

LET'S TALK WATER

ME KŌRERO E
TĀTOU MŌ TE WAI

Waikato

REGIONAL COUNCIL
Te Kaunihera ā Rohe o Waikato



MESSAGE FROM THE CHAIR, PAULA SOUTHGATE

HE KUPU WHAKATAKI NĀ TE TIATANGATA

Fresh water. Food growers and farmers rely on it for good crops and to keep animals healthy. It gives us our drinking supplies, generates power, keeps business moving and even our gardens lush. Water is simply essential to our economic and social wellbeing. What's more, it's clean water we value the most, and a healthy environment depends on it. No wonder it's often cited as New Zealand's foremost strategic asset.

When you think of the Waikato, you think of water. Whether it is power generation, rowing, waka ama, streams, water for irrigation, or just a stroll along the river, water is not far from the mind.

It's true that compared to many other nations New Zealand has plenty of water. And our region, the Waikato, has large water resources. So what's the issue?

Well, it's complex, but here's my take on it.

Since a national regime to manage fresh water was first put in place in 1967, things have changed considerably. Back then it was assumed there was plenty of water for everyone. That is no longer the case.

The fresh water we have available is nearly fully allocated in some parts of the region in summer and demand is growing all the time. Unless something changes, in the future there may not be enough water to go around.

More and more users are now competing for the 'right' to access and use fresh water. But the framework we must work within is simply not flexible enough to deal with a range of users competing for a finite resource.

The regulatory system by which water is managed has also grown more complex and cannot respond quickly or cost-effectively to changing conditions.

The way we allocate water also needs to change. Under existing rules, allocations are not based on making the best use of water, for regional or national benefit. Instead, allocation decisions are determined on a 'first-in, first-served' basis, favouring users with historical access rights, and potentially denying access to others.

Some allocations are not fully utilised, leaving less water available for others. It means we are not using fresh water in ways that enable and encourage economic growth and meet other aspirations.

Water quality remains an ongoing concern. Efforts from different sectors and agencies have resolved many historical issues, although the results will take time to be seen. But despite this success, a continual focus on the region's water quality is needed.

The more contaminants that enter our waterways via the land, the greater the volume of clean water – which is finite – needed to dilute them. Water quality and quantity are intricately connected.

We need to ensure the Waikato voice is heard in the national fresh water conversations and that we are clear on what our communities need to be successful.

We need ways to ensure our fresh water is managed and used in such a way that allows us – all of us – to make the most from this critical resource.

We also need tools that improve the quality of our water by influencing land use. To improve the quality of our water, land use and water allocation issues must be managed together.

Healthy Rivers: Plan for Change/Wai Ora: He Rautaki Whakapaipai is a key project we are in the middle of. Our council is working with others to help restore and protect the health of the Waikato and Waipā rivers. We will need fair, effective and flexible tools to manage fresh water across the entire Waikato region over the next 30-50 years. Collaborative processes, like Healthy Rivers/Wai Ora, will be vital to ensuring the best outcomes for the region's water quality and quantity.

The Government is encouraging regions to consider their own issues and challenges, and determine their own solutions to the fresh water challenges ahead. We are applying a fresh way of thinking, ensuring we are planning for our future generations.

Collectively, we have a wealth of knowledge and know our region best. By working together we'll build a stronger regional future.

Let's talk water.

AN ISSUE FOR ALL OF US

HE TAKE MĀ TĀTOU KATOĀ

The use and management of fresh water has helped our region to be the success that it is.

Fresh water is perhaps the most important issue our region faces. The issues around how its managed have been known for some time and are already being discussed nationally, regionally and locally.

There is now a groundswell of understanding about our fresh water resource and a growing realisation that something must change if we are to better manage both water quantity and water quality.

It is clear that to get the best we can from the water we have, a fresh approach to managing water is needed. We need better tools to do the job our region expects from us.

The decisions we make now will determine our future for many years to come.

The Waikato has a role to play in leading the national conversation around water.

FAST FACT COMING IN, GOING OUT

Fresh water comes into the Waikato from the south via the Tongariro Power Development. This scheme collects water from four sources before discharging it into Lake Taupō at Tokaanu, adding about **20%** of water into the Waikato River system.

Significant amounts of fresh water also leave the Waikato in the north from three consented activities:

- Watercare's take from the Waikato River at Tuakau
- Watercare's dams on the south side of the Hunua Ranges
- Glenbrook Steel's take at Waiuku.

