>It is not yet clear how this policy will be progressed or how it might interact with the Treaty Principles Bill.</p>
	<p>The proposed review of Treaty references in legislation is likely to significantly impact local government operations. Opportunities for further discussion will be available during the Council workshop on 13 December 2024.</p>

<b>Te Ao Māori legislation</b>	
<i>Māori wards</i>	A Bill was introduced to reinstate the right to a local referendum on the establishment or ongoing use of Māori wards and Māori constituencies. This includes requiring a poll, at the next local body elections, on any Māori wards and Māori constituencies established without a poll. The Bill was passed into law on 30 July 2024.
	The legislation does not directly impact Environment Southland. Council has appointed four mana whenua representatives to Committee roles, enabled under a different part of the Local Government Act 2002.

<b>Three Waters</b>	
<i>Local Water Done Well</i>	<p>On 5 April, the Government made announcements on its replacement three waters policy, Local Water Done Well.</p> <p>Two Bills were expected. The first Bill, the Local Government (Water Services Preliminary Arrangements) Bill, was passed into law on 27 August 2024. It provides the framework and transitional arrangements for the new water services system, including a requirement for local authorities to submit a water services delivery plan within 12 months.</p> <p>The second Bill will outline a regime of economic regulation and new structural and financial tools for councils, including establishment of a financially independent CCO and the ability to borrow from the Local Government Funding Agency Limited. It will also set up the regulatory backstop powers referred to in the manifesto and consider the empowering legislation for Taumata Arowai. This Bill is expected to be introduced in the week of 9 December 2024 and passed into law by mid-2025.</p> <p>While there is limited detail available regarding the planned CCO model, the Minister for Local Government has been reported as saying that he expected councils to join with at least two others to “dilute” the ownership of new CCOs. This and similar comments are motivating groups of councils to explore cross-council and cross-regional options for delivery.</p> <p>Local Water Done Well does not require any specific form of engagement with Mana Whenua. DIA’s guidance for water services delivery plans states that it will be up to councils to determine how best to engage with their communities as part of the development process.</p> <p>The policy apparently does not include financial support for councils either with infrastructure needs or with the cost of undertaking service delivery planning or making changes to delivery.</p>
	The Joint Otago and Southland Mayoral Forum agreed in February 2024 to explore options for working together on water services delivery across the two regions. Otago and Southland Chief Executives have been jointly tasked with delivering a detailed scope of work, with timeframes still to be agreed.

	<p>The scope of work will canvass options for assessing collaboration and shared services approaches as well as the implications of different entity/CCO models. It will be unlikely all territorial authorities will have an agreed approach to collaboration or delivery until 2025. Accordingly, a continuum of collaboration and delivery options and opportunities needs to be available to suit the variety of situations.</p> <p>The joint Otago and Southland water services investigation <b>produced a report that was presented to</b> elected officials on 1 November.</p> <p>It is not yet clear how the proposed changes to wastewater standards being developed by Taumata Arowai will interact with Southland’s RPS and pSWLP. Further work will be undertaken to understand this better once the Bill is enacted and Standards are released.</p>
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<b>Transport</b>	
<p><i>Transport Government Policy Statement (GPS)</i></p>	<p>The Government Policy Statement (GPS) on land transport guides the NZ Transport Agency (NZTA), KiwiRail and local authorities on land transport investment. The Government released a final GPS in June 2024.</p> <p>It prioritises roads – including an overhauled Roads of National Significance programme – and reduced funding in real terms for public and active transport. The previous government had budgeted up to \$3.2b on public transport infrastructure and \$2.8b for public transport services over the next three years. The current Government has reduced this to \$2.1bn and \$2.3bn respectively.</p> <p>The GPS expects that local government will seek additional revenue from public transport fares and other third-party revenue.</p>
	<p>The South Island Regional Transport Committee Chairs Group and the Otago and Southland Regional Transport Committees submitted on the draft GPS with input from Environment Southland staff.</p> <p>Staff have undertaken the necessary modifications were made to align the Regional Land Transport Plan with the final GPS.</p>
<p><i>2024-2027 National Land Transport Programme</i></p>	<p>NZ Transport Agency Waka Kotahi (NZTA) has released the <a href="#">2024–27 National Land Transport Programme</a> (NLTP), to meet the Government’s strategic priorities set out in the Government Policy Statement on Land Transport (GPS) 2024.</p> <p>The National Land Transport Programme is a three-year programme of prioritised activities with a 10-year forecast of revenue and expenditure. It is prepared by NZTA to give effect to the GPS and reflects a partnership between NZTA (which invests National Land Transport Fund funding on behalf of the Crown), and local government (which invests on behalf of ratepayers).</p>

	<p><a href="#">Regional summaries</a> are available of the NLTP forecast investment. For Otago/Southland,</p> <ul style="list-style-type: none"> <li>• A total of \$1.4 billion is forecast to be invested in Otago/Southland in the 2024-27 National Land Transport Programme (NLTP) period.</li> <li>• Investment in Otago/Southland during the 2024-27 NLTP to create a more resilient and efficient land transport system that supports economic growth and prosperity.</li> <li>• The \$1.4 billion forecast investment includes:             <ul style="list-style-type: none"> <li>○ \$313m forecast maintenance operations investment</li> <li>○ \$562m forecast to fix potholes investment</li> <li>○ \$333m forecast improvements investment</li> <li>○ \$125m forecast public transport investment</li> <li>○ \$2.4m forecast safety investment</li> <li>○ \$28.5m forecast walking and cycling investment</li> </ul> </li> </ul> <p><a href="#">Otago/Southland regional summary – NLTP 2024-27 [PDF, 142 KB]</a></p>
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<b>Other Infrastructure</b>	
<p><i>National Infrastructure Plan</i></p>	<p>The Government reported on the progress with the development of the 30-year National Infrastructure Plan that will set out infrastructure priorities for New Zealand. It will outline infrastructure needs over the next 30 years, planned investments over the next 10-15 years, and recommendations on priority projects and reforms. It is expected to be delivered in December 2025.</p> <p>Infrastructure Commission is leading the development of the plan, building on the work undertaken to date on the New Zealand Infrastructure Strategy.</p> <p>The plan will consist of four components:</p> <ol style="list-style-type: none"> <li>1. An Infrastructure Needs Assessment which provides analysis of New Zealand’s long-term needs – and what we can afford – across the next 5-30 years</li> <li>2. A strengthened National Infrastructure Pipeline which will provide a national view of upcoming projects in the next ten years</li> <li>3. The Infrastructure Priorities Programme (IPP) which will involve a structured independent review of unfunded projects and initiatives, and</li> <li>4. Priority reforms, which will improve the way we select, invest in, deliver and maintain our infrastructure.</li> </ol> <p>Infrastructure Commission launched <a href="#">IPP website</a> providing the public with opportunities to submit a proposal for infrastructure priorities. The first round of priority proposals will be published in April next year, and the second round in June.</p> <p>Further details on the National Infrastructure Plan are available <a href="#">here</a>.</p>
	<p>It would be beneficial to engage with regional partners to explore opportunities to include Southland's infrastructure in the IPP and to advance related projects. Staff will progress relevant discussions.</p>

