

statement of service performance environmental management

Environmental Management

	Actual	Budget	Actual	
Activity	06/07	06/07	05/06	
(#)	(\$'000)	(\$'000)	(\$'000)	
EXPENDITURE				
Operating Expenditure				
Policy Development	1	370	451	353
Policy Implementation	2	1,566	1,629	1,389
Resource Consent Processing	3	1,054	1,102	953
Environmental Research	4	425	520	462
State of the Environment Monitoring	5	1,862	1,737	1,697
Compliance Monitoring	6	1,120	1,096	1,085
Building Act Implementation	7	18	52	4
Land Management	8	2,792	2,048	2,453
Maritime Navigation & Safety	9	249	231	217
Total Operating Expenditure		9,456	8,866	8,613
Capital Expenditure				
Tangoio Soil Conservation Reserve Forestry		140	141	3
Tutira Country Park Commercial Forestry		13	15	32
Soil Conservation Nursery		15	0	0
Waste Water Disposal Upgrade Loans		0	0	215
Total Capital Expenditure		168	156	250
TOTAL EXPENDITURE		9,624	9,022	8,863
REVENUE				
Activity Revenue				
Direct Charges		1,550	1,592	1,556
Tangoio Soil Conservation Reserve Logging Revenue		2,062	700	881
Total Activity Revenue		3,612	2,292	2,437
Other Revenue				
Interest		147	101	42
Grants		7	0	18
Waste Water Disposal Upgrade Loan Repayments		43	44	0
Total Other Revenue		197	145	60
TOTAL REVENUE		3,809	2,437	2,497
TOTAL FUNDING REQUIREMENT		(5,815)	(6,585)	(6,366)
Special Reserve Funding				
Movement in Tangoio Soil Conservation Reserve		(886)	(169)	(832)
Movement in Asset Replacement Reserve		15	0	0
Movement in Sale of Land Capital Reserve		(43)	(44)	215
Total Special Reserve Funding		(914)	(213)	(617)
NET GENERAL FUNDING REQUIREMENT		(6,729)	(6,798)	(6,983)
MET BY				
General Funding Rates		1,693	1,605	1,479
Investment Income		5,297	4,377	4,820
Operating Reserves		(261)	816	684
		6,729	6,798	6,983

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role

This group of activities covers functions which promote and ensure the sustainable management of the region's primary resources of water, land, air, indigenous habitats and species, foreshore and seabed and oceans, while maintaining and enhancing the developed environment within which our community lives, works and plays.

Activities include policy development and implementation, resource consent processing, environmental research and investigations, state of the environment monitoring, compliance monitoring, land management, environmental enhancement and biodiversity protection and maritime navigation and safety.

The empowering legislation for these functions of Council are the Resource Management Act 1991; the Local Government Act 2002; the Soil Conservation and Rivers Control Act 1941; the Building Act 2004; the Foreshore and Seabed Act 2004 and the Hazardous Substances and New Organisms Act 1996.

Activity 1 - policy development

how this programme links to community outcomes

This activity supports **a clean and healthy environment** by setting policy frameworks that enable Council to manage natural and physical resources . such as water, air, the coast, and lake and river beds . so that these are not degraded.

The activity contributes to **a prosperous region** by permitting activities that would otherwise be restricted by the Resource Management Act, but only where Council is confident that those activities will have no adverse environmental impacts.

A vibrant community is supported by ensuring that the community can participate in the policy-making process and the needs of future generations are taken into account when making decisions (i.e. ensuring sustainable development).

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

Council will establish and maintain clear and appropriate policy guidance on the sustainable management of the region's natural and physical resources. Policy guidance will occur through the development of:

- The Regional Resource Management Plan (including the Regional Policy Statement); and
- The Regional Coastal Environment Plan.

the following measures to monitor progress were planned (and achieved)

- Establish a rolling review programme for the operative Regional Resource Management Plan by 30 November 2006.
A work programme for the next three years was adopted by Council at its meeting in July 2006.
- Establish a rolling review programme for the Regional Coastal Environment Plan by 30 June 2008.
The development of a rolling review for the RCEP will occur in the 2007/08 year, subject to the completion of the hearings of submissions and resolution of any appeals to the Environment Court.
- No successful legal challenges to plans due to non-compliance with statutory preparation processes.
No challenges due to legal non compliance have occurred.
- When undertaking the rolling review programmes a plan effectiveness assessment will be undertaken on each issue being reviewed to determine whether the sustainable management of the region's natural and physical resources is occurring as intended and particularly in relation to the regionally significant issues contained in the Regional Resource Management Plan.
Not applicable at this time.