WAIKATO'S WATER

RIVERS

The Waikato has three major river systems: the Waikato (including the Waipā sub-catchment), the Waihou, and the Piako/Waitoa. Other smaller rivers and streams complement these systems.

LAKES

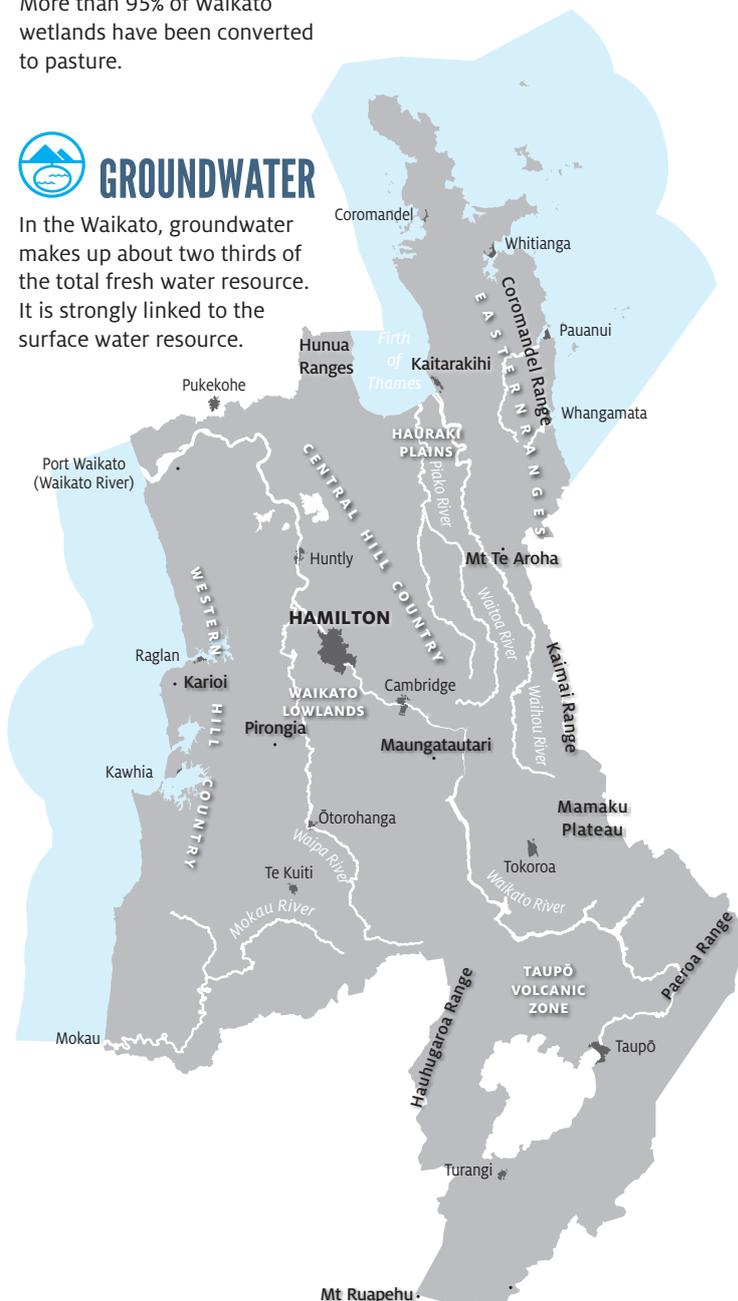
We have more than 100 lakes, including New Zealand's largest, Lake Taupō. Demand for farmland means many Waikato lakes are now smaller and shallower, with some completely drained. Land use means lakes (and rivers) now receive more nutrients and sediments, impacting on water quality.

WETLANDS

More than 95% of Waikato wetlands have been converted to pasture.

GROUNDWATER

In the Waikato, groundwater makes up about two thirds of the total fresh water resource. It is strongly linked to the surface water resource.



UNLESS WE CHANGE THE WAY WE MANAGE FRESH WATER, THERE SIMPLY WON'T BE ENOUGH FOR EVERYONE WHO WANTS IT.



Communities will be unable to attract investment and create the kind of outcomes we all want for the region.



Existing businesses may not be able to expand and there may be disputes over who is – and who isn't – entitled to a share of this resource.



We may be unable to respond to iwi aspirations and interests.