<p><i>National Infrastructure Agency</i></p>	<p>On 28 August, the Government <a href="#">announced</a> that its new National Infrastructure Agency (NIA) is to launch on 1 December. Repurposed from Crown Infrastructure Partners (CIP), the NIA will serve as the Crown’s primary interface for receiving unsolicited proposals and facilitating private sector investments in infrastructure. It will partner with various agencies and local governments on projects involving private finance and will administer Central Government infrastructure funds.</p> <p>The NIA aims to address the capability gap in utilising private finance and complex procurement models, such as Public-Private Partnerships (PPPs) and value capture mechanisms. By integrating expertise into relevant agencies, the NIA will streamline processes and ensure transparency and efficiency in private investments. The agency will also oversee innovative funding tools, including tolling and levies, and support Regional Deals.</p> <p>In terms of its role and interactions, the NIA will collaborate closely with other key entities in the infrastructure sector. The Infrastructure Commission will continue as the Government’s independent strategic advisor on long-term infrastructure strategy, while the Treasury will handle PPP policy and support the Minister for Infrastructure. Rau Paenga will focus on project delivery services for agencies with limited infrastructure capabilities.</p>
	<p>The implications of this initiative for Southland are currently unclear. Staff will engage with regional partners as well as the relevant ministries to gain a clearer understanding of the framework and to identify potential opportunities.</p>
<p><i>City/regional deals</i></p>	<p>On 22 August, the Government released <a href="#">a strategic framework</a> to establish Regional Deals between central and local government to drive economic growth and deliver the infrastructure. It outlines the high-level principles and processes for developing and managing Regional Deals. A staged approach is to be used for rolling out Regional Deals around the country with up to five regions initially invited to provide straightforward basic proposals. <b>The Government <a href="#">announced on 21 November that all regions are invited to propose a Regional Deal</a>.</b> These proposals will be considered by the Government before finalising New Zealand’s first Regional Deal by December 2025.</p> <p>Selection of regions for Regional Deals will be made by Ministers using a set of standardised criteria, resulting in selected regions receiving a letter of invitation from the Minister of Local Government. Guidance will be issued later to local government to advise on what they will need to provide to be eligible for a Regional Deal.</p> <p>The Infrastructure and Investment Ministerial Group will be supported by the Department of Internal Affairs with support from relevant agencies as required. The National Infrastructure Agency is expected to play a key role in developing deals on behalf of Government.</p>
	<p>The implications of this initiative for Southland are currently unclear. Staff will engage with regional partners as well as the relevant ministries to gain a clearer understanding of the framework and to identify potential opportunities.</p>

<p><i>Regional Infrastructure Fund</i></p>	<p>The National-NZ First coalition agreement includes a commitment to establish a Regional Infrastructure Fund (RIF) with \$1.2 Billion in capital funding over the Parliamentary term. The fund will be overseen by the Minister for Regional Development, Hon Shane Jones, and Minister for Infrastructure, Hon Chris Bishop.</p> <p>Budget 2024 includes details on the Fund, which provides a total of \$1.2b over four years. There are two main project categories for funding allocations: resilience infrastructure (“projects that improve a region’s ability to absorb, adapt and/or respond to stresses and shocks”) and enabling infrastructure (“shared services, innovations facilities and solutions that connect multiple businesses and communities”).</p> <p>Information from Kānoa (MBIE’s Regional Economic Development and Investment) on the fund states that “The RIF will create Crown regional assets, primarily through loan and equity investments, supported by grants in certain circumstances.” This is similar to Kānoa-administered funds of recent years, but differs from the Provincial Growth Fund (PGF, 2018-2021) which primarily offered grant funding.</p> <p>A series of nationwide summits to discuss regional priorities, aspirations and opportunities will be held over the next six to eight months, with the first commencing in Nelson on August 12. The 15 summits will facilitate conversations about progressing regional economic growth and opportunities to drive productivity, prosperity, and resilience through the Government’s recently launched Regional Infrastructure Fund.</p> <p>The Regional Infrastructure Fund co-investment is being made available for the 42 flood resilience projects announced in Budget 2024. The Government will fund 60 percent of the cost, with the relevant local authority co-investing the balance. Councils, businesses and community with infrastructure projects that support regional priorities can also apply for funding.</p>
	<p>For Southland, the RIF co-investment scheme currently covers Aparima Catchment Flood Protection Scheme Upgrade, Ōreti River Catchment Flood Protection Upgrade Project, and Te Anau Basin Catchment Flood Management Project. <b>Additionally, it was <a href="#">announced on 14 November</a> that the Government is investing a \$2.2 million RIF funding loan towards the development of an aquaculture centre of excellence in Southland at the Ocean Beach site near Bluff.</b> Environment Southland staff will consider any other opportunities associated with the RIF as more information becomes available.</p>

<p><b>Other Topics</b></p>	
<p><i>Future for Local Government Review</i></p>	<p>on 5 July 2024, it was announced that the Government has concluded the Future for Local Government Review and will not be responding to the review’s recommendations.</p>

<p><i>Local Government System Improvements</i></p>	<p>During the Local Government New Zealand conference held 21-23 August, Prime Minister Christopher Luxon challenged attendees that local councils need to significantly reduce their expenditure. It was also announced that the Cabinet made four decisions to improve the local government system through the measures listed below.</p> <ul style="list-style-type: none"> <li>• Streamline the purpose provisions in the Local Government Act to get councils back to basics;</li> <li>• Investigate performance benchmarks for local councils;</li> <li>• Investigate options to limit council expenditure on 'nice-to-haves'; and</li> <li>• Review the transparency and accountability rules that apply to councils.</li> </ul> <p>A factsheet outlining the specifics of this initiative is available <a href="#">here</a>. A script of the speech, providing further context, is available <a href="#">here</a>. The Government will make final policy decisions later this year.</p>
	<p>While the proposed initiative is expected to significantly impact Environment Southland’s operations, the extent of that impact will depend on the details of the proposals. Staff will keep a close watching brief.</p>
<p><i>Regulatory standards bill</i></p>	<p>Regulation Minister David Seymour <a href="#">announced on 19 November</a> the opening of <a href="#">consultation</a> on a proposed Regulatory Standards Bill. The Bill is intended to set out principles that are recommended to guide the development of regulation, including Acts of Parliament and secondary legislation. The Ministry for Regulation is currently leading a public consultation process which closes on 13 January 2025. The public input will inform the drafting of the Bill, which is expected to be introduced in the first half of 2025.</p> <p>“The proposed Bill aims to improve the quality of regulation in New Zealand by making responsible Ministers and agencies more transparently accountable for good quality regulation.</p> <p>The proposed Regulatory Standards Bill would include:</p> <ul style="list-style-type: none"> <li>• a benchmark for good regulation through a set of principles of responsible regulation</li> <li>• mechanisms to transparently assess the consistency of new legislative proposals and existing regulation with the principles</li> <li>• a mechanism for independent consideration of the consistency of existing regulation, primarily in response to stakeholder concerns</li> <li>• provisions to support the Ministry for Regulation in its work to improve the quality of regulation.” <p>“To make regulators accountable to the New Zealanders they regulate, the Bill contains a recourse mechanism, by establishing a Regulatory Standards Board. The Board will assess complaints and challenges to regulations, issuing non-binding recommendations and public reports.”</p> </li></ul>
	<p>Staff will analyse the implications of the proposals with an aim to prepare a submission as a high priority, given the potential of the Bill to significantly impact the direction and details of all future national legislation.</p>



<p><i>Electoral Reform Issues Paper</i></p>	<p>The National Council of LGNZ set up the Electoral Reform Working Group to lead efforts to strengthen local government’s democratic mandate, with a focus on increasing participation in local elections. The working group produced a report and is seeking feedback until 19 January 2025. More details can be accessed <a href="#">here</a>.</p> <p>The working group’s issues paper focusses on five key topics:</p> <ul style="list-style-type: none"> <li>• How well the public understands local government and why it matters</li> <li>• Understanding the candidates and their policies</li> <li>• Voting methods</li> <li>• How elections are run and promoted</li> <li>• The possibility of moving to four-year terms (including how this would work)</li> </ul> <p>Feedback on the issues paper will help shape the group’s position paper. A draft will be open for discussion from March to May 2025, with the final version being launched at the SuperLocal Conference in July 2025.</p>
	<p>Staff are closely monitoring this workstream, given the direct relevance to the operations of local governments.</p>

## 10.3 Climate change and community resilience portfolio update

**Report by:** Anke Habgood, Senior Strategy Advisor

**Approved by:** Rachael Millar, General Manager Strategy, Policy & Science

**Report Date:** 12 December 2024

### Purpose

The purpose of this item is to provide an update of progress being made in the climate change and community resilience portfolio.

