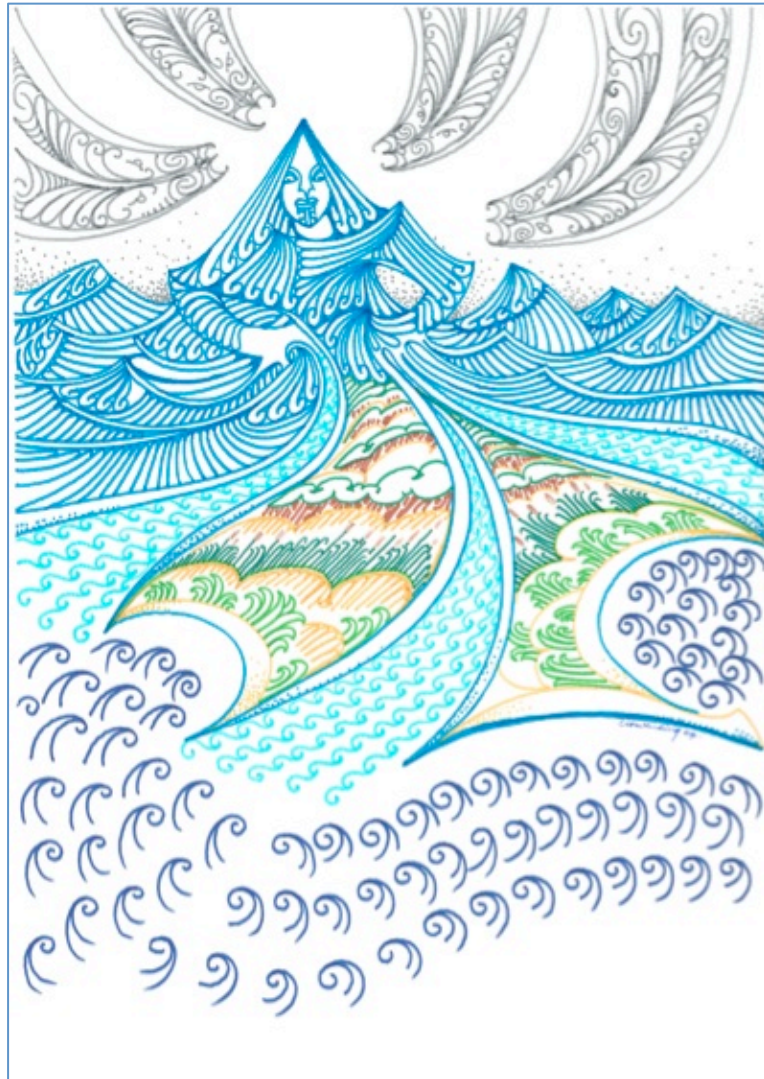


Giving Effect to Manawhenua Values and Aspirations in the Development of Balmoral

BALMORAL STAGE 2 REPORT



Prepared for the Manawhenua Working Party

By Dyanna Jolly and Raewyn Solomon

October 2014

Cover image:

“Waiiau-uha Te Wairua Wahine”, by Cliff Whiting. This image is from Section 3.5 (Okarahia ki te Hurunui) of Te Poha o Tohu Raumati, the Te Rūnanga o Kaikōura Iwi Management Plan (2005).

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Report endorsed by the Mana Whenua Working Party on September 11, 2014.

Report endorsed by Te Rūnanga o Kaikōura on October 12, 2014.

Executive summary

Ngāi Tahu Property (NTP) is seeking to convert Balmoral Forest into dairy farms. In doing so, NTP is seeking advice from Manawhenua to ensure that the development of Balmoral gives effect to Ngāi Tahu values and policy positions in Iwi Management Plans (IMPs). NTP is committed to facilitating the effective participation of Manawhenua in the development of the Balmoral and Eyrewell farms.

This report identifies five key issues for Te Rūnanga o Kaikōura with regard to the conversion of Balmoral from forestry to farming: 1) Is intensive dairy the best option for Balmoral? 2) NTP involvement in sustainable outcomes in the catchment; 3) Management of nutrient headroom; 4) Climate change; and 5) What is the future of Balmoral?

To address these issues, 14 recommendations are provided. The recommendations provide direction for how NTP can ensure the conversion and management of Balmoral aligns with Manawhenua values, aspirations and policies.

Importantly, the findings of this report confirm that Te Rūnanga o Kaikōura supports the conversion of Balmoral from forestry to farming. As a Settlement Asset, Balmoral is intended to generate benefit for the iwi. The question is not whether Balmoral should be converted, but how it is converted. Te Rūnanga o Kaikōura wants to ensure that development of Balmoral is guided by culturally-driven parameters on water quality, the Hurunui River, continuous improvement, and farm management practices that reflect and respond to the sensitivity of the receiving environment.

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1 Introduction and background

Ngāi Tahu Property (NTP) is seeking to convert Ngāi Tahu owned land at Balmoral from forestry to sustainable dairy farming. The proposed conversion follows the establishment of pilot dairy farms at Eyrewell, and the approval of Te Rūnanga o Ngāi Tahu in 2013 for further dairy development on that property.