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FINANCIAL VARIANCES EXPLAINED (\$81,000 Favourable)

Expenditure on Consultants to undertake further investigations and technical reports on matters raised in submissions to the proposed Regional Coastal Environment Plan (RCEP) have not been fully used due to the extended period of notification for the plan. Of the \$70,000 budgeted for this work, only \$31,000 was spent. In addition, staff time set aside to process the RCEP and undertake evaluative and technical support work for the draft wastewater and stormwater plan changes to the Regional Resource Management Plan (RRMP) has not been used due to delays in progressing the RCEP and these changes through the 3rd schedule process of the Resource Management Act. Staff time was approximately \$34,000 less than budget.

Activity 2 - policy implementation

how this programme links to community outcomes

This activity supports *a clean and healthy environment* through education, advocacy, and biodiversity enhancement and protection programmes that seek to change the way we interact with our environment.

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

Council will implement its non-regulatory policies in three main ways:

- Environmental education;
- Statutory advocacy;
- Providing for the physical protection of the region's biodiversity.

the following measures to monitor progress were planned (and achieved)

- Environmental education annual work programmes are fully implemented.
An annual work programme based on Council's approved environmental education strategy for the 2006-11 period was adopted and implemented.
- Feedback from education programme participants indicates high satisfaction (quality, clarity of message, and number of people).
Surveys were conducted during Conservation Week (34 responses) and the Lifestyle field day (108 responses) with positive comments on Council's involvement being made. Useful suggestions for future displays and activities were received.
- Regular reviews of environmental education strategy (next review to be completed by 30 June 2010).
The strategy was reviewed in October 2006 and is not due for review again until 2011.
- Submissions (if required) on resource consents lodged within 20 days of receipt.
All submissions were lodged within 20 working days of the receipt of the applications.
- Submissions on relevant district plan provisions lodged when plans open for comment.
Five submissions on plan changes were lodged by Council. For example, these included submissions to Wairoa District Council changes relating to coastal development issues, Central Hawkes Bay District Council relating to earthquake risks, Hastings District and Napier City Council's relating to residential development matters.
- Annual work programmes for Council owned wetlands are completed and within budget.
This years work programme was adopted and generally progressed in accordance with expected timelines and budgets. However, the need to obtain resource consents for planned works at the Pekapeka wetland has delayed the restoration of the "pa site", the creation of new open water areas and the development of walkways. These works are now planned to take place in the 2007/08 year, subject to obtaining the necessary consents.

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- Annual grant allocations to protect biodiversity are fully allocated and used.
The 2006/07 grants for riparian margins and on-farm wetlands have been fully allocated and used while those for indigenous bush protection, significant wetlands and coastal dunes have been fully allocated but not all used (due to late cancellations).
- The area of indigenous bush, wetlands and dunes retired is recorded as is the length of riparian margin protected.
Data for each grant given has been collected throughout the year and recorded. A summary of this data will be reported to the Environmental Management Committee of Council in September as part of the end of year reports on the Regional Landcare Scheme.
- Reports on the policy and criteria for protecting estuarine and coastal cliff biodiversity values have been prepared and a decision made by Council in 2007.
Work has begun on a draft policy and criteria and will be reported to Council later in the year.

FINANCIAL VARIANCES EXPLAINED (\$63,000 Favourable)

Within the group of projects that make up this significant activity, the Biodiversity programme was under-spent by \$56,700 (due to delays in progressing works at Pekapeka), the implementation of environmental initiatives programme (for air quality) by \$46,900 (staff time, legal and consultants), hazardous wastes/Operation Springclean by \$50,500 and environmental education by \$16,100. Off-setting these savings was a \$102,800 overspend on statutory advocacy, this being the result of noise appeals for the port of Napier, land rezoning appeals at Pandora, Napier and the DoC appeal relating to Waikatea Station.

Activity 3 - resource consent processing

how this programme links to community outcomes

This activity supports **a clean and healthy environment** by ensuring that resources are sustainably used and that any adverse effects are managed in accordance with legislative requirements and the policies and rules contained in Council's resource management plans.

A vibrant community is supported by ensuring that the community is able to participate in the decision-making process where appropriate, and that the needs of future generations are taken into account when making decisions.