### Summary

Brief updates are provided on the following elements of the climate change and community resilience portfolio:

- Regional Climate Change Working Group
- Climate Change Sub-committee

### Recommendation

**It is recommended that the Strategy and Policy Committee resolve to:**

- 1 Receive the report - Climate change and community resilience portfolio update.

### Background

Following a regional climate change hui in July 2022, Environment Southland and Te Ao Mārama have brought together a staff-level regional climate change working group, which has met regularly since October 2022.

In addition, a governance-level regional climate change working group (RCCWG) has also been established, which held regular meetings and workshops throughout 2023 to develop a proposed Regional Climate Change Strategy (RCCS) – phase 1 of the RCCWG workplan. The governance-level group is not a formal joint committee and does not have formal delegations.

Phase one of the RCCWG work recently concluded with the adoption of the Regional Climate Change Strategy by the ES Strategy & Policy Committee, 16 October 2024. This strategy has also been adopted by Gore District Council, Invercargill City Council, Southland District Council and endorsed by Te Ao Mārama.

In the meantime, throughout 2024 the RCCWG have also been progressing phase two of this work. Phase two is to develop a regional Framework for Action, setting out how the aspirations in the strategy could be achieved.

### Regional Framework for Action process to date

Throughout 2024, the governance RCCWG have held regular workshops to develop pathways to achieve the aspirations in the Regional Climate Change Strategy, in order to create a regional Framework for Action as follows:

- February – looking broadly across all the aspirations
- March – communications and engagement aspirations
- May – adaptation aspirations
- July – emissions reduction aspirations
- September – bringing the workshops together and reflecting on priorities versus the impact of potential actions

The RCCWG inter-agency report from the September workshop is attached as appendix 1. Following the September RCCWG workshop, the governance RCCWG tasked the staff working group with developing a prototype working document to assist with further RCCWG workshopping scheduled 28 November 2024.

The RCCWG inter-agency report from the November workshop is attached as appendix 2. Following the November workshop, the staff working group have now been tasked with further refining the Regional Framework for Action prototype as a draft document, with an anticipated completion time of mid-2025.

At this stage, it is envisaged that the regional Framework for Action prototype will be workshopped with Environment Southland Councillors, early in 2025.

### Climate Change Sub-committee update

The most recent climate change sub-committee meeting was held 6 November 2024, at which Environment Southland’s second greenhouse gas inventory was presented by Neil Selman from Selman & Associates; along with a presentation by Laura Pope from Te Whatu Ora about the relationship between climate change impacts and health for the Murihiku Southland region.

The discussions held at the Climate Change Sub-committee are useful in terms of informing the Environment Southland organisational response to our changing climate.

### Next steps

In summary, the next steps are:

1. supporting ongoing RCCWG workshops to continue progressing phase2: the regional Framework for Action;
2. consideration of how to ensure there is timely community and stakeholder input into phase 2: the regional Framework for Action;
3. ongoing research into emissions reductions opportunities in line with the guidance endorsed by the Committee late November 2023; as well as setting interim targets in order to develop organisational emissions reductions pathways that will inform the LTP process 2027-2037.

### Fit with strategic framework

OUTCOME	CONTRIBUTES	DETRACTS	NOT APPLICABLE
Managed access to quality natural resources	X		
Diverse opportunities to make a living	X		
Communities empowered and resilient	X		
Communities expressing their diversity	X		

### Attachments

1. Governance level RCCWG inter agen [10.3.1 - 3 pages]
2. Governance level RCCWG inter (1) [10.3.2 - 4 pages]



## Regional Climate Change Working Group report

**To:** Environment Southland  
Te Ao Mārama Board  
Gore District Council  
Invercargill City Council  
Southland District Council

**Meeting Date:** Wednesday 27 November 2024

**From:** Staff-level Regional Climate Change Working group

### Purpose

This report provides all Councils and the Te Ao Mārama Board with an update on the governance-level Regional Climate Change Working Group workshop, held on 26 September 2024.

### Recommendation

That councils and the Te Ao Mārama Board receive the report "Regional Climate Change Working Group report".

### Background

Following a Regional Climate Change Hui in July 2022, Environment Southland and Te Ao Mārama brought together a staff-level regional climate change working group, which has met regularly since October 2022. A governance-level regional climate change working group (RCCWG) was established in February 2023.

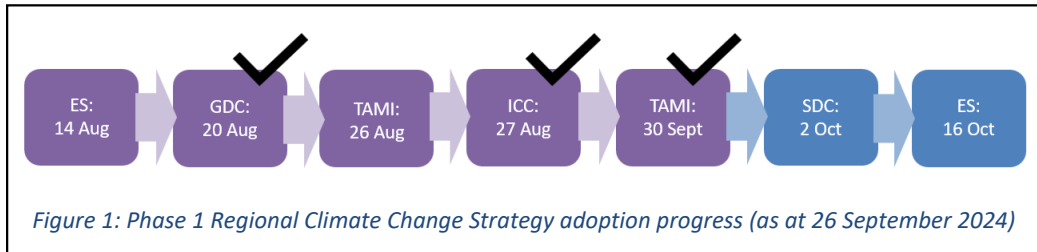
The RCCWG met seven times throughout 2023 to develop a proposed regional climate change strategy. Phase 2 of this work has now commenced with four workshops so far to begin developing a regional Framework for Action.

The governance-level group is not a formal joint committee and does not have formal delegations. It is supported by the staff-level working group.

### Phase 1: Revised Regional Climate Change Strategy

The proposed Regional Climate Change Strategy was endorsed by all Councils for consultation, earlier this year. Environment Southland co-ordinated public feedback on the proposed strategy on behalf of all of the agencies involved, alongside their LTP consultation process.

Since the conclusion of the formal consultation process, the strategy was revised by a special RCCWG hearing panel. The revised strategy is currently in the process of being put to each agency for consideration, endorsement and adoption as illustrated in Figure 1 below:



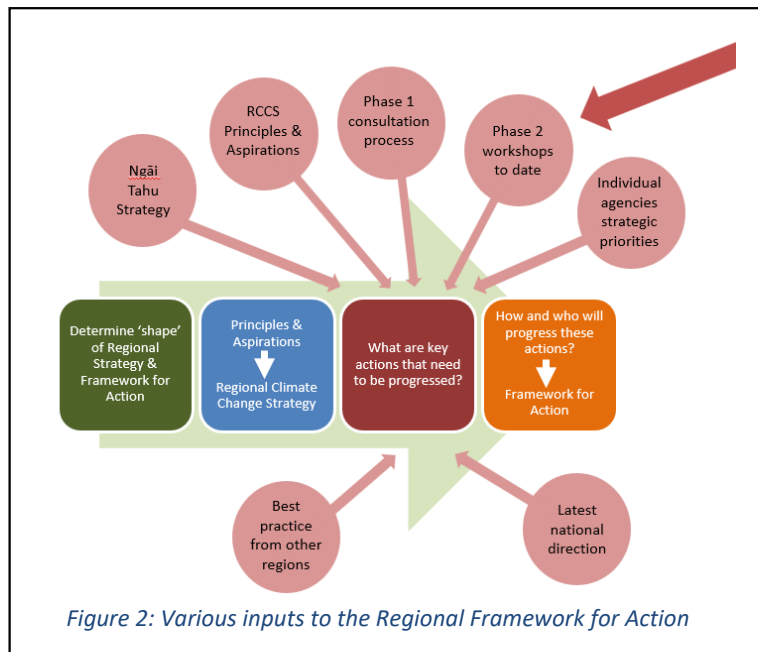
**Phase 2: RCCWG workshop – 26 September**

The September workshop was the fifth RCCWG workshop focusing on the development of pathways to achieve the aspirations in the Regional Climate Change Strategy, in order to create a regional Framework for Action.