Engagement with Manawhenua is critical to the successful development of Balmoral. The effects of intensive rural land use on the environment and associated cultural values in the Hurunui catchment is a significant issue for Manawhenua. Addressing this issue is a key challenge for Ngāi Tahu in seeking to become one of the largest pastoral milk producers in New Zealand.

One of the ways Ngāi Tahu has addressed the potential conflict between cultural values and commercial aspirations is through the formation of a Manawhenua Working Party (MWP). The MWP was established in 2010 to facilitate effective participation by Manawhenua in the development of the Eyrewell and Balmoral farms. It consists of representatives from Te Rūnanga o Kaikōura, Ngāi Tūāhuriri Rūnanga, Ngāi Tahu Property, and Te Rūnanga o Ngāi Tahu.

To assist with this participation process, the MWP commissioned three reports:

- i. Policy Assessment of the *Mahaanui Iwi Management Plan 2013* to determine how well the Eyrewell farms align with key policy messages set out in the Mahaanui IMP 2013. (completed April 2014).
- ii. Stage 1 Cultural Impact Assessment (CIA) report for Balmoral, assessing options for an integrated water quantity solution for the Hurunui catchment and the provision of irrigation water to Balmoral (completed May 2014).
- iii. Stage 2 report for Balmoral, to identify key issues and aspirations for Te Rūnanga o Kaikōura with regard to conversion and management of the Balmoral property.

This report is the final of three reports commissioned by the MWP. The purpose of this report is to provide guidance on how the development and management of Balmoral can align with Manawhenua values and aspirations, consistent with the policy framework set out in *Te Poha o Tohu Raumati (Te Rūnanga o Kaikōura IMP) 2005*. This enables NTP to develop Balmoral in a manner that upholds the mana of Ngāi Tahu in the Hurunui catchment and provides for the kaitiaki responsibility of Ngāti Kuri to make good land use decisions. The alignment of NTF agricultural activities with principles and policies set out in IMP is identified as a specific target in the *Ngāi Tahu Farming Sustainability Protocol (NTFSP)*.¹

¹ Environmental/ Kotahitanga (Unity of Purpose and Effort). *Agricultural Sustainability Protocols (2013)*. NTF.

1.1 Manawhenua

Balmoral is located in the takiwā of Te Rūnanga o Kaikōura, the Papatipu Rūnanga representing the hapū Ngāti Kuri.

The Hurunui River is the boundary between the takiwā of Te Rūnanga o Kaikōura and Ngāi Tūāhuriri Rūnanga, as per the *Te Rūnanga o Ngāi Tahu (Declaration of Membership) Order 2001* (see below) and the catchment is therefore an area of shared interest.

The focus of this report is on the aspirations of Ngāti Kuri as Manawhenua and kaitiaki for the land on the north side of the Hurunui River. However the report also recognises the shared interest with Ngāti Tūāhuriri to manage the effects of Balmoral land use on the Hurunui River.

Te Rūnanga o Ngāi Tahu (Declaration of Membership) Order 2001

The takiwā of Te Rūnanga o Kaikōura centres on Takahanga and extends from Te Parinui o Whiti to the Hurunui River and inland to the Main Divide.

The takiwā of Ngāi Tūāhuriri Rūnanga centres on Tuahiwi and extends from the Hurunui to Hakatere, sharing an interest with Arowhenua Rūnanga northwards to Rakaia, and thence inland to the Main Divide.

2 Objectives

The objectives of this report are:

- a) To identify the key issues for Te Rūnanga o Kaikōura with regard to the development of Balmoral and the protection of cultural and environmental values.
- b) To record the aspirations of Te Rūnanga o Kaikōura for the development of Balmoral.
- c) To provide direction on how the development and management of Balmoral can recognise and provide for manawhenua values and interests, and align with policies in the Te Rūnanga o Kaikōura IMP.

3 Methods

The information in the report reflects a participatory process with Te Rūnanga o Kaikōura and the MWP, using the following methods:

- **Manawhenua Working Party meetings** provide a regular forum for ongoing discussions about the development and management of the farms. Key issues and outcomes from these discussions are captured in this report.
- **Review of information**, including information provided by the NTP on the Balmoral property, MWP meeting minutes, and the document *Manawhenua Aspirations for NTP Rural Land Developments at Eyrewell & Balmoral (Prepared by MWP in 2011)*.
- **Hīkoi** to the Eyrewell and Balmoral farms in November 2013, with Andrew Clayton (General Manager, Ngāi Tahu Farming). [Add October 9th hīkoi in here if report is not finalised by then].
- **NTP presentation to Te Rūnanga o Kaikōura** on November 10, 2013 on the proposed development of Balmoral. Feedback from the Rūnanga provided information for this report.
- **Review of relevant policy sections in *Te Poha o Tohu Raumati***, the Te Rūnanga o Kaikōura Environmental Management Plan 2005.
- **Interviews** and discussions with Ngāti Kuri whānau.
- **Review of the report and decision of Hearing Commissioners** for the resource consent applications filed by Ngāi Tahu Forest Estates Ltd to take, divert and use water, and change the use of land at Balmoral (July 2014).