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

Council will process resource consent applications in accord with the Resource Management Act.

the following measures to monitor progress were planned (and achieved)

- 100% of resource consents are processed within statutory time limits.
99% of applications were processed by Council within statutory time limits
- Monitoring audits by the Ministry for the Environment indicate satisfactory processing of consents.
In April 2007, MfE released the results of the survey for the 2005/06 year. This survey indicated that 99.5% of applications were processed by Council within statutory timeframes.
- Applicant surveys indicate substantial satisfaction with the process.
Based on a 13% return rate (34 consents) applicants were satisfied with the process.
- No successful appeals result in the Environment Court overturning Council's decision.
No decisions were overturned on appeal.

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- Mediated appeals and Environment Court decisions on appeals do not substantively change Council's decision.
Mediated appeals on the Central Hawke's Bay District Council oxidation ponds did not result in any significant changes in the conditions of the consents granted.

FINANCIAL VARIANCES EXPLAINED

Costs for this activity were in accordance with budget.

Activity 4 - environmental research

how this programme links to community outcomes

Council must have an adequate understanding of the environment it is seeking to manage so that it can make sound resource management decisions. This activity supports **a clean and healthy environment** by investigating the nature of our resources and their limits, and the impacts of our activities on those resources.

Research and investigation activities contribute to **a prosperous region** by assessing what and where resources may be available for use without adversely affecting the environment.

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

Council will undertake or commission focused research where the preparation of Policy Statements and Plans, the issuance of Resource Consents or the impacts of an activity require new information to be available.

the following measures to monitor progress were planned (and achieved)

General

- Determine relevance and assess status of current research activities by December 2006.
A review of all the resource monitoring projects was undertaken in 2006/07 relating to land, air, surface water, and the coast. This included identifying current and future activities. New SoE and research strategies developed were reported to Council and adopted during 2006, with the exception of the strategies for groundwater quantity (May 2007), and groundwater quality (as a result of delays in recruitment of a groundwater quality scientist, is now due late 2007).
- Develop a draft regional research strategy to align research activities to policy and consent/compliance needs by June 2007.
Initial strategies have been completed as part of the resource monitoring strategies. It is intended to further develop these over the next 2 years to achieve stronger links between research work and the needs of policy and consents / compliance for information.
- The results of research will be available to input into the plan effectiveness assessments carried out as part of the rolling review programmes for the Regional Resource Management Plan (RRMP) and Regional Coastal Environment Plan.
This is currently on-going in line with the rolling review programme for the RRMP

Specific Research

- A Transient groundwater model of the Heretaunga Plains designed to provide information for policy, consents and compliance activities is in place by December 2007.
A transient model has been completed for the Heretaunga Plains.
- A transient groundwater model of the Ruataniwha Plains designed to provide information for policy, consents and compliance activities is in place by June 2007.
A steady state model was completed by June 2007, the transient model is now scheduled for completion by June 2008.

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- A groundwater nitrate contaminant model designed to provide information for policy, consents and compliance activities on the effects of land use on groundwater and surface water quality is in place by June 2008.
A report on nutrient limitation was completed in February 2007. A preliminary model was completed with the assistance of Geological Nuclear Science (GNS) for the Ruataniwha Plains to identify the best modelling approach, prior to its application across the region.
- Investigate and report on sediment quality for the region by June 2008.
Investigations into sediment quality is ongoing with work on estuarine and marine sediments having been undertaken to date.

FINANCIAL VARIANCES EXPLAINED (\$95,000 Favourable)

Due to a review of the services provided by the Environmental Information team and 5 changes in staff, work programmes did not proceed fully as planned. This resulted from the need to concentrate on setting up new structures, procedures and staff training. Reductions in environmental information/science staff time charged to the various projects arising from this are as follows; unspecified research \$8,300, groundwater research \$20,200, surface water investigations \$19,900, and surface water research \$20,000. In addition approximately \$18,000 of other staff time was not used, while a number of external costs were reduced, this making up the balance of the result (eg materials, lab testing).

Activity 5 - state of the environment (SoE) monitoring

how this programme links to community outcomes

This activity contributes to **a clean and healthy environment** by identifying trends in the condition of our environment and enabling plan effectiveness to be assessed to determine if policies need to be reassessed.

A vibrant community is supported by informing the community about any identified exceptions to past trends in the quality of the region's environment through the provision of an SoE Update Report.

