21 June 2011



## National Policy Statement for Freshwater Management 2011 and the Implications for Auckland Council

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## **Executive Summary**

The Government released the National Policy Statement (NPS) for Freshwater Management 2011 on 12 May 2011. This report outlines the requirements of the NPS and the implications for Auckland Council.

### Recommendation/s

- That the report be received.
- That the Water Team, Environmental Strategy and Policy Department, update the b) Forum on key policy issues as the implementation of the NPS for Freshwater Management is progressed.
- That a copy of the report and resolutions be forwarded to the Local Boards for their c) information.
- That the Local Boards are requested to indicate whether they wish to be involved in d) any ongoing work and, if so, where their interest lies.

## **Background**

This report follows on from the previous report presented at the May Forum. The NPS for Freshwater Management was issued on 12 May 2011 and will take effect on 1 July 2011. It is an important part of the wider Fresh Start for Freshwater reform package. It is being progressed (alongside the irrigation fund and the assistance fund for freshwater clean-ups) as part of the first tranche of that broader work programme to help clarify the regulatory framework for the reform package as a whole.

The effect of the NPS is that decision-makers are required to have specific regard to the management of freshwater as a matter of national significance in their regional policy statements. regional and district plans, and day-to-day resource management activities, such as considering resource consent applications.

It sets a consistent national regulatory framework to ensure there are clear limits to govern the allocation of water and management of water quality.

#### Requirements of the NPS for Freshwater Management

#### **Water Quality**

The NPS sets two objectives for water quality:

Objective A1: To safeguard the life-supporting capacity, ecosystem processes and indigenous species including their associated ecosystems of freshwater, in sustainably managing the use and development of land, and of discharges of contaminants.

Objective A2: The overall quality of freshwater within a region is maintained or improved while:

protecting the quality of outstanding freshwater bodies; a)



- b) protecting the significant values of wetlands; and
- c) improving the quality of freshwater in water bodies that have been degraded by human activities to the point of being over-allocated.

In order to meet these objectives the NPS requires:

<u>Policy A1</u>: The establishment of freshwater objectives and the setting of freshwater quality limits for all bodies of freshwater in the region; and the establishment of methods (including rules) to avoid over-allocation.

<u>Policy A2</u>: Where water bodies do not meet the freshwater objectives set out in Policy A1, targets are to be specified and methods implemented (regulatory and/or non-regulatory) to assist the improvement of water quality in those water bodies to meet the targets within a defined timeframe.

<u>Policy A3</u>: The imposition of conditions on discharge permits to ensure the limits and targets specified pursuant to Policy A1 and Policy A2 can be met; and, where permissible, making rules requiring the adoption of the best practicable option to prevent or minimise any actual or likely adverse effect on the environment of any discharge of a contaminant into freshwater, or onto or into land in circumstances that may result in that contaminant (or, as a result of any natural process from the discharge of that contaminant, any other contaminant) entering freshwater.

<u>Policy A4</u>: Sets out the transitional policy to be applied when considering any application for a discharge from 1 July 2011 until any changes to regional plans under Schedule 1 to give effect to Policy A1 and Policy A2 have become operative.

#### **Water Quantity**

The NPS sets four objectives for water quantity:

<u>Objective B1</u>: To safeguard the life-supporting capacity, ecosystem processes and indigenous species including their associated ecosystems of freshwater, in sustainable managing the taking, using, damming, or diverting of freshwater.

Objective B2: To avoid any further over-allocation of freshwater and phase out existing over-allocation.

Objective B3: To improve and maximise the efficient allocation and efficient use of water.

Objective B4: To protect significant values of wetlands.

In order to meet these objectives the NPS requires:

<u>Policy B1</u>: The establishment of freshwater objectives and the setting of environmental flows and/or levels for all bodies of freshwater (except ponds and naturally ephemeral water bodies).

<u>Policy B2</u>: Making or changing regional plans to provide for the efficient allocation of freshwater to activities, within limits set to give effect to Policy B1.

<u>Policy B3</u>: Making or changing regional plans to state criteria by which applications for approval of transfers of water take permits are to be decided, including to improve and maximise the efficient allocation of water.





Policy B4: Identifying methods in regional plans to encourage the efficient use of water.

Policy B5: Ensuring that no decision will likely result in future over-allocation - including managing freshwater so that the aggregate of all amounts of freshwater in a water body that are authorised to be taken, used, dammed or diverted - does not over-allocate the water in the water body.