Draft issues and recommendations were presented to the Manawhenua Working Party on August 14th. Feedback from the group was incorporated into a draft report that was provided to the MWP for review September 2, 2014.

4 Iwi Management Plan policy framework

The purpose of this report is to provide guidance on how the development and management of Balmoral can align with manawhenua values and aspirations. *Te Poha o Tohu Raumati* - the Te Rūnanga o Kaikōura Environmental Management Plan (2005) is the starting point for this guidance.

Te Poha o Tohu Raumati has the status of an Iwi Management Plan (IMP) as per the Resource Management Act 1991. The plan was endorsed by Te Rūnanga o Ngāi Tahu and lodged with councils in 2005. It sets out the parameters for ensuring the protection of the natural environment and the relationship of Ngāi Tahu to the environment, while promoting the sustainable use of land and water.

The *Mahaanui Iwi Management Plan 2013* also contains policies on the Hurunui, as the river is an is the northern boundary of Ngāi Tūāhuriri. While not included in this report, these policies align with those articulated in the Te Rūnanga o Kaikōura IMP.

4.1 Values as the basis for policy

Ngāti Kuri policies on land use and freshwater management are informed by core cultural values that define the relationship between tangata whenua and the natural environment. Part 2 of *Te Poha o Tohu Raumati* identifies these as:

- Kaitiakitanga and the future of our children and the environment
- Rangatiratanga and independence
- Whakapapa and tūrangawaewae
- Mana of the tūpuna
- Well-being of Ngāti Kuri

These core values are the foundation for decision making for Te Rūnanga o Kaikōura:

“These are the values we stand on. They set the boundaries for our decisions.” – the late Aunty Miriama Kahu, Te Rūnanga o Kaikōura, in Te Poha o Tohu Raumati.

4.2 IMP Policies for the Hurunui Catchment

Section 3.5 of *Te Poha o Tohu Raumati* covers the Hurunui Catchment. The section emphasizes the cultural, spiritual and traditional and customary importance of the Hurunui catchment. Land and water issues associated with intensive farming are identified as key resource management issues in the catchment, and the protection of the life supporting capacity of freshwater and soil resources is the driver for the policies that respond to these issues.

The following subsections of Section 3.5 are relevant to this report: **3.5.2 Papatūānuku – soil conservation, 3.5.4 Discharge to land, 3.5.11 Water quality, and 3.5.14 Hurunui River.**

Rather than list all relevant issues and policies, the focus here is to provide a summary of key issues and policy messages. The intent is to provide the context for the issues and recommendations in Section 5 and 6 of this report: *what does the IMP tell us about how Balmoral should be developed and managed?*

This summary does not include issues or policy on water quantity, flow regimes or storage issues. The provision of water to Balmoral for irrigation is addressed in the Stage 1 Cultural Impact Assessment Report (February 2014) that assessed options for an integrated water quantity solution for the Hurunui catchment against key objectives and outcomes identified in Te Poha o Tohu Raumati 2005 and in the Mahaanui IMP 2013.²

Key issues identified in Section 3.5 Hurunui

- Intensive rural land use is having effects on water quality and the life supporting capacity of soil resources for future generations.
- Nutrient losses, run off and discharge to land activities associated with intensive farming and increasing dairy herd sizes can pose a risk to freshwater.
- Unsustainable farming practices and farming of marginal land are having adverse effects on the environment and cultural values, and the relationship of Ngāi Tahu to these.
- Increasing use of fertilisers (particularly nitrogen) is having adverse effects on soil health and water quality.
- Unsustainable land use is resulting in the further loss of biodiversity (species and habitat).
- Cumulative impacts of land use on the health of the Hurunui River.
- Access to mahinga kai is affected by degraded habitat and poor water quality.
- Lack of long term thinking and planning for land use in the catchment.
- The need to support landowners who are doing good things.
- Overdevelopment of land along riverbanks by farming activities.
- Land use that does not reflect landscape values or land capability.
- Lack of quality information upon which to base decisions, and the lack of monitoring.

Key policy messages from Section 3.5 Hurunui

- There is increasing pressure on the land and water resources in the catchment, and this pressure must be managed within the limits of water and soil resources, and the assimilative capacity of the catchment.
- The sensitivity of the receiving environment is key to managing effects on the environment and cultural values. Land use activities should reflect the soil type and structure, elevation, slope etc. and the proximity of the property to the Hurunui River.

² The Mahaanui IMP 2013 is an IMP prepared by Ngāi Tūāhuriri Runanga, Te Hapū o Ngāti Wheke (Rāpaki), Ōnuku Runanga, Wairewa Runanga, Te Runanga o Koukourārata and Te Taumutu Runanga.