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

To provide long term, relevant and specific information to establish the effectiveness of Council's resource management policy and implementation programmes.

the following measures to monitor progress were planned (and achieved)

- Prepare and publicise annual "exception to trends" reports.
The State of Our Environment Summary annual report 2006 was completed and presented to Council in March 2007
- Prepare and publicise the next 5 year SoE report in 2009.
Preparation for the next SoE 5 year report will commence in 2008 with analysis of data from the councils SOE programmes on resource monitoring.
- Complete the annual SoE programmes for:
 - ó Surface and Ground water quantity and quality
Reviews of the groundwater and surface water quality programmes were undertaken as a result of the completion of the groundwater and surface water SOE monitoring strategies. Groundwater components were completed June 2007, while the climate and rainfall network were reviewed by National Institute for Water and Atmospheric Research (NIWA) at the same time. Recommendations from both reviews are to be implemented this year.

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A restructure of the hydrological project and staffing occurred in October 2006. This review, coupled with the need to recruit new staff, meant a greater emphasis on training and core SOE work occurred. This has resulted in an over-expenditure for staff for this financial year as the review recommendations were implemented and refined.

All monitoring was completed in accord with design and quality assurance processes.

6 Air quality

Two continuous air monitors are now operational and are being used to assess compliance to the air quality NES and to provide information on the state of the air resource. Data has been quality assured and stored in the Councils data archiving system. Interim reports on air quality were provided to Council in line with NES reporting requirements.

6 Land Use

Catchment (Taharua) and farm scale (Ruataniwha) monitoring was completed for the year, analysis of this information will be undertaken in 2008 (in line with the 5 yearly SOE report). A review of the Taharua monitoring was done by Cawthron Institute and reported to Council in March 2007.

Soil quality monitoring was initiated with 7 cropping sites being analysed for the first year of this programme

6 Coastal water quality

Recreational water quality programme was completed for the financial year. Exceedances were reported to the public through the programme partners (Hawke's Bay District Health Board and territorial authorities) as they occurred. The activity report for the season was completed May 2007.

Estuarine, sandy beach and rocky shore programmes were completed and quality assured for the year. These reports were completed in May and June 2007.

Sediment and water quality monitoring was completed and quality assured for the year.

- The results of the state of the environment monitoring programmes will be available to input into the plan, effectiveness assessments carried out as part of the rolling review programmes for the Regional Resource Management Plan and Regional Coastal Environment Plan.

FINANCIAL VARIANCES EXPLAINED (\$125,000 Unfavourable)

As with the research programmes, this variance was a reflection of staff activity due to the restructure and consequent redevelopment of environmental information teams hydrology programme. Staff costs were more logically placed within this group of SoE projects due to the nature of the work for which the new staff were being trained. As such, air quality, land use, general SoE, and coastal water quality costs were all down by a total amount of just over \$90,000, however surface and groundwater staff costs relating to hydrological activities were up by a total of \$210,000.

Activity 6 - compliance monitoring

how this programme links to community outcomes

This activity supports a **clean and healthy environment** by ensuring that consent holders comply with the conditions of consents and by preventing and minimising the effects of unauthorised activities on the environment.

This activity contributes to a **vibrant community** by resolving, where possible, complaints from the community regarding environmental pollution and ensuring any damage to the environment is remedied.

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the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

- Council will monitor compliance with resource consent conditions in a manner that is appropriate to the level of risk to the environment.
- Council will respond to complaints in a timely manner and enforce compliance with rules as it deems appropriate.

the following measures to monitor progress were planned (and achieved)

- Consents monitored in accord with adopted compliance monitoring strategy, which specifies the frequency of monitoring for various types of consents and which is primarily driven by the potential impact of consented activities on the environment.
The Compliance Monitoring Strategy for 2007-10 was adopted by Council this year. 1150 consents were monitored during the year.
- Database completed by 30 June 2007.
The compliance monitoring reporting module was completed as planned. Stages 3 and 4 are planned for completion the following year.
- 80% of incident investigations and associated follow-up/enforcement action are completed within 4 weeks.
The database currently does not allow this target to be measured as the completed date relates to the date the incident record was signed off in the database as opposed to the actual date of completion. However, 88% of incidents were responded to within agreed response times.

FINANCIAL VARIANCES EXPLAINED

Costs for this activity were in accordance with budget.

Activity 7 - building act implementation

how this programme links to community outcomes

This activity supports a **clean and healthy environment** by ensuring new dams on land meet minimum construction standards and any safety risks to people and property are addressed when issuing building consents.

This activity contributes to a **vibrant community** by ensuring that all relevant dams have a safety programme so that any risk to people and property is minimal.

