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| **Agenda Item No: 8****For Discussion/Deliberation**  | **Subject Matter:** Update on CWMS Fit for the Future project and key central government initiatives |
| **Report to:** Canterbury Water Management Strategy Regional Committee | **CWMS - Target/s Areas** All |
| **Report by:** Caroline Hart (Senior Strategy Manager) | **Date of Meeting:**  11 February 2020 |

**Purpose**

The purpose of this report is to update the Regional Committee on progress towards implementation of the Canterbury Water Management Strategy (CWMS) Fit for the Future project. An overview of the suite of central government proposals that are relevant to the CWMS is also provided. This report does not require decision making from the Regional Committee but serves to provide context for discussion on the 2020 work programme.

**Recommendations**

That the Canterbury Water Management Strategy Regional Committee **note** the contents of the report.

**Report**

The report provides an update the Regional Committee on the following key initiatives:

1. CWMS Fit for the Future Project implementation
2. Action Plan for Healthy Waterways (Essential Freshwater discussion document)
3. Review of Three Waters and the Water Services Regulator
4. Resource Management System: A comprehensive review (Issues and Options paper)
5. Resource Management Act Amendment
6. New Zealand Biodiversity Strategy (discussion document)
7. National Policy Statement on Indigenous Biodiversity (discussion document)

**CWMS Fit for Future implementation**

1. In 2018 the Regional Committee were commissioned by the Canterbury Mayoral Forum to develop CWMS goals for 2025 and 2030, and to develop advice on how implementation of these goals would be achieved. After more than a year of consultation and analysis the Regional Committee recommendations were considered by the Mayoral Forum in May 2019. This advice included:
2. Goals for 2025 and 2030 for all ten target areas
3. Identification of four strategic matters required for successful implementation of the CWMS (effective mechanisms for leadership and accountability; adequate resourcing and funding; regular monitoring, reporting and review of progress; and a broad base of understanding and support for the CWMS)
4. A draft regional work programme to implement the goals.
5. In May 2019 the Mayoral Forum approved the goals for 2025 and 2030 (see [link](https://www.ecan.govt.nz/your-region/plans-strategies-and-bylaws/canterbury-water-management-strategy/) for details) and agreed that Environment Canterbury work with territorial authorities, Ngāi Tahu, industry and community partners to develop a regional work programme, with an implementation plan and monitoring framework to deliver the goals, and report progress to the Mayoral Forum.
6. In order to develop the regional work programme, in July 2019 the Chief Executives Forum commissioned the Operations Forum to lead the next stage of this project. At its meeting on 16 September, the Operations Forum agreed to set up a Joint Working Group with representatives from each territorial authority and Environment Canterbury. The working group will provide advice and assist with the prioritisation of a work programme relevant to each council in line with their planning to develop the 2021-2031 long term plans.
7. The Joint Working Group is currently developing advice and a draft regional work programme will be considered at the upcoming Joint Working Group meeting on 17 February (draft 1). The Operations Forum will review advice on the draft work programme on 16 March (draft 2). Final adjustments will then be made to the draft regional work programme based on advice from the Operations Forum (draft 3).
8. Comprehensive advice on a recommended regional work programme for Territorial Authorities and Environment Canterbury to ensure delivery of the 2025 CWMS goals will be presented to the Chief Executives Forum on 4 May and Mayoral Forum on 22 May. Work programmes related to Ngāi Tahu and parties with an interest in CWMS implementation will be subsequently developed.