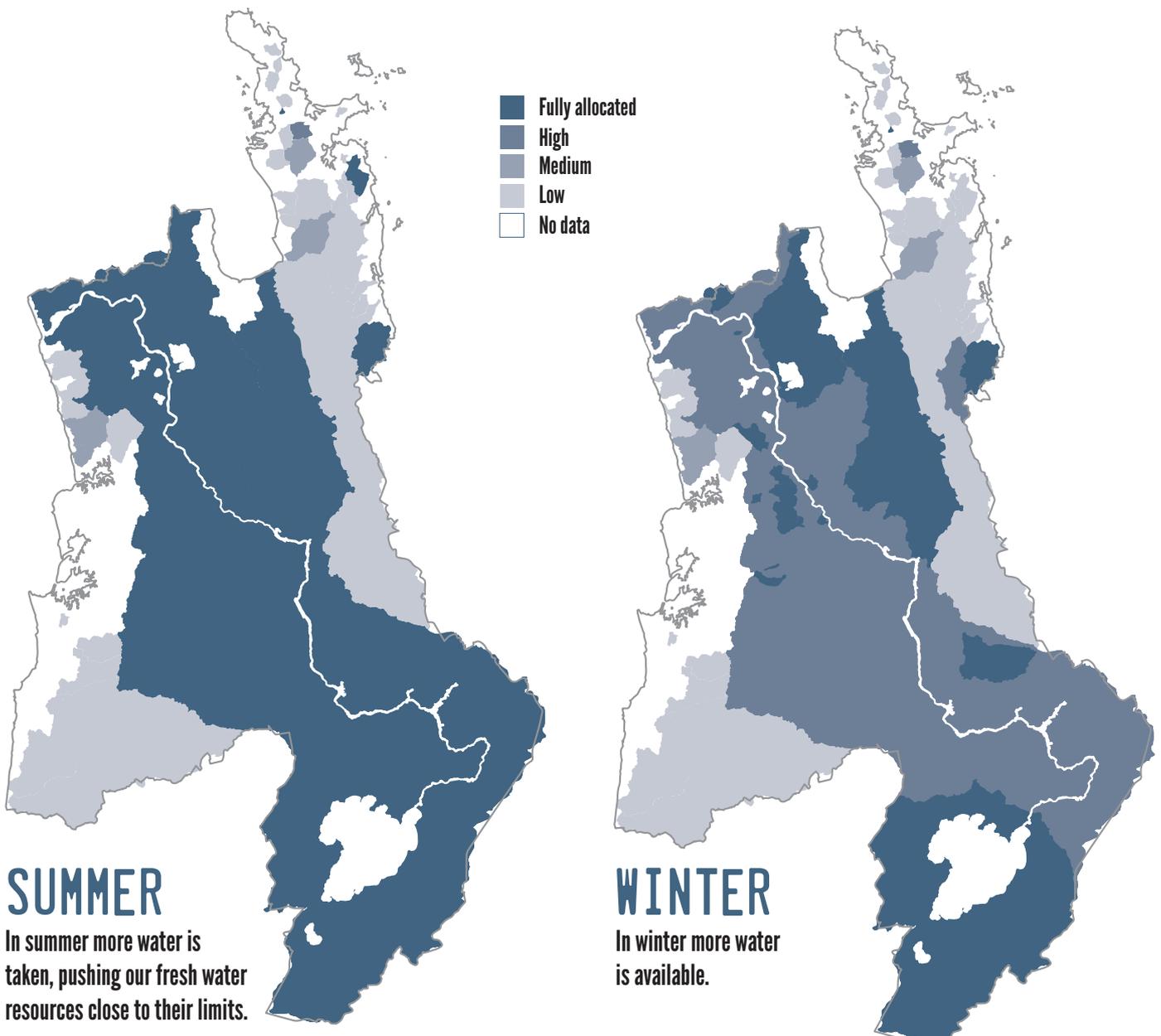


The opportunity cost to the region – and New Zealand – will be huge.

FAST FACT WATER ALLOCATION

As a region, the Waikato is struggling to keep up with the growing demand for fresh water. Already, applications to the Waikato Regional Council to take fresh water exceed allocation limits for much of the region.

By mid-2016, more than three quarters of the region will have its surface water bodies fully allocated during summer.



