

# **Kaipara Moana Remediation Programme**

## **Next Steps**

**Meeting:** Kaipara District Council  
**Date of meeting:** 29 July 2020  
**Reporting officer:** Penny Pirrit, Consultant

### **Purpose/Ngā whāinga**

To provide information on the recently announced contribution of funding by the Crown for the delivery of the Kaipara Moana Remediation programme.

To outline the next steps for that programme so that Council can determine what role if any it has in the programme going forward.

### **Executive summary/Whakarāpopototanga**

In 2019, a proposed programme of accelerated remediation of the Kaipara Moana and its catchments was set out in a business case developed by Martin Jenkins (Kaipara Moana Remediation – Indicative Business Case September 2019) with staff input from councils, Kaipara Uri, and government officials. Councils and Kaipara Uri provided the business case to Ministers at the end of the last local government term in 2019.

The business case examined the challenges that the Moana faces and the challenges for the communities of the Kaipara to remediate it. It identified a 10 year programme of activities designed to make a step change improvement in the health of the Moana.

The indicative cost for the remediation project is \$275-300 million over the 10 years.

On 5 July 2020 the Crown, as part of its Jobs for Nature programme, announced a funding contribution towards the Kaipara Moana Remediation programme of \$100 million for the next 6 years, with \$12 million being available for the first year and the remainder subject to Councils' and landowners' funding another \$100 million during that timeframe.

With that announcement comes some urgency for the parties to undertake establishment work to both set up the remediation entity envisaged in the business case; and to develop and get underway a 12 month and longer term 6 year work programme.

A Memorandum of Understanding is to be signed between the Crown, the Kaipara Moana Negotiations Group (Kaipara Uri) and relevant Councils which will start the process of setting up an establishment governance committee to design and deliver the work programme.

Previous discussions between the political representatives of the four councils on the Kaipara Moana Working Party has led to the proposal that local government's contribution to the costs of the programme should come from the Northland Regional Council and Auckland Council. This is because implementation of the Kaipara Moana Remediation programme mirrors the roles and functions of regional councils.

It has also been proposed that the role of providing funding is coupled with the role of governance of the establishment process. That would mean that Kaipara and Whangarei district councils would not formally participate in the establishment phase at a governance level and would not be required to fund any of the costs of both that phase and the ongoing cost of the programme.

This report outlines the options available to the Council in relation to the role it could take in the Kaipara Moana Remediation programme. It recommends that the Council does not sign the proposed Memorandum of Understanding on the basis that it is the regional councils who should enter into any funding agreements with the Crown and Kaipara Uri but that the Council should signal that it will continue to support, assist and provide expertise in strategic direction setting and will work alongside iwi, hapū and the community within the district.

## Recommendation/Ngā tūtohunga

That the Kaipara District Council:

- a) Confirms that, as the Kaipara Moana Remediation Programme will deliver activities and projects aligned with regional council functions, it will not be an active partner nor contribute to the governance or funding of that remediation programme.
- b) Confirms that it will continue to support, assist and provide advice to the Remediation Programme partners, and promote to its communities actions that support the Remediation Programme.
- c) Requests that the Chief Executive inform Kaipara Uri, Auckland Council, Northland Regional Council and Whangarei District Council of these decisions.

## Context/Horopaki

The Council received detailed reports on the Kaipara Moana Remediation Programme in September 2019, and a more recent update in April 2020.

To recap, in 2019 a proposed programme of accelerated remediation was set out in a business case developed by MartinJenkins (Kaipara Moana Remediation – Indicative Business Case September 2019) with staff input from councils, Kaipara Uri, and government officials. Councils and Kaipara Uri provided the business case to Ministers at the end of the last local government term in 2019.

The business case examined the challenges that the Moana faces and the challenges for the communities of the Kaipara to remediate it. It indicated that “to restore the Kaipara Moana, sediment erosion on the land has to be reduced, and eroded sediments intercepted before they reach the harbour”.

It concluded that an entity should be established with responsibility for delivering a joint catchment plan for the co-ordinated delivery of planting, fencing and targeted works, through on ground engagement with landowners and community and the provision of farm environment plans across high priority areas.

The indicative cost for the remediation programme is \$275-300 million over 10 years. Included within that amount is \$29 million to run and staff the entity; \$11 million for farm environment plans and \$255 million to cover a range of mitigations to address sedimentation.

Initially discussions over the funding of the programme envisaged that the Crown, local government and landowners (who benefit from the programmes work) would each pay about one third of the total cost. With the Crown announcement of a 50% funding for the first 6 years of the programme, local government and landowners are now expected by the Crown to fund the other 50% or \$100 million. Exactly how much councils would pay has not yet been determined as it will need to be discussed as part of their upcoming Long Term Processes. In addition, there may be opportunities for funding from agricultural sector industry organisations plus philanthropic contributions.

Discussions on how to fund the remaining 4 years of the programme would occur once the remediation entity was set up and delivering outcomes.