The key focus of each workshop has been:

- February – looking broadly across all the aspirations
- March – communications and engagement aspirations
- May – adaptation aspirations
- July – emissions reduction aspirations

The workshop held 26 September was aimed at bringing the previous workshops together and reflecting on priorities / impact of potential actions; alongside the need to include a variety of additional input into a regional Framework for Action document as illustrated in figure 2 below:





Two key workshop exercises were undertaken to evaluate actions raised as ideas from all the previous phase 2 workshops. These exercises were focused on developing some understanding of potential impacts or actions, achievability, urgency and resourcing needs.

The direction received from this workshop and previous phase 2 workshops will inform the development of a regional Framework for Action.

### Next steps

- Phase 2: staff have been tasked with developing a prototype regional Framework for Action document based on the direction received to date. It is envisaged that this prototype could be presented to the governance RCCWG ahead of the next workshop to enable time for consideration, to enable it to be successfully workshopped at the end of November.
- Phase 2: the next RCCWG workshop is scheduled for 28 November 2024. Dates for additional hui in 2025 are yet to be set.
- In order to support development of an effective Framework for Action, the RCCWG are keen to host a regional climate change hui to expand the regional CC conversation to a broader set of stakeholders. The period February - March 2025 is currently considered the preferred period for such an event.

### Key messages

- The RCCWG reinforces the importance of continued collaboration to progress this important mahi on behalf of the region.
- The RCCWG is working earnestly on the Framework for Action and is generating increased alignment as to the pathway forward.
- The workshop was helpful to further analyse what actions are emerging as key priorities.
- Additional analysis will yet be essential to confirm priorities, enable choices, and secure appropriate investment.
- The RCCWG reinforces the importance of developing collective understanding to ensure the best chance of securing the resources required to progress actions (knowledge, resources, talent).
- The RCCWG is prepared to meet more frequently in the months ahead if needed, to ensure delivery of the Framework for Action in the first half of 2025.
- With phase one is complete and phase two underway, individual agencies are encouraged to continue progressing their own internal climate change projects and actions alongside this regional work



## Regional Climate Change Working Group report

**To:** Environment Southland  
Te Ao Mārama Board  
Gore District Council  
Invercargill City Council  
Southland District Council

**Meeting Date:** Thursday 12 December 2024

**From:** Staff-level Regional Climate Change Working group

### Purpose

This report provides all Councils and the Te Ao Mārama Board with an update on the governance-level Regional Climate Change Working Group workshop, held on 28 November 2024.

### Recommendation

That councils and the Te Ao Mārama Board receive the report "Regional Climate Change Working Group report".

### Background

Following a Regional Climate Change Hui in July 2022, Environment Southland and Te Ao Mārama brought together a staff-level regional climate change working group, which has met regularly since October 2022. A governance-level regional climate change working group (RCCWG) was established in February 2023.

The RCCWG met seven times throughout 2023 to progress phase one of its work, to develop a Regional Climate Change Strategy.

The proposed Strategy was endorsed by all Councils for public consultation, earlier this year. Environment Southland co-ordinated public feedback on the proposed strategy on behalf of all of the agencies involved, alongside their LTP consultation process. At the conclusion of the formal consultation process, the strategy was revised by a special RCCWG hearing panel and then recommended to each agency for adoption/endorsement.

Phase one concluded with the adoption of the Regional Climate Change Strategy by all Councils and the endorsement by the Te Ao Mārama Board between August and October 2024.

Phase two of this work, to develop a regional Framework for Action, commenced at the start of 2024.

The governance-level group is not a formal joint committee and does not have formal delegations. It is supported by the staff-level working group.

**Page 1**



### Phase 2 workshops and meetings

The Regional Climate Change Strategy states that as part of phase two, the Regional Framework for Action will define and prioritise the specific actions and initiatives needed to realise the outcomes being aspired to; as well as:

- Enable each individual local agency to create Action Plans that align with the aspirations set out in this strategy
- Evaluate the merits of and define the continuing or new collaborative actions to which local government agencies will commit
- Identify opportunities for collaboration beyond local government – empowering the aspirations, energies, and creativity of communities and industry.

The RCCWG has held six workshops throughout 2024, focusing on the development of pathways to achieve the aspirations in the Regional Climate Change Strategy, in order to create a Regional Framework for Action.

The key focus of each workshop has been:

- February – looking broadly across all the aspirations
- March – communications and engagement aspirations
- May – adaptation aspirations
- July – emissions reduction aspirations
- September – bringing the previous workshops together and reflecting on priorities / impacts of potential actions

At the conclusion of the September workshop, the governance RCCWG tasked the staff working group with developing a prototype Regional Framework for Action document based on the direction received to date. The staff working group presented an initial prototype as a working document to the governance RCCWG on 7 November, allowing time for consideration of the prototype ahead of a 28 November workshop.

### The draft prototype

The draft prototype document continues to be refined as various internal feedback is sought and received from each agency; as well as the direction received from the governance RCCWG.

Following the most recent RCCWG workshop, it is envisaged that the regional Framework for Action will likely include:

- Agreed outcomes.
- Agreed focus areas for action.
- Agreed direction on high-level actions, including visibility of existing short-term actions planned by each of the key partner agencies
- Suggested prioritised future actions including clarity on respective roles.
- A collaboration continuum, to support categorisation and resourcing of planned and potential future actions benefitting from collaborative implementation.
- A communications and engagement approach to support planned actions.





Outlined below are some of the key components that would support achieving this.

**Working together on a local government response to our changing climate**

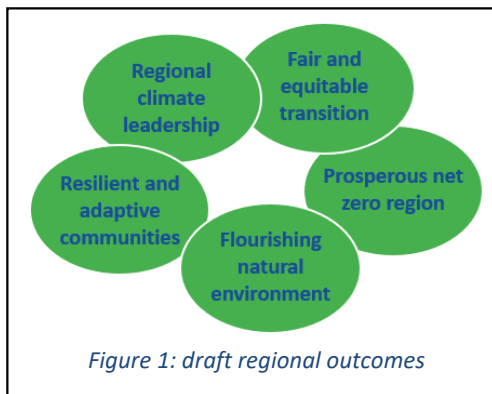
Each agency outlining their existing actions contributing as a response to our regional changing climate.

**Strategic framework**

- Aspirations (from the RCCS)
- Regional outcomes (see figure 1)
- Collaboration continuum

**Creating a Regional Framework for Action**

The process of creating a Regional Framework for Action and how this will enable future climate action planning to inform LTP cycles going forward.