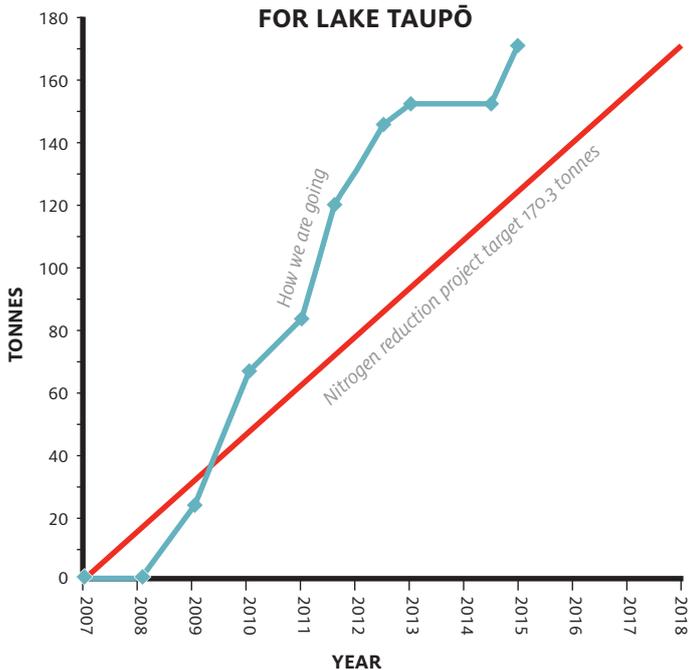
WHAT WE HAVE BEEN DOING

NGĀ MAHI KUA OTI I A MATOU

PROTECTING LAKE TAUPŌ

- A change to the rules to limit and reduce the amount of nitrogen entering Lake Taupō.
- Collaborative approach between Waikato Regional Council, Taupō District Council, Tūwharetoa Māori Trust Board, central government and landowners.
- New policy and rules to manage land use in the catchment, controlling some farm practices and requiring consents for others.
- A target set to reduce the amount of manageable nitrogen leaching into the lake by 20 per cent.

CONTRACTED NITROGEN REDUCTION FOR LAKE TAUPŌ



IMPROVING THE ALLOCATION OF WATER

- Responding to technical and political feedback, the council undertook to change rules to better manage the allocation and use of fresh water across the region.
- It was recognised that better management of water allocation is crucial for regional health.
- Water allocation limits are designed to help ensure a range of needs are met.
- It provides an ability to transfer water use rights in some places of the region.
- It enables water to be 'harvested' at times of peak flows (such as in winter) and stored for future use.

IMPROVING WATER QUALITY IN THE WAIKATO AND WAIPĀ CATCHMENTS

We've been working with stakeholders to develop changes to the regional plan to help restore and protect the health of the Waikato and Waipā rivers.

Once developed, the plan change will help to achieve a reduction, over time, in sediment, bacteria and nutrients (nitrogen and phosphorus) entering water bodies and groundwater.

River iwi are partners in this project, in accordance with settlement and co-management legislation for the Waikato and Waipā rivers.

Collaboration with stakeholders and the community is the key in developing the plan change. A 24-member Collaborative Stakeholder Group has been charged with recommending a plan change to decision makers in mid-2016.

DURING 2015, THE HEALTHY RIVERS/WAI ORA COLLABORATIVE STAKEHOLDER GROUP ENGAGED WITH THE COMMUNITY AND STAKEHOLDERS OVER A TOTAL 5 MONTHS. MEMBERS OF THE COLLABORATIVE STAKEHOLDER GROUP ALSO HELD WORKSHOPS WITHIN THEIR OWN SECTORS.

367 people attended 2 stakeholder workshops

378 people came to 10 community workshops and drop in sessions

802 people responded to 2 online surveys



WORKING CLOSELY WITH LANDOWNERS AND PARTNERS



Helping farmers and landowners reduce the impacts of their activities through ongoing programmes of erosion protection, fencing and planting, and lake and wetland protection.



During 2014/15 the council and landowners achieved 78.4km of new fencing in priority areas.



Active management of waterways for flood protection to maintain productive land and community safety.



Implementing the Waipā Catchment Plan to achieve 20 year aspirational goals and ongoing development of integrated catchment plans.



The Whangapoua Harbour and Catchment Plan has been signed off by the Department of Conservation, Thames-Coromandel District Council, industry, iwi, landowners and the regional council.



We're partnering with the Waikato River Authority and DairyNZ to deliver a restoration strategy for the Waipā and Waikato rivers.