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

- Council will process building consents and administer the dam classification process in accordance with the Building Act.

the following measures to monitor progress were planned (and achieved)

- Accreditation gained by 30 November 2007.
Council has resolved to undertake a special consultative procedure for the transfer of powers and functions as building consent authority to Environment Waikato. This would mean accreditation would not be required.
- Advise all relevant dam owners of their responsibilities by 30 June 2007.
Regulations are yet to be made which will provide clarity over dam owner responsibilities in terms of the dam classification process. The Dangerous Dams policy was adopted in September 2006

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FINANCIAL VARIANCES EXPLAINED

Costs for this activity were in accordance with budget.

Activity 8 - land management

how this programme links to community outcomes

The programme supports a **clean and healthy environment** by educating landusers, advocating sustainable land management and by using funding incentives in the form of grants to encourage soil conservation activities.

A vibrant community is supported by ensuring that Council-managed lands provide opportunities for the public to enjoy the environment of Hawke's Bay at Tutira, Pakowhai Country Parks and the Tangoio Soil Conservation Reserve.

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

- Advocate for sustainable land use practices in the region.
- Ensure that Tutira Country Park is managed sustainably with opportunities for the public to enjoy the environment.
- Maintain the stability of part of State Highway 2, by appropriate land use and management of the Tangoio Soil Conservation Reserve.

the following measures to monitor progress were planned (and achieved)

- Annual programme of farm visits has been completed, field days and demonstrations documented, plans prepared listed and support for groups and industry reported to Council.
Annual work programmes have been completed and were reported at the September Council meeting.
- Annual grant assistance allocations are fully allocated and used.
The grant assistance programme was fully allocated and used.
- The proportion of the land in the region that has been subject to sustainable land use practices is increasing. In order to better quantify the extent of change, Council is developing a Landuse Monitoring Strategy, which will be considered and adopted by December 2006.
Staff have successfully advocated for increased use of sustainable land use practices with close to 190 properties participating in programmes and 2,000ha space planted in erosion control trees. The Strategy was considered and adopted by Council on 25 October 2006.
- Tutira Country Park - completed the annual work programmes as established in the management plan.
The annual work programmes have been completed.
- The Tangoio Conservation Reserve has completed the annual work programmes as established in the management plan.
The annual work programme covering pest control and silviculture, has been completed according to the management plan.
- Harvesting in Tangoio Conservation Reserve:
ó 2006/07 40ha . 2007/08 40ha
The remaining 80ha in blocks Se1 and Se2 have been harvested during the 2006/07 year. Additional income of \$1.3M was earned due to this extra harvesting, and also the strengthening of pricing for the logs harvested.
- Replanting in Tangoio Conservation Reserve:
ó 2006/07 40ha . 2007/08 40ha
ó 2008/09 40ha

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Because of the harvesting being completed at an earlier stage than planned, 90ha in the Reserve have been replanted as compared to the 40ha estimated in the budget.

FINANCIAL VARIANCES EXPLAINED (\$744,000 Unfavourable)

When harvesting activities are undertaken in the Tangoio Soil Conservation Reserve, part of the costs associated with this is a cost of goods sold. Because the total area that was harvested increased from the budgeted 40ha to an actual of 80ha, the cost of goods sold associated with this harvesting increased from \$425,000 to \$1,074,000. The difference of \$654,000 is the main reason for the variance against budget for expenditure in this activity.

The additional harvesting in blocks Se1 and Se2 and other activities in the reserve resulted in revenues being \$1.5M over budget.

The financial variances shown in the Tangoio Soil Conservation Reserve Scheme reflect the net of expenditure and revenue movements.

Activity 9 - maritime navigation and safety

how this programme links to community outcomes

This activity supports a **vibrant community** educating boat users about water safety and ensuring safe navigation around the Port of Napier, the Inner Harbour area and the region's coastal waters generally.

the levels of service provision and performance targets set in the Long Term Council Community Plan 2006-16

Council will maintain navigational safety in the region's coastal waters and navigable rivers and promote boating safety.

the following measures to monitor progress were planned (and achieved)

- Review and Update the Risk Assessment and Safety Management Systems as required.
The Risk Assessment is reviewed and updated as incidents occur. A preliminary Safety Management System was sent to Maritime New Zealand in January 2007. Work is ongoing.
- Review Bylaws by December 2007.
New Bylaws were adopted in July 2007 with the effective date of operation being from 1st of December 2007
- Prepare and implement Annual Monitoring Programmes.
A navigation and safety bylaws education and monitoring programme is undertaken under contract from October to April.

FINANCIAL VARIANCES EXPLAINED

Costs for this activity were in accordance with budget.