*Figure 1: draft regional outcomes*

**Key focus areas for regional action**

- Regional climate leadership
- Understanding climate change science and risk
- Adaptation planning for our future
- Regional Net Zero 2050

**Implementation monitoring, evaluation and reporting**

**Phase 2 workshop: 28 November 2024**

The purpose of the most recent governance RCCWG workshop was refining the Regional Framework for Action prototype document by:

- Developing an ongoing regional climate change planning process that accounts for local government elections and aligns with LTP cycles.
- Agreeing on what a Regional Framework for Action could look like as a final product.
- Agreeing on a communications & engagement approach to support development of the Regional Framework for Action.

Following the most recent governance RCCWG workshop, the staff working group have now been tasked with further refining the Regional Framework for Action prototype as a draft document, with an anticipated completion time of mid-2025.

Key direction from this workshop included:

- Refining the Regional Framework for Action by focusing on collaborative planned actions, while identifying potential future actions to inform the next round of Council LTPs (via a proposed phase 3 regional climate action plan);
- Generating greater clarity on those actions to include in the Regional Framework for Action and those more appropriately considered within a phase 3 regional climate action plan;
- Refining a collaborative communications and engagement approach to inform the development of the Regional Framework for Action;



- Agreeing on a RCCWG process for 2025 to ensure we can collectively progress the Regional Framework for Action by mid 2025.

### Next steps

The staff working group will further refine the Regional Framework for Action prototype as a draft document based on the direction received to date. It is envisaged that this draft will be ready for each agency to workshop with their Councillors / Board during late January and February 2025.

In the meantime, the dates for RCCWG workshops in 2025 are currently being scheduled for 6 March, 10 April and 26 June 2025.

Each agency will also confirm their ability to support the proposed communications and engagement approach over the next four months (December to March), as supported by the RCCWG at this latest workshop.

To support development of an effective Framework for Action, the RCCWG see much utility and value in convening a regional climate change hui to expand the regional CC conversation to a broader set of stakeholders. At this stage, 27 March 2025 has been identified as a possible date.

### Key Messages

- We are frequently reminded in our work of the very broad range of regional stakeholders likely to be influenced in various ways by a changing climate, and that as a region, 'we are all in this together'.
- We have a strong commitment to the RCCWG work programme and priorities for the remainder of the current local government triennium.
- The Regional Framework for Action continues to evolve, from a prototype into a draft document, as our collective understanding matures and aligns.
- We look forward to providing an update to the Mayoral Forum in December.
- We recognise it is important to maintain communication with all of Southland's elected officials, not just the Mayoral Forum.
- We anticipate workshopping the Regional Framework for Action with individual partner agencies early in the new year.
- We are committed to a more active programme of community and stakeholder communications and engagement over the next five months in support of finalising the Regional Framework for Action.
- We look forward to expanding our conversations with our communities and key stakeholders over the next five months.
- Great South and Emergency Management Southland (EMS) seem likely to continue to offer valuable insights and inputs to the work of the RCCWG, and we look forward to sustaining and deepening communications into 2025 with both of those agencies.
- There is strong support for a Regional Climate Change Conference in late March 2025 to both update community and stakeholder representatives, and to ensure community concerns and needs are appropriately reflected in the Regional Framework for Action.

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## 10.4 Group update

**Report by:** Strategy, Policy and Science Group

**Approved by:** Rachael Millar, General Manager Strategy, Policy & Science

**Report Date:** 12 December 2024

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### Purpose

This report is an update on the work being carried out by the Strategy, Science and Policy Group.

### Recommendation

**It is recommended that the Strategy and Policy Committee resolve to:**

- 1 Receive the report - Group update.

### Background

The Strategy, Policy and Science Group are responsible for:

- Developing clear strategy, corporate plans and defined priorities
- Proving coordination and support for the management and successful performance of the organisation's key groups of activities/portfolios – air quality, biosecurity and biodiversity, climate change and community resilience, coast and marine, regional leadership, and water and land
- Leading the generation and reporting of data and insights
- Delivering science capability
- Developing resource management and regional plan-making
- Providing policy advice
- Providing drafting leadership
- Monitoring plan effectiveness
- Managing the review of, and Council's response to, national direction and reform

### Matters of interest

Information about national and regional matters of interest is outlined below. Tables of current and future consultations are attached.

#### National

National regulatory updates are covered in the Policy Monitor report.

## Regional

### ***Efficiency and effectiveness review of the Southland Regional Policy Statement (sRPS)***

Section 35 of the Resource Management Act (RMA) requires that every local authority is required to monitor the efficiency and effectiveness of policies, rules and methods of policy statements or plans at least every five years. This review is intended to ensure that regulatory documents under the RMA are assessed and adequately identify and manage changing environmental issues. The assessment will highlight new emerging issues that may need regulatory intervention, regulatory measures which have insufficiently protected the environment from harm and regulatory measures that are no longer required in the future.

The sRPS was last reviewed in 2019 and accordingly a review is currently being undertaken. The report is expected to be completed prior to the end of this Calendar year.

### ***Transport Planning***

Environment Southland staff are actively participating in the regional sector's Transport Special Interest Group (TSIG). This group has been reviewing current national land transport planning and funding systems to identify opportunities for system reform. This work includes proposals to: strengthen the role of the Regional Land Transport Plans so that they influence NZTA investment decisions and guide long-term planning; better align the timing of planning and funding processes; and better integrate land use and transport planning frameworks. All of these matters should lead to more efficient and effective planning and delivery. This work is being developed to assist the Ministry of Transport.

### ***Freshwater policy update***

As of 27 November 2024, any activities that existed on 27 May 2024 are now required to meet the requirements of the operative provisions of the Southland Water and Land Plan. The remaining outstanding appeals on the proposed Southland Water and Land Plan are still to be resolved. The Court agreed to enable Environment Southland to apply for a stay of proceedings pending amendments to section 70 of the Resource Management Act 1991 for the appeal relating to Rule 24 – Incidental Discharge. This application was made on 2 December 2024. The collaborative work on matters relating to the appeal on Rule 78 is continuing. The next reporting date back to the Environment Court on this matter is February 2025.

The Resource Management (Freshwater and Other Matters) Amendment Act enacted in October prevents regional councils from notifying freshwater planning instruments with the purpose of giving effect to the National Policy Statement on Freshwater Management prior to 2026 (unless a new National Policy Statement has come into force by then) without an exemption from the Minister for the Environment. Work is progressing towards a Plan Change in 2025 to enable good environmental practice, however, an assessment of the scope and timing of the plan change is underway in line with the amended legislation. Staff are liaising with the Ministry for the Environment to ensure that all procedural options are appropriately considered. Work towards a Plan Change that gives effect to the National Policy Statement for Freshwater Management remains on the work programme leading to a notification date in 2026/2027. Engagement with stakeholders is continuing.

While the Government has announced a pause to the implementation of Freshwater Farm Plans nationally, Cabinet has now confirmed that Part 9A of the RMA will be applied via an Order in Council in the Southland region from 27 November 2024. The Order in Council applies the current Freshwater Farm Plan regulations to the whole of the Murihiku Southland region and provides farmers and growers up to 18 months to submit a farm plan. Farm Environmental Management Plans are a requirement of the Southland Water and Land Plan. Farm plans play a strong role in Southland's local approach to managing environmental risk and we are continuing to encourage farmers to start pulling together relevant information.

### ***Regional Coastal Plan for Southland***

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The review of the Regional Coastal Plan has been underway since 2017. A strategic direction report supporting the need to change the Regional Coastal Plan was drafted early in the process and the majority of the reasons for progressing with the review of the Regional Coastal Plan remain relevant. The current Regional Coastal Plan became operative before the NZ Coastal Policy Statement and the Regional Policy Statement for Southland were developed. As such, the Coastal Plan does not give full effect to these planning documents, as well as some national policy statements and national environmental standards. The approach in the Regional Coastal Plan is less precautionary than would otherwise be required. Demands on space through structures and activities have increased beyond what may have been anticipated in the early 2000s. There has also been some decline of coastal ecosystems and water quality. Science and technology has significantly advanced since the current Plan was made operative. These advances are ongoing. The best information available will be used to inform the policy development process.