**Central Government Policy update**

1. The **Action for Healthy Waterways** discussion document (part of the Essential Freshwater package) was released for consultation in September 2019. It set out proposals to stop further degradation and reverse past damage to New Zealand’s freshwater resources. The freshwater management package focused on clarifying policy direction and setting new regulations under the Resource Management Act. Several advisory groups (Kahui Wai Māori, Freshwater Leaders, Science & Technical and Regional Councils) informed the proposals. The freshwater management package is heavily focused on clarifying policy direction and setting new regulations under the Resource Management Act.
2. The Action Plan for Healthy Waterway includes the following key proposals:
3. Discussion document on the national direction for our essential freshwater
4. National Policy Statement - Freshwater Management
5. National Environmental Standards
6. Section 360 regulations on stock exclusion
7. A regional submission was made on the discussion document by the Mayoral Forum, and Environment Canterbury. Both submissions are attached for your reference. The Ministry for the Environment received around 17,500 submissions on the proposals. An Independent Advisory Panel chaired by retired Principal Environment Court Judge David Sheppard will be reviewing the submissions.
8. Ministers are expected to make decisions on the final content of proposed new regulations in May 2020, with a view to having the National Policy Statement for Freshwater Water, National Environmental Standards, and stock exclusion regulations in force by mid-2020.
9. The central government **review of Three Waters** is led by the Department of Internal Affairs with support from the Ministry of Health and Ministry for the Environment. Cabinet decisions on the regulatory framework for Three Waters were released on 1 August 2019. The new regulatory framework includes:
10. a new regulator that will have oversight and stewardship of the Three Waters system
11. new obligations on territorial authorities to ensure access to clean drinking water, and for all drinking water suppliers to register with the regulator
12. lifting performance of Three Waters assets.
13. A standalone Crown entity to regulate drinking water in New Zealand was announced on 25 October 2019. The new independent regulator will be responsible for ensuring supplies of safe, clean drinking water for all New Zealand households and communities, and also provide central oversight and guidance of wastewater and stormwater regulatory functions.
14. **Taumata Arowai – the Water Services Regulator Bill** was introduced to Parliament in December 2019. This new drinking water regulator will be an independent Crown entity dedicated to drinking water quality and safety and will provide central oversight and guidance for the sector’s wastewater and stormwater regulatory functions. An Establishment Unit has been created within the Department of Internal Affairs, with support from the Ministry of Health and the Ministry for the Environment, to design and operationalise the new regulator.
15. New National Environmental Standards for Sources of Human Drinking Water and Wastewater Discharges and Overflows to be released mid-2020.
16. The Government is undertaking a comprehensive **review of the resource management system** with a focus on the RMA including:
* New Zealand’s physical characteristics and unique biodiversity
* the Treaty and the relationship between iwi/Māori and the Crown
* the significant ways we all value and connect with the environment.
1. The scope of the review includes looking at the RMA and how it interfaces with the:
* Local Government Act 2002
* Land Transport Management Act 2003
* Climate Change Response Act, to be amended by the Zero Carbon Amendment Bill.
1. The Government’s review of the resource management system is taking a first principles approach – it is focusing on the high-level purpose, scope and structure of the Resource Management system, and the tools and mechanisms available within it. The review is wide in scope and looking at everything from purpose and principles through to fees and charges. It also includes spatial planning to enable more strategic decisions about resources and infrastructure over longer timeframes.
2. An independent panel has been established to undertake this review and has been meeting weekly since September 2019. The panel is chaired by Hon Tony Randerson QC and it released a preliminary [Issues and Options paper](https://mfe-inhouse.cmail20.com/t/r-l-jdkltluk-kiktijqll-t/) for feedback by 3 February 2020. See the Issues and Options paper here <https://www.mfe.govt.nz/publications/rma/transforming-resource-management-system-opportunities-change-issues-and-options>
3. The panel will provide a report to the Minister for the Environment with its recommendations on reforming the RMA in mid-2020. This will include detailed policy proposals and indicative drafting of legalisation for key provisions. The Government plans to consult on the proposals once finalised.
4. The **Resource Management Amendment Bill** had its first reading on 26 September 2019. The Environment Select Committee heard submissions on the Resource Management Amendment Billproposals late last year and is expected to report back to the House by late March 2020. The objectives of this Bill are to reduce complexity, increase certainty, restore public participation opportunities, and improve RMA processes. The Bill repeals a number of amendments made in 2017 through the Resource Legislation Amendment Bill. This Bill also supports the urgent need to improve freshwater management and outcomes in New Zealand with provisions for freshwater planning processes.
5. The **New Zealand Biodiversity Strategy** - On 5 August 2019 the Minister for Conservation released Te Koiroa o Te Koiora: Our shared vision of living with nature, a discussion document on proposals for a biodiversity strategy for New Zealand. Submissions to the Department of Conservation on this discussion document were due by 22 September 2019. The Environment Canterbury submission is attached for your reference.
6. The proposed strategy will replace the existing national strategy, which expires in 2020. The purpose of the strategy is to provide national direction for New Zealand’s biodiversity management system. The strategy has no legislative standing but will fulfil New Zealand’s international obligations under the United Nations Convention on Biological Diversity.
7. The discussion document sets out: a new vision to 2070; a set of values and principles to guide how we work to achieve this vision; eight long-term outcomes; a set of goals for 2025, 2030 and 2050 for measuring progress; five ‘system shifts’ to focus investment in the first five years of the strategy, along with proposed priority actions.
8. The Department of Conversation are currently considering submissions on the discussion document. The final New Zealand Biodiversity Strategy will be considered for release by Cabinet in mid-2020
9. The **National Policy Statement – Indigenous Biodiversity** was released in November 2019. Submissions must be received by 14 March 2020. A National Policy Statement – discussion document summary is attached for your reference.