## Discussion/Ngā kōrerorero

The Kaipara Moana Remediation programme is separate but related to the Kaipara Moana Treaty Settlement process.

Ideally the Kaipara Moana Treaty Settlement process would have been formalised in legislation prior to the implementation of the remediation programme and the co-governance entity for the Kaipara Moana (the Kaipara Moana Body) envisaged by the Treaty Settlement process set up to provide governance to any new remediation entity. Due to a variety of reasons that has not happened.

Instead, the Crown has provided a significant contribution towards the costs of the remediation programme over the next 6 years necessitating a transitional process to find matching funding from local government and landowners; to establish the remediation entity and to approve a detailed work programme for the next 12 months and a more indicative work programme for the next 6 years.

### **Next Steps – the Establishment Phase**

#### **Signing the Memorandum of Understanding between the Crown, Kaipara Uri and Local Government**

As a requirement of the funding contribution, a Memorandum of Understanding (MoU) is to be signed between the Crown, Kaipara Uri and relevant councils which outlines the processes that need to occur to establish the remediation entity including a funding agreement. Currently, it is proposed that the council signatories will be those councils which provide funding towards the \$100 million.

The MoU proposes to set up a joint committee of councils, pursuant to clause 30(1)(b) of Schedule 7 of the Local Government Act 2002 which would have equal membership from Kaipara Uri and councils. The joint committee would have governance oversight of the establishment phase of the remediation entity, including;

- Deciding what form that remediation entity should take e.g. a Trust or a CCO
- Setting up the remediation entity
- Approving a detailed 12 month work programme, and an indicative 6 year work programme

Once the Kaipara Moana Body is set up the governance role would pass from that joint committee (which would cease to operate) to the Body.

#### **What role does Kaipara District Council wish to play in the Remediation Programme**

Two main options exist in terms of the role that the Council could play in the Remediation Programme. The pros and cons of each are set out in the below table.

<b>Role Options</b>	<b>Pros</b>	<b>Cons</b>
<b>Option 1:</b> An Active partner which contributes funding	<ul style="list-style-type: none"> <li>▪ Has a governance input and oversight into the form of remediation entity and its work programme</li> </ul>	<ul style="list-style-type: none"> <li>▪ Funding would need to be found within the LTP process.</li> <li>▪ The remediation programme actions are largely regional council functions – farm environment plans, erosion control, water quality enhancement, KDC would be assigning funding to functions it has not responsibility for.</li> <li>▪ No/limited opportunity to provide in kind funding as skill set/ relevant projects not usually found in or delivered by district councils.</li> <li>▪ Any funding would be in addition to the funding that will be required for the Kaipara Moana Body once established.</li> </ul>
<b>Option 2:</b> A supportive party which continues to support, assist and provide expertise to strategic direction setting and which continues to promote with its communities' actions that support the programme	<ul style="list-style-type: none"> <li>▪ Community sees Council supportive of programme</li> <li>▪ Kaipara District Council money is not used to fund regional functions</li> <li>▪ Visibility of the progress of the remediation programme can be gained from Kaipara Moana working party relationships</li> </ul>	<ul style="list-style-type: none"> <li>▪ No governance input and oversight into form of remediation entity and its work programme.</li> </ul>

It is recommended that the Council's role in the remediation programme should be that of a supportive party (option 2).

There are several reasons for that recommendation

- a) The remediation programme focus is on the delivery of projects and activities usually provided and funded by regional councils.
- b) While the remediation programme is focussed on the Kaipara Moana and its catchment, it is not the vehicle by which the strategic direction for the Kaipara Moana will be established. That is the role of the future Kaipara Moana Body.
- c) An active partner in the remediation programme is not a mandatory requirement for all councils on the Kaipara Moana Working party. Membership does bring with it obligations to provide funding.
- d) Council will be expected to be an active member of the future Kaipara Moana Body. As such Council will be required to contribute towards the funding required for that body.

It should be noted that both Auckland Council and Northland Regional Council have indicated informally that they would not have any issues with the district councils not being active partners in the remediation programme, and understand that would mean they would need to fund the local government contribution to the \$100million.

Informal discussions have also identified that both councils would be comfortable with staff from the two district councils being involved in the establishment phase to keep all parties informed of progress.

### **Financial implications**

If the Council decided on the role outlined in Option 1 then consideration would need to be given during the upcoming Long Term Plan process on the level of funding that could be provided towards the \$100 million requirement by Crown.

### **Significance and engagement/Hirahira me ngā whakapāpā**

The decisions or matters of this report do not trigger the significance criteria outlined in Council's Significance and Engagement Policy, and the public will be informed via agenda publication on the website.

### **Next steps/E whaiake nei**

If Council decides on Option 2 as recommended, then the Crown, Kaipara Uri, Auckland Council, Northland Regional Council and Whangarei District Council should be informed of that decision.

Where appropriate Council staff will liaise with the Northland Regional Council on establishment issues.

Council staff will continue to work with and provide support to the Council representatives on the Kaipara Moana working party when the Treaty Settlement discussions recommence.