The review of the Coastal Plan continues with the intent to notify a revised Coastal Plan in 2025. Specific engagement work is underway for matters relating to the management of ecosystems and biodiversity, aquaculture, the Bluff Port Zone and Fiordland..

It is noted that Government has indicated that changes to the New Zealand Coastal Policy statement are likely to form part of the review of national direction. The indications are that there will be some visibility of the potential changes in early 2025. Depending on the content of these national planning documents, this may result in the need to revise some elements of the work that has been underway.

### Summary

PROJECT / PROGRAMME	KEY OBJECTIVES
Proposed Southland Water and Land Plan (pSWLP)	Completion of Environment Court hearings on the pSWLP appeals Topic B matters following mediation in 2021-22. Preparation for two stage approach to plan changes, with the first phase due for notification mid-2025.
Coastal Plan	Stage 2 includes discussion papers and workshops with Council and the TAMI Board on provision details. This further work will continue throughout 2024 and early 2025.
Air	Reviewing and preparing a consolidated approach for air.
Hazards Management	Ongoing provision of hazard advice and support to communities. Ongoing work underway to update advice.
Transport Management	Co-ordinate approach through the Combined Regional Transport Committees (RTCs). Manage stock effluent dumpsites across the Southland region. Development of new Regional Land Transport Plan.
Regional Policy Statement (RPS)	The RPS is being revised to address relevant freshwater and coastal environment matters, and to implement the National Planning Standards. A plan Efficiency and Effectiveness review is underway that will inform any future work on the RPS.
Strategic Planning and Reporting	Support the development of the 2025/26 Annual Plan, 2023/24 Annual Report, and initial planning for the 2027-37 Long-term Plan. Facilitate associated reporting, along with support tools such as a performance management and monitoring framework, insights programme, and organisational strategies as appropriate.

Climate Change and Community Resilience	The joint development and implementation of a Murihiku Southland Regional Climate Change Strategy with regional partners. A review of Environment Southland’s Climate Action Plan.
Environmental Monitoring	Ongoing (and long-term) monitoring of the region’s water, air, land and coastal resources.
Science Strategy and Investigations	Strategic science and investigations for the region.

**2024/2025 “Action ahead” summary**

	NEXT MILESTONES	STATUS	RELEVANT DATES
1. Southland Water and Land Plan - changes	A large portion of the provisions have now been settled through the Court process and have been made operative. Existing activities are now required to meet the requirements of the operative provisions. There remains one matter that has been appealed to the High Court, an appeal that has been sent back to the Environment Court from the Court of Appeal for resolution, and an appeal that raised water quantity related matters that are yet to be resolved. Matters relating to the appeal on Weed and Sediment Removal for Drainage Maintenance are being progressed through a collaborative process with the appeal parties outside the formal Court process. A reporting date for that is due in February. Matters relating to Rule 24 – Incidental Discharge, have been referred back to the Environment Court. Given recent Government announcements relating to potential changes to s70, the Council has filed a request with the Court for a stay of proceedings. Staff are focussed on the implementation of the decisions and the process going forward.	In progress	Start 2025
	Recent Government announcements on changes to the RMA and the inclusion of a provision that prevents the notification of plan changes that are developed to give effect to the National Policy Statement for Freshwater Management until the end of 2025 have resulted in the need to review the scope of the two phased approach to reviewing freshwater management policy. Some work towards changes are being progressed in the interim.	In progress	Start 2025
2. Coastal Plan	Plan Change 5 to the Regional Coastal Plan on Surface Water Activities has been approved and the related provisions are now operative	Complete	
	Provision drafting for the wider RCP review continues using the substantial direction already received from councillors and TAMI Board members.	In progress	End 2024/ 2025

4. Hazards Management	LiDAR capture for the majority of the region is available.	<b>Complete</b>	
	The Southland Natural Hazards Portal is live and will continue to be updated as further information is received.	<b>In progress</b>	<b>Ongoing</b>
5. Transport Management	The mid-term review of the Southland Regional Land Transport Plan (RLTP) is complete.	<b>Complete</b>	
	The programme plan for the review and development of the next Regional Transport Land Plan is being developed	<b>In progress</b>	
6. RPS	An efficiency and effectiveness review of the Regional Policy Statement is being carried out.	<b>In progress</b>	<b>Mid-2025</b>
	Following the decision of Council late in 2022, the review of the Regional Policy Statement is currently focused on the required freshwater changes and is being developed as part of the scope of the freshwater policy review.  Any potential changes identified as required through the Southland Coastal Plan Review process will also be considered.		
7. Strategic Planning and Reporting	The 2023-24 Annual Report and associated Summary was adopted at an Extraordinary Meeting of Council on 23 October 2024.	<b>In progress</b>	<b>Ongoing</b>
	Council workshops have been held related to the 2025-26 Annual Plan. These have supported the understanding of elected member priorities for the plan.		
8. Climate Change and Community Resilience	The Murihiku Southland Regional Climate Change Strategy has been finalised and endorsed by the four Local Authorities and Te Ao Mārama Incorporated. The Regional Climate Change Governance Group is in the process of developing a framework for action which is expected to be completed by June 2025.	<b>In progress</b>	<b>Ongoing</b>
9.Environmental Monitoring	Regular State of the Environment monitoring continues along with hydrological work and servicing of data requests.	<b>In progress</b>	<b>Ongoing</b>
10. Science Strategy and Investigations	Scientific work to inform policy development processes, as well as advice and technical input into consent applications, compliance matters, submissions, national science projects, working groups state of the environment monitoring and science investigations continues.	<b>In progress</b>	<b>Ongoing</b>

## Attachments

1. Current relevant initiatives open for consultation [10.4.1 - 4 pages]

**Current, relevant initiatives open for consultation**

<b>NAME OF INITIATIVE</b>	<b>LEAD AGENCY</b>	<b>DUE DATE</b>	<b>DESCRIPTION</b>	<b>RECOMMENDATION /ACTION</b>
<b>Building (Overseas Building Products, Standards, and Certification Schemes) Amendment Bill</b>	Transport and Infrastructure Select Committee	14 November 2024	Bill responds to competition issues in the sector by amending the Building Act 2004 to remove barriers to overseas building products entering New Zealand's building product market and being used in New Zealand buildings.	No submission
<b>Building Resilience to Natural Hazards – Long Term Insights Briefing</b>	Department of Prime Minister and Cabinet	26 November 2024	On behalf of the National Hazards Board, the Department of the Prime Minister and Cabinet (DPMC), and the Ministry for the Environment are seeking public feedback to help develop a Long-term Insights Briefing that explores how New Zealand can strengthen its resilience to future disasters and crises caused by major hazard risks (e.g. earthquakes, pandemics, severe weather).	
<b>Proposed amendments to the Biosecurity Act</b>	MPI	29 November 2024	Modernising the Biosecurity Act 1993 in the following six areas, system wide issues, funding and compensation, border and imports, readiness and response, long-term management, surveillance and legislative interfaces. Has significant impacts for regional councils. Te Uru Kahika is submitting for the sector, their contact is <a href="mailto:chris@carina.co.nz">chris@carina.co.nz</a> if you want to provide input.	Submission – see separate agenda item.
<b>Consultation on increasing the use of remote inspections in the building consent process</b>	MBIE	29 November 2024	MBIE is seeking feedback on a range of options to increase the uptake of remote inspections and improve efficiency and productivity in the building inspection process. Options include: <ul style="list-style-type: none"> <li>• Using remote inspections as the default approach</li> <li>• Mandatory requirement for BCAs to have systems and capability to conduct remote inspections</li> <li>• Increasing offence provisions for deceptive behaviour</li> <li>• Non-regulatory initiatives for BCAs (eg, publish wait times, address failure rates)</li> </ul>	No submission
<b>Statutes Amendment Bill</b>	Governance and Administration Committee	4 December 2024	Bill makes amendments of a remedial, technical and non-controversial nature. Minor amendments are made to the Rating Act and the Water Services Act.	No submission