WHAT WE NEED TO FOCUS ON

HEI AROTAHI MATUA MĀ TĀTOU

1 THE GROWING DEMAND FOR WATER

The Waikato is struggling to keep up with the growing demand for fresh water. By mid-2016, three quarters of the region's water bodies will be fully allocated over summer.

Over time, a greater percentage may need to be allocated to meet demand. Unless we change our management approach, new industries needing water may find it difficult to establish in the Waikato. That means communities will be unable to attract investment and grow.

Our region is a major source of water for a rapidly growing Auckland and this significantly adds to demand too.

Climate change will also impact water availability, changing how much water is available and how and when we use it.

Fresh water management is critical to meeting our regional aspirations and for us to contribute to the national economy.

Unless we change our management approach, new industries needing water may find it difficult to establish in the Waikato.

FAST FACT



We're already reaching our allocable water limits, but our population continues to increase.



By 2043, Waikato's population is projected to grow by a third, largely in Hamilton and the surrounding Waikato and Waipā districts.



Growth will put further pressure on our finite water resource, which during summer is already nearing its limits in these districts.

PROVIDING FOR AUCKLAND



Watercare's existing consent allows it to take the equivalent of **60** Olympic sized swimming pools (150,000m³) of water per day from the Waikato River to meet Auckland's needs.



Watercare is seeking to increase that take by a further **80** Olympic sized swimming pools (200,000m³) per day.



Auckland is growing by the size of Hamilton every **4** years.



60% of Auckland's current water take comes from the Waikato.



2 MORE TOOLS FOR BETTER RESULTS

Our council and other agencies are already providing information to users and the community about fresh water issues. But the only real tool we have for actively managing fresh water is the Resource Management Act (RMA), which can be inflexible and expensive to work with.

Plans, like the Waikato Regional Plan, are the only way the 'rules' managing water can be applied. Preparing and changing plans is time-consuming and costly. On average, changing a rule framework under the RMA takes more than eight years.

The existing framework under the RMA offers little flexibility or incentives for users looking to be innovative. It doesn't enable wider issues like changes to land use, land use intensity, water take pressure and changes in rainfall patterns to be taken into account in a strategic way.

We need to find better ways to protect our waterways, allocate what is available and do it more quickly, simply and cost-effectively.

3 CONNECTING WATER QUANTITY AND QUALITY

Water quality is one of the issues people most care about. Right across our region, people have very strong connections to waterways at a cultural, emotional and physical level.

Alongside other agencies and sectors, Waikato Regional Council's done the best we can with the tools we have to improve water quality. We've had huge success putting in place a regime to protect water quality in Lake Taupō and there are significant and successful programmes underway in other parts of the region.

At Waikato Regional Council, we are currently working with a number of others to progress changes to the regional plan through Healthy Rivers: Plan for Change/Wai Ora: He Rautaki Whakapaipai. This plan change will help us better manage four contaminants – *E. coli*, nitrogen, phosphorus and sediment – in the Waikato and Waipā river catchments. The Hauraki catchment will be the next area of focus.

VARIATION 6 MANAGING WATER QUANTITY

9 YEARS IN THE MAKING



Cost for Waikato Regional Council alone from start to finish approximately **\$4.5 million.**



Just *think* what the total cost for everyone must have been!



FAST FACT

- The amount of water we can take from waterways is limited, in part, by the amount of water that must remain to keep them sustainable.
- We need to leave enough in our waterways to keep the ecosystem healthy as well as meet water quality standards so people can gather food, swim and enjoy the connection they have.
- We also need to leave enough water to dilute pollutants.
- Unless we are enabled to more actively influence the way land is used, water quality will continue to decline.



4 A STRONG VOICE IN THE NATIONAL CONVERSATION

This is not just an issue for our region. Fresh water, sourced from the Waikato, is critical to Auckland and to the national economy. The water resources we have must be used wisely so they can continue to make a significant contribution, not just to the Waikato, but to the nation.

The issues and opportunities identified are not only applicable to the Waikato. Other regions are also facing significant challenges and may soon need to consider different approaches to managing fresh water in the future.

Some of the issues are already being addressed by the Land and Water Forum (a multi-stakeholder group our council actively participates in), which has made a number of recommendations to the government. The forum is primarily focused on ways to improve water quality, so some aspects of managing water quantity may not be considered.

Our council has also contributed to Ministry for the Environment working groups on the National Policy Statement for Freshwater Management, and to LGNZ position papers on water management and the future of water.