- Existing degraded water quality must be improved, and there must be no further declines in water quality in the catchment. Immediate measures are required to improve water quality in the catchment, including ensuring sufficient water quantity, and addressing non point source pollution such as farm run off.
- The Hurunui River and its tributaries must be protected from point and non point source pollution from adjacent land use. River health (mauri) is the first priority for water use. Development is not feasible or desirable if river health is compromised. Ngāi Tahu economic development must be premised on a healthy environment.
- The life supporting capacity of soils must be protected for future generations.
- The protection and enhancement of indigenous vegetation is important to the consideration of soil resources, particularly on marginal lands. The establishment of wetlands and riparian areas can assist to manage or offset the effects of discharges to land and impacts on water quality.
- Robust monitoring regimes are essential to validate and confirm sustainable farm management. On-farm soil and foliage testing are required to minimise fertiliser and water use, manage effluent discharge and avoid leaching and run off.
- Appropriate and effective buffers must be observed between intensive land use and surface water.
- Ngāti Kuri seek water quality standards in rivers that ensure healthy mahinga kai capable of sustaining customary use.
- Stock must be excluded from waterways.
- The hāpua (coastal lagoon) at the river mouth has significant cultural associations. The cultural and ecological health of the hāpua must be protected.

5 Ngāti Kuri associations with Balmoral

Ngāti Kuri traditional and cultural associations with Balmoral reflect its proximity to the Hurunui River. As noted in a 2002 Land Values Report commissioned by Te Rūnanga o Ngāi Tahu for forestry lands purchased by the tribe post-settlement, the proximity to the Hurunui River pounamu trail and its position on relatively flat, easily traversed land and the number of artefact finds in the near vicinity indicate that the Balmoral property at one time likely contained early Māori sites. However, the high degree of land disturbance for forestry make it unlikely that any evidence of Māori land use remain intact.³

³ *Land Values Project Report*, February 2002. Canterbury Forests – Balmoral and Hanmer.

The relationship of Ngāi Tahu with the Hurunui River is described as “centuries old and of outstanding significance to the iwi”.⁴ The river possesses a range of characteristics that are considered to be outstanding for spiritual, cultural and environmental reasons, and include natural character, mahinga kai, ara tawhiti ki pounamu (pounamu trails) and cultural heritage values. These were described at length in Ngāi Tahu submissions and evidence in response to the proposed Hurunui River Water Conservation Order in 2008, and are the values Ngāti Kuri seek to protect when considering the development of the Balmoral property.

The contemporary relationship between Ngāti Kuri and Balmoral also includes the value of the property as a Settlement Asset. Ngāi Tahu purchased Balmoral from the Crown using economic redress provisions in the Deed of Settlement as an investment to restore tribal welfare. As a Settlement Asset located in the takiwā of Ngāti Kuri, Te Rūnanga o Kaikōura has a strong interest in ensuring that the property is developed in a manner that upholds Ngāi Tahu values and benefits future generations.

The key values that Ngāti Kuri seek to protect with respect to developing Balmoral:

- Mauri of the Hurunui River, including water quality, natural character and mahinga kai
- Groundwater quality
- Cultural health of the hāpua at the Hurunui river mouth, including water quality, freshwater-sea water balance and mahinga kai
- The long term sustainability of the soil resource

The development of Balmoral is also about restoring opportunity. Ensuring the health of the river enables Ngāi Tahu to engage with the river as the ancestors once did. As expressed by Tā Mark Solomon at a Rūnanga meeting to discuss Balmoral, it is not about how many people are fishing there now, but how many want to fish.⁵

⁴ Crengle, H. with Te Rūnanga o Kaikōura, Te Rūnanga o Tuahuriri and Te Rūnanga o Ngāi Tahu, 2002. *Hurunui River Tangata Whenua Values Report*, p. 31.

⁵ Te Runanga o Kaikōura Runanga meeting, November 2013.

6 Key issues – development of Balmoral

Te Rūnanga o Kaikōura identifies 5 key issues for the development of Balmoral. These issues reflect policy positions in *Te Poha o Tohu Raumati*, ongoing participation of the Rūnanga in land and water planning processes in the Hurunui catchment, and the experience gained from the development of Eyrewell dairy farms.

Importantly, these issues are not about whether Balmoral should be converted to farming, but how. The overarching issue is: *How do we enter the farming industry in a manner consistent with Manawhenua values, interests and aspirations?*

An understanding of these issues is necessary to understand the context for recommendations provided in Section 7 of this report.

Issue 1: Is intensive dairy the best option for Balmoral?

A key policy message in the Te Rūnanga o Kaikōura IMP is that land use should match or reflect land capability/soil type, water availability and limits, and the assimilative capacity of catchments. The driver of this policy is the need to manage the effects of intensive land use on freshwater resources. A further policy message is the outstanding cultural significance of the Hurunui River, and the need to manage the effects of intensive rural land use on the river.