<b>Building Code fire safety review 2024</b>	MBIE	6 December 2024	MBIE proposes to bring the Fire Code up-to-date with changes in technology which have added new complexities to fire safety in houses, buildings, and to firefighting.	No submission
<b>Electoral Reform Issues Paper</b>	LGNZ	20 January 2025	The working group’s issues paper focusses on five key topics: <ul style="list-style-type: none"> <li>• How well the public understands local government and why it matters</li> <li>• Understanding the candidates and their policies</li> <li>• Voting methods</li> <li>• How elections are run and promoted</li> <li>• The possibility of moving to four-year terms (including how this would work)</li> </ul>	No submission
<b>Infrastructure Priorities Programme (IPP)</b>	NZ Infrastructure Commission	Not stated	The Commission is calling for infrastructure proposals. They will assessed through a standardised independent review process that they meet NZ’s strategic objectives, represent value for money, and be a project or solution that can actually be delivered. *Councils can submit proposals	No submission
<b>Repeal of Good Friday and Easter Sunday as Restricted Trading Days (Shop Trading and Sale of Alcohol) Amendment Bill</b>	Private Member’s Bill	TBC	The Bill allows more or less unfettered shop trading and sale of alcohol on Good Friday and Easter Sunday. Among other things, the provisions empowering you to set a local policy on shop trading would be removed. The default restriction on the sale and supply of alcohol on these days would be repealed.  This Bill awaits first reading. (Latest intelligence suggest first reading and referral to a Committee is likely)	No submission
<b>Public Works (Prohibition on the Compulsory Acquisition of Māori Land) Amendment Bill</b>	Private Member’s Bill	TBC	This bill amends the Public Works Act 1981 to protect Māori freehold and Māori customary land from being acquired for public works under that Act.  This Bill awaits first reading. (Given recent PWA announcements this Bill appears unlikely to proceed).	No submission
<b>Resource Management Act</b>	MfE	Late 2024	This amendment Bill will (indicative list): <ul style="list-style-type: none"> <li>• enable housing growth, including making the Medium Density Residential Standards optional for councils and secondary units – ie granny flats</li> <li>• speed up consenting timeframes for renewable energy and wood processing</li> </ul>	Submission

<b>Amendment Bill #2</b>			<ul style="list-style-type: none"> <li>• support the government’s “Infrastructure for the Future” plan</li> <li>• speed up the process for making national direction under the RMA</li> <li>• introduce emergency response regulations to enable effective responses to emergencies and contribute to long-term recovery.</li> </ul> <p>Plus potentially other targeted amendments suggested by Councils and other key stakeholders.</p>	
<b>Integrated National Direction Package - RMA</b>	MfE	Early 2025	<p>Single process for integrated direction – with some exceptions</p> <p>There will be one consultation document to capture all national direction changes.</p> <p>14 national directions amended, 7 new ones proposed to deliver on infrastructure and energy; housing; farming &amp; primary sector; emergencies &amp; natural hazards</p> <p><a href="#">Work-Programme-for-Reforming-the-Resource-Management-System.pdf (environment.govt.nz)</a></p>	Submission
<b>Te Mana o te Taiao – Aotearoa New Zealand Biodiversity Strategy and Aotearoa New Zealand's response to the Global Biodiversity Framework (GBF)</b>	DOC	Late 2024	<p>Consultation on proposals for inclusion in the next implementation plan.</p>	Submission
<b>Building Act Amendment (and regulations)</b>	TBC	2024/25	<p>Plans to reform the building consent system to make it more affordable to build a home. It intends to review the Building Code to bring in a streamlined risk-based consenting regime.</p>	No submission
<b>Land Transport Management</b>	TBC	Very soon (leg to be)	<p>Sets out the legal framework for time of use charging (see the Cabinet paper – Land Transport Revenue Action Plan: Time of Use Charging)</p>	No submission

<b>Act (Time of Use Charging) Amendment Bill</b>		passed in 2024)		
<b>Granny Flats Legislation</b>	TBC	Late 2024	Making it possible to build 60m2 secondary dwellings without building consent.	No submission
<b>Local Government Amendment Bill</b>	TBC	Late 2024	Bill to amend the Local Government Act 2002 (ad possibly other legislation) to give effect to commitments made in the Prime Minister’s ‘back to basics’ speech on 21 August.  There may be several Bills of this nature over the next 12 months.	Submission
<b>Treaty Principles Bill</b>	Select Committee	18 November 2024	Bill to amend or remove references to te Tiriti principles from legislation  NB – National committed to support the Bill to Select Committee, support beyond this stage (and therefore future progress of this Bill) is uncertain.	Submission
<b>Local Water Done Well Bill #3</b>	TBC	December 2024	Framework for economic regulation and the more detailed powers and duties of the water CCOs (possibly including additional charging powers)	No submission
<b>Public Works Amendment Act</b>	TBC	Mid 2025	Gives effect to decisions taken out of the expert panel review of the Act.	No submission
<b>Emergency Management Bill</b>	TBC	By next election	The Government will implement a programme of changes in five broad areas: <ul style="list-style-type: none"> <li>• Give effect to the whole-of-society approach to emergency management.</li> <li>• Support and enable local government to deliver a consistent minimum standard of emergency management across New Zealand.</li> <li>• Professionalise and build the capability and capacity of the emergency management workforce.</li> <li>• Enable the different parts of the system to work better together.</li> <li>• Drive a strategic focus on implementation and investment to ensure delivery.</li> </ul>	No submission

## 10.5 Response from Minister Simmonds to Environment Southland's letter supporting PCE's recommendations

**Report by:** Shana Lee, Policy Planner  
**Approved by:** Rachael Millar, General Manager Strategy, Policy & Science  
**Report Date:** 12 December 2024

### Purpose

To update the Committee on the communication between Environment Southland and the Minister of Environment, Hon. Penny Simmonds regarding the Parliamentary Commissioner for the Environment (PCE)'s recommendations on the use of freshwater models in New Zealand.

### Summary

We received a response from the Minister for the Environment to our letter supporting PCE's recommendations for improving the use of freshwater models. The Minister expressed agreement with the importance of freshwater modelling and acknowledged the value of PCE's recommendations. However, the response did not address our request for a more proactive role from the Ministry, instead highlighting the development of tools like Overseer and the Risk Index Tool.

### Recommendation

**It is recommended that the Strategy and Policy Committee resolve to:**

- 1 Receive the report - Response from Minister Simmonds to Environment Southland's letter supporting PCE's recommendations.

### Background

Environment Southland received a response to the Council's letter to the Minister for the Environment. The letter was the result of a suggestion made at this Committee's meeting held in September, during which the PCE's recommendations regarding freshwater models were discussed. The Council's letter expressed strong support for the recommendations outlined in the PCE's report "A Review of Freshwater Models Used to Support the Regulation and Management of Water in New Zealand". A copy of our letter dated 19 September 2024 and the reply from the Minister dated 14 October 2024 have been attached to this report for your information.