Policy B6: Setting a defined timeframe and methods in regional plans by which overallocation must be phased out, including by reviewing water permits to help ensure the total amount of water allocated in the water body is reduced to the level set to give effect to Policy B1.

Policy B7: Sets out the transitional policy to be applied when considering any application that involves any taking, using, damming or diverting of freshwater or draining of any wetland from 1 July 2011 until any changes to regional plans under Schedule 1 have become operative.

#### Integrated management

The NPS sets to improve the integrated management of freshwater and the use and development of land in whole catchments, including the interactions between freshwater, land, associated ecosystems and the coastal environment. It requires making or changing regional policy statements so that the integrated management of the effects of the use and development of land on freshwater, including encouraging the co-ordination and sequencing of regional and/or urban growth, land use and development and the provision of infrastructure, is provided for.

## Tangata whenua roles and interests

The NPS requires reasonable steps to be taken to: (a) involve iwi and hapu in the management of freshwater and freshwater ecosystems in the region; (b) work with iwi and hapu to identify tangata whenua values and interests in freshwater and freshwater ecosystems in the region; and, (c) reflect tangata whenua values and interests in the management of, and decision making regarding, freshwater and freshwater ecosystems in the region.

#### Timeframe for implementation

The NPS is to be implemented as promptly as is reasonable in the circumstances, and so it is fully completed no later than 31 December 2014.

However, where the Council is satisfied that this timeframe is impracticable for a policy to be fully implemented by 31 December 2014, the Council may implement it by a programme of defined time-limited stages by which it is to be fully implemented by 31 December 2030.

Any programme of time-limited stages is to be formally adopted by the Council by 11 November 2012, and publicly notified. An annual public report on progress is then required.

## Implications for Auckland Council

The existing regulatory framework does not set any standards, limits or targets for freshwater and so this NPS is a fundamental change to the existing situation.

The NPS requires a series of work to be undertaken, including:

- the classification of all water bodies in the region
- determining agreed values for freshwater



- setting water quality and quantity standards, limits and targets
- developing methods and tools to enable the standards, limits and targets to be met
- developing policy to ensure the integrated management of freshwater, land use and development within catchments.

These are major work areas that have been identified in the Air Land Water Coastal Unit's draft Strategy and Workplan.

In terms of fully implementing the requirements of the NPS there are two options:

- 1) undertake variation(s) to the Auckland Regional Plan: Air, Land and Water
- 2) incorporate all requirements into the Unitary Plan

Given the timing of the Unitary Plan and the timeframe of 31 December 2014 for implementing the NPS, it is unlikely that the Council will be able to fully implement all the requirements via the first notified version of the Unitary Plan. This is due to the considerable amount of work that is required in order for the Council to classify its water bodies and to set standards, limits and targets. The Council will therefore need to formally adopt a programme of staged implementation and publicly notify the programme by 11 November 2012.

## **Decision Making**

There is no decision making required for this report.

## **Significance of Decision**

The activities detailed in this report do not trigger the Significance Policy.

#### Consultation

No consultation was required for the preparation of this report.

#### **Local Board Views**

Local Boards have not been consulted on this matter as it is for information only and no policy decision is required. It is recommended that the report be forwarded to the Local Boards asking if they wish to be directly involved in any future policy work on this issue.

## Financial and Resourcing Implications

This work forms part of the day-to-day business of the Environmental Strategy and Policy Department and as such there are no financial implications.

## Legal and Legislative Implications

The implementation of a NPS is mandatory, as set out in section 55 of the Resource Management Act.

There are two policies (A4 and B7) that must be incorporated into the existing Auckland Regional Plan: Air, Land and Water immediately. These policies serve as transitional policies for consent processing purposes until such time as any amendments to regional plans to give effect to Policies A1, A2, B1, B2 and B6 become operative.

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The NPS must be fully implemented by 31 December 2014, or if this is impracticable, a programme of staged implementation must be formally adopted to enable full implementation by 31 December 2030.

To enable full implementation, regional plans must be made or amended.

## Implementation Issues

Implementation of the NPS requires a number of policies to be developed for incorporation into regional plans. The Environmental Strategy and Policy Department's Water Team will need to be mindful of the timeframes for the development of the Unitary Plan or for any variations to the Auckland Regional Plan: Air, Land and Water.

### **Attachments**

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## **Signatories**

Authors	Kirsteen McDonald, Principal Specialist - Water
Authorisers	Chris Hatton, Manager Air Land Water Coastal
	Noel Reardon, Acting Manager Environmental Strategy and Policy
	Roger Blakeley, Chief Planning Officer