Balmoral is a dryland property, and requires significant inputs of water and nutrients to be fully developed as a dairy farm. Soils are shallow, with low water holding capacity and high N (nitrate) leaching vulnerability, but low P (phosphorus) leaching vulnerability.⁶ Together, these issues raise the question of whether dairy, as a high water and nutrient use, and potentially high nutrient loss activity, is the best option for Balmoral given Ngāti Kuri policies on protecting freshwater resources in the catchment.

The issue of developing dairy on 'light and leaky' soils was also raised by the MWP in considering how the Eyrewell farms aligned with manawhenua policy positions.⁷ In working through this issue, the MWP concluded that while soil type and rainfall are factors in nutrient losses, the key consideration is the sensitivity of the receiving environment, and how this sensitivity is managed. For example, Balmoral is on lighter soils than Eyrewell, but groundwater is shallower at Eyrewell. Therefore, the sensitivity of the receiving environment with regard to water quality is higher at Eyrewell than at Balmoral, even though Balmoral soils are classed as more vulnerable to N loss.

Te Rūnanga o Kaikōura supports this approach. The Runanga believes that NTF can meet the standards and expectations set out in the IMP better than many other dairy farms in the catchment on similar soils. However, there is uncertainty whether best or leading practice in this environment is sufficient to avoid impacts on key cultural values, particularly water quality,

⁶ Landcare Research S-map Soil Report – Balmoral and Lismore. Accessed 30.07.14.

⁷ Policy Assessment: Mahaanui Iwi Management Plan 2013 and Ngāi Tahu Eyrewell Dairy Farms (Final Draft). April 2014. Prepared by D. Jolly for the Manawhenua Working Party.

given the nature of the industry, the sensitivity of the receiving environment, and the existing concern about the health of the Hurunui River. Unfortunately, NTF is seeking to develop a highly intensive land use in a catchment with very limited headroom given the existing state of the Hurunui River and water quality.

There is also uncertainty about the economic risk of converting the whole of Balmoral into dairy, and therefore 'putting all our eggs into one basket'.⁸

It is the kaitiakitanga responsibility of Ngāti Kuri to ensure that Balmoral is developed in a manner that protects the environment and upholds the mana of Ngāi Tahu on the landscape. Ngāti Kuri want to ensure that NTP has explored all options to develop this property.

Issue 2: NTP involvement in sustainable outcomes in the catchment.

Manawhenua are seeking sustainable water quality outcomes in the catchment. The Hurunui River is of outstanding significance to Ngāi Tahu as an iwi, and must be protected as a first order of priority.

To ensure that the development of Balmoral aligns with this objective, NTP need to clearly identify, assess and communicate the potential effects of increased irrigated development on water quality in the Hurunui catchment. This is particularly important with regard to nitrogen (N) and phosphorus (P) concentrations in the Hurunui mainstem and tributaries. N and P can result in increased periphyton growth in the river, and adversely affect invertebrate communities and the ecological health of waterbodies. The management of periphyton is a specific policy focus of the Hurunui Waiau River Regional Plan (HWRRP).

Issue 3: Management of 'headroom' in the Hurunui catchment, and the potential loss of opportunity to develop a Settlement Asset.

The effects of catchment land use on water quality in the Hurunui catchment are managed under the Hurunui Waiau River Regional Plan (HWRRP). The Plan became operative in December 2013, and gives effect to the Zone Implementation Programme (ZIP) prepared by the Hurunui Waiau Zone Committee under the Canterbury Water Management Strategy (CWMS).

Te Rūnanga o Kaikōura is part of the Hurunui Waiau Zone Committee, and supports the Committee process and outcomes. Although not all Ngāti Kuri values and policy positions are at the forefront of the ZIP, the nature of the community based process required compromises from all parties. The setting of limits for nutrient loss is consistent with Rūnanga policy as per *Te Poha o Tohu Raumati* (Issue 3.5.11 Water Quality, Policies 17-19).

The commitment to the Hurunui Waiau CWMS process sits alongside the desire of Ngāti Kuri to work with NTP to 'continue to develop our own interests' in the catchment. These interests include the development of Balmoral as a Settlement Asset to provide economic, social and

⁸ Comments from Manawhenua at the September 2014 Manawhenua Working Party meeting.

cultural benefit to the iwi. Ngāi Tahu purchased Balmoral in 1999, giving effect to economic redress provisions in the Settlement (see Box 1).

The HWRRP sets nutrient limits in the form of concentrations and loads for the catchment, with the aim to manage periphyton growth⁹ and invertebrate water quality requirements in the Hurunui mainstem and tributaries. Additional land can only be developed if 'headroom' is available in the catchment, and the additional development will not exceed the nutrient load limits provided for in the HWRRP. Headroom is created by existing land users improving their on farm nutrient loss management.¹⁰

Te Rūnanga o Kaikōura supports managing and limiting on farm nutrient loss as a tool to manage the cumulative effects of land use on water quality while enabling irrigation development. However, there are concerns with how nutrient headroom is managed when it does become available. New land users such as Ngāi Tahu have to rely on existing land users in the catchment to create headroom. Some existing irrigators are adopting the position that headroom can be owned by those that have or may have contributed to the creation of headroom. This position favours further intensification for existing land users, rather than creating opportunities for new land use change applications. The outcome of this position is that Ngāi Tahu may be unable to develop the Balmoral Settlement Asset into dairy.