In the one-page letter, the Minister expressed agreement with the importance of freshwater modelling and the various recommendations made by the PCE. The Minister did not directly address the request for the Ministry to adopt a more proactive role in evaluating freshwater models and guiding their use. Instead, the letter highlighted the availability of Overseer, which has been redeveloped, and the development of Risk Index Tool, which is likely to become available in 2025. Additionally, the Minister stated that the Ministry does not have any plans to establish a rōpū of experts to support the development and implementation of Māori freshwater models.

### Fit with strategic framework

OUTCOME	CONTRIBUTES	DETRACTS	NOT APPLICABLE
Managed access to quality natural resources	X		
Diverse opportunities to make a living			X
Communities empowered and resilient			X
Communities expressing their diversity			X

## Attachments

1. Letter to Minister Simmonds - PC E's report on the use of freshwater models [**10.5.1** - 2 pages]
2. Letter from Minister Simmonds [**10.5.2** - 1 page]

Our Reference: A1162264

19 September 2024

Hon. Penny Simmonds  
Minister for the Environment  
Parliament Buildings  
Wellington



Dear Minister

***Parliamentary Commissioner for the Environment's Report "A Review of Freshwater Models Used to Support the Regulation and Management of Water in New Zealand"***

We are writing this letter to provide feedback on the recent report from the Parliamentary Commissioner for the Environment on the review of freshwater models. We understand that Ngāi Tahu has also provided, or is in the process of, providing a letter expressing support, and we kindly request that this letter be considered alongside theirs.

The report was received with interest by our Council, as it highlighted an opportunity to achieve notable improvements in efficiency. As a Council, we are always looking for efficiency improvements, especially as we are a large region with diverse freshwater bodies but a relatively small population.

The report identifies the proliferation of freshwater models developed and used by councils across New Zealand, noting that many serve overlapping purposes and functions. It also points out that the absence of clear guidance has led to challenges in selecting and using these models effectively. The Commissioner concludes that, at the national-level, freshwater modelling is not organised in a way that can best support the regulation and management of freshwater in New Zealand.

We believe that the analysis and recommendations outlined in the report to address the issues are compelling and resonate strongly with our views. Therefore, we highly commend the report and request that the Ministry consider the recommendations carefully and take the necessary steps to implement the desired improvements.

In particular, we would like to endorse the following recommendations regarding a more national and integrated approach to freshwater modelling.

*The Ministry for the Environment (MfE) should further develop national guidance on the use of models in a regulatory context to support freshwater management across the country.*

*MfE should establish a rōpū of experts to support the development and implementation of Māori freshwater models.*

*MfE should ensure an evaluation of existing freshwater models against guidance on the use of models in a regulatory context is undertaken.*

For now  
& our future

Cnr North Rd & Price St, Invercargill | DX No. YX20175 | Private Bag 90116, Invercargill 9840 | 03 211 5115 or 0800 76 88 45 | service@es.govt.nz | www.es.govt.nz

*MfE should lead the selection or development of a preferred suite of models adaptable to local circumstances.*

*The Minister for the Environment should establish a national freshwater modelling support centre with a mandate to support regional councils, unitary authorities and mana whenua. The Secretary for the Environment should prepare a report advising the Minister for the Environment on where and how such a centre could fit into existing institutional arrangements.*

We believe that implementing the recommendations outlined above will be a valuable investment by the Ministry.

Please feel free to get in touch if you would like to discuss this further with us. We are keen to support the Ministry by sharing our regional perspectives and experiences and look forward to ongoing collaboration.

Yours sincerely



Nicol Horrell  
Chairman



Lyndal Ludlow  
Chair – Strategy & Policy  
Committee

## Hon Penny Simmonds

Minister for the Environment  
Minister for Tertiary Education and Skills  
Associate Minister for Social Development and Employment



14 October 2024

PS-COR0743/CORM-3040

Nicol Horrell  
Chairman  
Environment Southland Regional Council

Lyndal Ludlow  
Chair – Strategy & Policy Committee  
Environment Southland Regional Council

C/- jan.brown@es.govt.nz

Dear Nicol and Lyndal,

Your Reference: A1162264

Thank you for your letter of 19 September 2024 about your support for the Parliamentary Commissioner for the Environment (PCE)'s report *A Review of Freshwater Models Used to Support the Regulation and Management of Water in New Zealand*.

I recognise the interests' local authorities have in freshwater modelling and its improvement, and I agree that freshwater modelling plays a crucial role in environmental resource management and regulation. I am also aware that the situation surrounding freshwater modelling continues to face many complex challenges. The PCE's continued interest in this topic is both valuable and appreciated. I welcome the report and look forward to further consideration of its recommendations.

The PCE has made several recommendations, many of which were addressed through the previous government's response to the Overseer review. This includes:

- publishing a guidance document *Developing, adapting and applying environmental models in a regulatory context in New Zealand* to provide support in the way models are being used;
- Overseer itself was redeveloped and further verified to alleviate some of the concerns raised; and
- a nutrient discharge tool "the Risk Index Tool" is being created to provide broader support for freshwater management.

Currently there are no plans to establish the specific rōpū recommended by the PCE. However, the Ministry for the Environment (the Ministry) has a policy implementation team who pays attention to how and what models are being used in regulation and will continue to support freshwater management and use of models.

There is space for improvements and innovation in the freshwater modelling system and its use. I look forward to continuing to work with the PCE and local authorities to enhance the use of modelling in improving our ability to manage freshwater.

Kind regards,

A handwritten signature in blue ink, appearing to read 'P. Simmonds'.

Hon Penny Simmonds  
Minister for the Environment



## 10.6 Update on Councillor Requests and Actions

**Report by:** Mikayla Wass, Personal Assistant

**Approved by:** Rachael Millar, General Manager Strategy, Science & Engagement

**Report Date:** 12 December 2024

### Purpose

This report captures Councillor requests and actions that have occurred during Strategy and Policy Committee meetings and provides an update on how these are being responded to.

### Recommendation

**It is recommended that the Strategy and Policy Committee resolve to:**

- 1 Receive the report and approve the letter to the Minister of Resources regarding timeframes - Update on Councillor Requests and Actions.

### Report

The following tables summarise requests from Councillors that have occurred in recent months:

Date	Councillor Request/Action	Update
June 2024	Action: Staff to bring a more detailed report to a subsequent meeting on options for managing commercial forestry in Southland. Information to include regulation within the RPMP and any alternative changes/regulation that could be covered in W&LP, costs and timeframes.	A separate item in the agenda provides an update on the rate of land use change to plantation forestry. A workshop will be held in early 2025 about response options including and update on recent Government announcements in this space.
July 2024	Request: Clarification needed around Marine Farm waste and feed practices.	This will form part of the aquaculture conversations occurring in 2025.
September 2024	Action: Staff to provide further information on New River Estuary.	To form part of the workshop series for 2025.
September 2024	Request: Reporting on city contaminants impacts to waterways.	As above.
September 2024	Request: Councillors would like a communications workshop to contribute to the design of the Freshwater Work Programme Communications.	Completed – discussions undertaken as part of freshwater workshop series.
October 2024	Request: Treaty Principles workshop to be scheduled.	Scheduled for 12 December.
October 2024	Action: Letter to Minister of Resources regarding timeframes for consultation.	Draft prepared. Clarification to be sought at the meeting regarding policy approach.

### Attachments

Nil

## **11 Extraordinary/urgent business | Panui autia hei totoia pakihi**

No notifications of extraordinary or urgent business were received.

## **12 Public excluded business | He hui pakihi e hara mo teiwi**

There was no Public Excluded business.