Importantly, the identification of issues and opportunities for the region will provide a strong platform when talking to Government.

We will continue to advocate for change at a national level, including legislative improvements to improve the tools we have.

FAST FACT

- The RMA was developed at a time of no resource constraints. Within the existing framework, there are few incentives for users to use water more effectively.
- Times have changed and in upcoming reviews of the RMA, a more integrated approach to water management will be needed that also provides for iwi to be involved in decision making.

5 THE RIGHT RESEARCH

The Waikato region is fortunate to have a number of research organisations who care about water management. Continuing to have this research capability in the region is critical if we are to understand strategic issues related to water – issues that will continue to be important for the region.

We need to understand how the water and its management works in an integrated way. More joined-up conversations about the right research are needed. This means using a range of expertise, and looking at research into water from different, less traditional perspectives.

New, integrated research would help communities, iwi, local government, industry and others achieve what is important to them as they use water, make regulation and take action.





6 IWI RIGHTS AND INTERESTS

The rights and interests of iwi, hapū and marae are built on generations of experience under the guidance of tikanga and kawa. Their rights and interests to fresh water are inclusive of environmental, social, cultural, spiritual and economic values.

Whilst the Waikato region has seen the implementation of historic co-management settlements and arrangements, iwi were explicit that their rights and interests were not resolved with the Government. The settlements are viewed as stepping stones to implement a relationship with iwi as an equal partner under Te Tiriti o Waitangi.

Iwi acknowledge that there are existing rights for current consent holders. They simply seek to enhance their relationship with water, and provide for some recognition of their rights and interests:

1. Recognition of Te Mana o te Wai.
2. Fulfilling their role as kaitiaki with appropriate tools.
3. Holding governance positions.
4. Advocating local solutions.
5. Priority access to water, flora and fauna for customary and contemporary purposes as permitted activities.
6. Providing clean water to marae and papakaainga.
7. Protecting waterways of significance.
8. Vesting title of waterways to iwi and hapū.
9. Supporting capacity building.

Te Ture Whaimana o Te Awa o Waikato is the Vision and Strategy for the Waikato and Waipā rivers. It is unique to the Waikato and sets a higher standard for how fresh water will be managed than the national direction.

The Vision and Strategy requires everyone to work towards the restoration and protection of the health and wellbeing of the Waikato and Waipā rivers.

Iwi also seek the following to enhance their ability to derive an economic benefit with water:

1. Allocation of water for use as determined by iwi, hapū and marae.
2. Allocation that provides for nutrient discharge to water.
3. Ability to trade, transfer, store, hold and use the water rights.
4. Development of policy to achieve 'headroom' and create 'new water' for iwi.
5. A priority partner in regional infrastructure development.

Over the past eight years, the Waikato region has made positive moves towards achieving some of the above. In the early years, there was great opposition to these arrangements, but co-management arrangements have created mutual benefit. As much of the conversation around freshwater is occurring between the Crown and iwi, direction on the outcomes of this will be awaited.

Te Mana o te Wai represents the holistic health and wellbeing of a water body by capturing the full range of iwi and community values in the water body, including environmental, social, cultural and economic values.

FAST FACT

- To iwi, hapū and marae, water sustains all living things and creates life.
- The right of rivers, lakes, streams and all waters is paramount and is recognised through Te Mana o te Wai.
- In achieving Te Mana o te Wai, the health and wellbeing of water for future generations will be assured. This is a responsibility of all communities – not just iwi, hapū and marae.



IT'S TIME TO ACT, IT'S TIME FOR CHANGE

KUA TAE TE WĀ ME WHAKATIKA TĀTOU, KIA REREKĒ TE AO

Can we do more?
Can we (and should we) work
to make the Waikato healthier,
stronger and more vibrant?
We think so.

But our ability to do so will depend on our willingness as a region to more effectively manage our fresh water resource – the most critical resource we have. And that will require change.

FRESH THINKING

- Being innovative and more open to a broader range of tools.
- More flexible, more responsive and less restrained by long-held practices that no longer make sense for the Waikato.
- Regulatory tools that enable and encourage good practice.
- Clear, simple rules that are consistently applied.
- Long term, durable solutions that support our region 30 and 50 years from now.
- Emerging technology will provide opportunities into the future for improved management of water.
- Total protection package for water quality that incorporates alternative pesticide treatment options.



TAXES, FEES AND CHARGES

Used as an incentive to drive down the unnecessary use of fresh water.