The issues of managing and allocating headroom must be resolved in order to enable economic growth in the catchment. The Hurunui community want to enable economic growth in the catchment through the creation of headroom and new irrigation development. Realistically this cannot be achieved by the existing farmers only. It requires an integrated approach with new players who bring new methods and technologies for farming (i.e. improved practices). If new players are excluded because of the lack of headroom, then the economic growth envisaged by the community will be thwarted.

Ngāi Tahu have the technology, funds, and commitment to develop and manage Balmoral in an environmentally sustainable manner. The farming framework, including the Ngāi Tahu Farming Sustainability Protocol (NTFSP), is designed to deliver long-term sustainable returns to the iwi, while also protecting the environment *mō tātou, ā, mō kā uri ā muri ake nei*. However, without a catchment wide approach to nutrient management placing best practice requirements and limits on all users, and the equitable management and distribution of headroom, this goal cannot be realised.

⁹ Periphyton are slime and algae found on the bed of streams and rivers. Periphyton are the building blocks of life and are fundamental for sustaining life and ensuring ecosystem function. However, high concentrations of nitrogen and phosphorus in water bodies can contribute to the growth of nuisance periphyton.

¹⁰ Hurunui Waiau River Regional Plan 2013.

Box 1: Balmoral as a Settlement Asset

Economic losses to Ngāi Tahu from the Crown's land purchases of the last century were valued at more than \$20 billion in economic terms.

The Crown's Settlement Offer of \$170 million was clearly much less than this amount. However, the Ngāi Tahu Negotiators believed that the offer, with a number of 'bolt-ons', gave the iwi the capacity, right and opportunity to re-establish its tribal economic base and provide the platform to generate the funds required for the tribe's social and cultural development.

One of these 'bolt-ons' was the Deferred Selection Process (DSP) mechanism. DSP allowed Ngāi Tahu to purchase Crown assets from a defined 'pool' within 12 months of Settlement Legislation being passed, up to a total value of \$250 million. By doing so, the tribe had an opportunity to buy a range of assets, in a number of economic sectors and locations that best produced the income required for social development.

The DSP 'pool' included forestry properties, such as Balmoral. As with most of the forestry lands, Ngāi Tahu had the choice to buy the land, but not the trees on the land, since the trees are owned by private parties.

Balmoral was purchased by Ngāi Tahu Forest Estates (NTFE) in 1999. As a Settlement Asset, the land should contribute to re-establishing the tribe's economic base and funding social and cultural development.

Given the immense economic losses to Ngāi Tahu from the sale and loss of land in the last century, it is critical that Ngāi Tahu are able to develop Settlement Assets to deliver on the intent of the Economic Redress provisions. In the Hurunui catchment, the way that on farm nutrient loss improvements (i.e. the creation of headroom) are managed and redistributed has the potential to inhibit Ngāi Tahu from developing Balmoral. Headroom must be managed in an equitable way to enable Ngāi Tahu to achieve Settlement expectations.

Note: First four paragraphs above are sourced from <http://ngaitahu.iwi.nz/ngai-tahu/the-settlement/settlement-offer/economic-security/>.

Issue 4: Having the climate change conversation

Climate change is an increasingly important kaupapa for Te Rūnanga o Kaikōura. Given the significant contributions the farming sector can have to greenhouse gas emissions, and the potentially significant effects of increased drought, sea level rise, and temperature rise on the sector,¹¹ climate change should be part of long term strategic planning for Balmoral. It is important to the Rūnanga to "inform our people on climate change and agriculture".¹²

¹¹ The Ministry for Primary Industries is working with sector organisations, local government and Māori to ensure that farmers, growers and foresters have the information and tools they need to be prepared for a changing climate. The changes in climate that expected throughout the country are listed on the MPI website <http://www.mpi.govt.nz/environment-natural-resources/climate-change/impacts-and-adapting-to-climate-change>

¹² Raewyn Solomon, discussion at Manawhenua Working Party meeting, March 2014.

The questions for Te Rūnanga o Kaikōura are:

- What will the future look like for this property under current climate change scenarios?
- How can Ngāi Tahu set an example on the landscape through addressing the greenhouse gas emissions associated with intensive land use? For example, is there potential to grow biofuels to mitigate methane emissions from the increasing cow numbers in the area?
- Should we be thinking ahead to how sea level rise may affect our communities, and plan ahead for papakainga housing opportunities on Balmoral?

Climate change was also raised by the MWP in considering how the Eyrewell farms aligned with manawhenua policy positions.¹³ NTP has noted that it is neither efficient nor desirable to manage the Eyrewell property on a carbon neutral strategy, and that off-site investments such as regenerating indigenous forests on Te Tai Poutini or other forms of compliance with the Emissions Trading Scheme were better options. The question was put to the MWP of where Ngāi Tahu wants to spend money: do we invest significant amounts of funds to achieve small gains with regards to climate change, or do we continue to focus our efforts on protecting water quality? The outcome of these discussions was an agreement to prepare a paper for the MWP on climate change and agriculture.¹⁴

Issue 5: What is the future of Balmoral farms?

Ngāi Tahu Property has worked with Te Rūnanga o Kaikōura to develop land in the Te Rūnanga o Kaikōura takiwā in previous years. A consistent theme from discussions on tribal developments is the Rūnanga desire for Ngāi Tahu to retain ownership of lands purchased (i.e. avoid on-selling), or a controlling share and therefore decision-making ability. Ngāi Tahu ownership of land provides access to land, and control over environmental and cultural outcomes. Ngāi Tahu ownership of farms provides training and employment opportunities for whānau, today and in the future. What is the future of Balmoral?

This issue highlights the potential conflict between cultural and commercial: the desire to regain and retain land for the iwi and the economic reality of buying, developing and on-selling land to create wealth for the iwi.

¹³ Jolly, D. 2014. Policy Assessment of the *Mahaanui Iwi Management Plan 2013*.

¹⁴ Ibid, Outcome 1 - p. 8.

7 Recommendations

“Our values are who we are, and they should define the way we farm.” - Comment from a Te Rūnanga o Kaikōura meeting.

The purpose of the report is to record Manawhenua aspirations for Balmoral. This information provides direction to NTP on how Balmoral can be developed in a manner that upholds the mana of Ngāi Tahu, is consistent with manawhenua values and IMP policy positions, and gives effect to the kaitiaki responsibility of Ngāti Kuri to make good decisions *mō tātou, ā, mō kā uri ā muri ake nei*.

For Te Rūnanga o Kaikōura, developing Balmoral in a manner consistent with Manawhenua values, interests and aspirations requires ‘thinking outside the box’. Ngāi Tahu does not need to approach farming the same way everyone else does. As articulated in a 2011 report on Manawhenua aspirations for Eyrewell and Balmoral: *“We need to be innovative and challenge ‘traditional’ models for dairy farming which have led to the degradation of waterways and mahinga kai.”*¹⁵

The 14 points below articulate the expectations, aspirations, cultural bottom lines and opportunities that Ngāti Kuri identify for the development of Balmoral:

- 1. Te Rūnanga o Kaikōura supports the conversion of Balmoral from forestry to farming.**
- 2. Te Rūnanga o Kaikōura is committed to working with the community as part of the Hurunui Waiau Zone Committee, while continuing to develop our own interests.** Working with the community will allow Ngāi Tahu to address the challenge of managing water quality outcomes and further the development of Balmoral.
- 3. There is a need to develop a decision-making framework for managing and allocating headroom in the catchment.** The Hurunui Waiau Zone Committee, Environment Canterbury and Ngāi Tahu should work together to develop a framework that reflects:
 - a) The obligation of existing land users to reduce nutrient losses;
 - b) That nutrient headroom is managed and allocated by Environment Canterbury. Headroom cannot be owned by existing land users whose farming practises may have created the headroom.
 - c) The equitable distribution of nutrient headroom created in the catchment, to enable new players to develop in the catchment.
 - d) The recognition of Balmoral as a Ngāi Tahu Settlement Asset.

¹⁵ “Mana Whenua Aspirations for NPT Rural Land Developments at Eyrewell and Balmoral” 2011 (no author listed).

4. **A mixed land use model is the preferred option for Balmoral.** For Manawhenua it makes long term environmental and economic sense to adopt mixed land use, as it avoids ‘putting all our eggs in one basket’. A mixed land use model provides opportunity for Ngāi Tahu/whānau involvement in the wider agricultural space, rather than exclusively dairy, and may also address challenges associated with the lack of headroom in the catchment. It also spreads the risk, and provides for greater biodiversity and thus stronger mauri.¹⁶ However, if NTP can deliver a dairy land use model generating sustainable N and P losses and therefore positive water quality outcomes, this preference may be reconsidered.
5. **NTP must be clear on the potential for adverse effects associated with increased irrigated development in the Hurunui catchment, and work with the MWP to improve understandings assessments of these effects.**

“We have to start well and end well - we cannot come back and clean up the river. In 10 years time, if the Hurunui and Waiiau are in trouble, everyone will say Ngāi Tahu did it.”
- Aunty Darcia Solomon, November 2013.

“We need a realistic understanding of risk.” – Mark Solomon, Te Rūnanga o Kaikōura meeting, November 10, 2013.