SUBSIDIES OR PAYMENT FOR SERVICES

To reward users who achieve desirable outcomes or undertake desirable activities.



RESOURCE RENTALS OR ROYALTIES

To allow the public a share of any return that individuals or businesses get from using this public resource.

PRICE SIGNALS

Sending clear price signals on the cost of water to help users make informed decisions.



We shouldn't be afraid to **PUSH** for change where change is needed





CHANGES WE'RE THINKING ABOUT

NGĀ REREKĒTANGA E WHAKAAROHIA ANA

1

ECONOMIC INSTRUMENTS

- Encourage land use that has a positive effect on water resources.
- Price signals incentivise more efficient use of water – to use less water or take a smaller allocation.
- Spot prices to incentivise users to take water and store it when it is plentiful.
- Higher environmental standards achieved through pricing the strength of discharges based on how easily the waterway can dilute the pollution.

OPERATIONAL OPTIONS

- Environmental engineering opportunities can help offset the effects of past land and water use.
- Engineering options could benefit the region by helping increase water storage, manipulate water body flow and alter waterways.

2

3

MORE WATER TRADING

- Not all allocated water is needed or used by existing users all the time, so water is still not easily available to others who might want it.
- Significant value from our existing allocated water could be unlocked if we could enable smarter and quicker transfer.
- Tradeable water permits to help ensure fresh water is used where it is most valuable.

BETTER LAND USE

- Different ways we use land have different impacts on water quality.
- We should make sure central and local government policies support what the region wants to achieve with water management.
- Land uses that have less impact on water quality would enable more water to be taken. An example is planting trees on marginal land for forestry or honey production, or planting crops such as hemp.

4

5

INCREASED WATER USE EFFICIENCIES

- Water suppliers could meter users to incentivise more efficient water use.
- Many water users do not know what impact their water use might be having on others, such as preventing new businesses to establish or contributing to water restrictions. Information about these things might be useful to help people make choices.

MORE WATER STORAGE

- There are already two storage lakes in the north of the Waikato. The potential for storage of water exists in other areas too.
- Community or utility scale dams could be explored to harvest water when it is plentiful.
- Lake Taupō could also be managed differently to provide storage for the Waikato river catchment, in addition to being managed for hydro-electricity generation.

6

7

IWI RIGHTS AND INTERESTS

- Delivering local solutions that respond to Crown and iwi discussions on fresh water.

LEGISLATIVE CHANGE

- Incremental changes to the current regulatory system won't be enough to allow water to be managed well.
- Changes have made rules and regulations around water more complex. The system is becoming less responsive and is adding to our challenges.
- Legislative change that allows our region to be more flexible and more agile is needed.

8

CONTRIBUTE TO THE DISCUSSION

WHAKATAKOTOHIA MAI ŌU WHAKAARO

Over coming months, Waikato Regional Council will be developing an issues and opportunities paper on behalf of the region. Before then, we need to have a regional conversation around fresh water management to ensure a full range of voices, views and informed opinions are heard. That's because any decisions we make now will determine our future for many years to come.

Central government, local government, iwi, environmental groups, primary producers, major industry and the community all have a part to play.

CONVERSATION STARTERS

- Q1** Are these the big issues that we need to tackle?
- Q2** How could best use be made of the water resource?
- Q3** What would you need to use water more efficiently?
- Q4** Do you think our assumptions about future water use and demand are correct?
- Q5** Are there other assumptions and issues that we need to be aware of that will influence water use over the next 30-50 years?
- Q6** What legislative changes do you think would help get the best use of water?
- Q7** What information do you need to help better understand water use and management?

HERE'S HOW

-  Provide feedback via the website www.letstalkwater.nz
-  Email letstalkwater@waikatoregion.govt.nz
-  Write to Let's Talk Water, Waikato Regional Council, Private Bag 3038, Waikato Mail Centre, Hamilton 3240
-  Talk to us. Call freephone 0800 800 401.

TIMEFRAME

- MARCH 2016** Beginning Let's Talk Water conversation
- MARCH/APRIL 2016** Engagement with regional community
- MAY 2016** Consideration of feedback and stakeholder perspectives
- JUNE 2016** Waikato freshwater issues and opportunities paper finalised

HE TAIAO MAURIORA

HEALTHY ENVIRONMENT

HE ŌHANGA PAKARI

STRONG ECONOMY

HE HAPORI HIHIRI

VIBRANT COMMUNITIES

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