6. **No further decline in water quality.** A key policy message in *Te Poha o Tohu Raumati* is that land use must be managed to avoid any further decline in water quality. Giving effect to Ngāi Tahu values is about “*doing the right thing*” by the environment and future generations, and ensuring that making money does not take priority over protecting water resources.¹⁷ The measure of success for the development of the farms will be the outcomes for water quality.
7. **Farm management practices and the monitoring regime must reflect and respond to the specific sensitivity of the Balmoral environment.** Reconciling IMP policies and the development of intensive farming on vulnerable soils requires identifying the sensitivity of the receiving environment (i.e. what are the risks?) and the farm management practices required to manage that sensitivity. The key factors for Te Rūnanga o Kaikōura that influence the sensitivity of the Balmoral environment are the high N-loss vulnerability of the soils and the proximity of the farm to the Hurunui River. The depth of the groundwater resource, the direction of groundwater flow, and current groundwater nitrate (N) levels are also important. Irrigation management and stock numbers are key to managing sensitivity.¹⁸

Te Rūnanga o Kaikōura supports the science used to underpin management practices and water quality programmes on the Eyrewell farms, and ongoing work with Lincoln University to apply these to Balmoral.

¹⁶ Mixed land use was identified as a Manawhenua aspiration for Balmoral in the paper “*Mana Whenua Aspirations for NPT Rural Land Developments at Eyrewell and Balmoral*” 2011 (no author listed).

¹⁷ Darcia Solomon, personal communication, November 29, 2013.

¹⁸ The buffer zone established between irrigated land and the Hurunui river is a good example of managing for sensitivity of the receiving environment, as it reduces the potential for phosphorus (P) run off into the river.

- 8. Commitment to continuous improvement as a core philosophy.** A clear message from the MWP throughout the Eyrewell farm development process is that best practice is not enough without a commitment to continuous improvement.
- 9. Let's have the climate change conversation.** As per the outcome of previous discussion on manawhenua interests in climate change, NTP should prepare (or commission) a paper addressing climate change and farming, specifically:
- a) What is climate change, and what are the key issues around climate change and farming?
 - b) How does climate change figure in long term strategic planning for Balmoral?
 - c) What are the opportunities to address greenhouse gas contributions from farming and reduce on farm energy use? How realistic are these?
 - d) Should Ngāi Tahu be recognising and providing for climate change in the development of dairy farms, or is it more desirable to offset effects elsewhere?
- 10. Balmoral as a contemporary expression of mahinga kai.** Mahinga kai is identified an outstanding value of the Hurunui River catchment. Ngāi Tahu seek to restore values and the opportunities in the catchment. Opportunities identified by whānau include rongoa gardens (medicinal plants), vegetable gardens, bees, and orchards. A question asked in the 2011 Manawhenua aspirations report is whether stored water on farm could be used for farming suitable mahinga kai species.¹⁹
- 11. The realisation of biodiversity objectives in the master plan.** The restoration and enhancement of indigenous biodiversity is a key policy area for Te Rūnanga o Kaikōura. These policies aim to address the widespread loss of indigenous biodiversity in the takiwā, and the effect of this on the relationship of Ngāti Kuri to the landscape. In addition to the ecological benefits, the establishment of reserves, and the planting of roadsides, irrigation pond surrounds, water race banks, laneways, and around farm housing and buildings are physical markers on the landscape of the commitment of Ngāi Tahu to the environment.
- 12. Lets have a discussion about the future of Balmoral.** What is the future of these farms? Will our children run these farms, or will they be sold? Land is a source of mana, mō tātou, ā, mō kā uri ā muri ake nei, and we should aspire to retain our land as much as we can.²⁰ Retaining ownership also retains control of environmental outcomes.
- 13. Balmoral should tell a Ngāti Kuri story.** The connection between Manawhenua and place is an important consideration for the development of Balmoral. There is a desire to “tie the development of Balmoral back to the takiwā of Ngāti Kuri”, through branding that reflects the hapū.²¹ For example, Te Rūnanga o Kaikōura will provide names for the Balmoral farms to reflect the historical and traditional associations of the hapū with this area.

¹⁹ Mana Whenua Aspirations for NTP Rural Land Developments at Eyrewell and Balmoral. 2011.

²⁰ Mana Whenua Aspirations for NTP Rural Land Developments at Eyrewell and Balmoral. 2011.

²¹ Gina Solomon, personal communication. November 2013.

14. Cultural heritage assessment. The Stage 1 Balmoral CIA report recommended a cultural heritage assessment for the Glenrae catchment, and wider footprint of the Balmoral farms. The purpose of the assessment is to provide an improved understanding of the heritage context of the proposed scheme area, and enable Ngāi Tahu to reflect historical associations with places in on-going management and development of Balmoral.²²

8 Conclusions

NTP wants to ensure that the development of Balmoral aligns with Manawhenua values and aspirations, and environmental policy positions as set out in *Te Poha o Tohu Raumati 2005*. This report is the starting point to achieve this.

Te Rūnanga o Kaikōura supports the development of Balmoral from forestry to farming. The land is a Settlement Asset, and the purpose is to generate benefit for the iwi. The issue is not whether Balmoral should be converted, but how it is converted. A key message from this report is that we need to explore all options for Balmoral, and ensure that the decisions we make uphold the mana of Ngāi Tahu in the Hurunui catchment. Giving effect to Ngāi Tahu values is about “doing the right thing” by the environment and future generations, and “ensuring that making money does not take priority over protecting our water resources”.²³

²² Jolly, D. 2014. Stage 1 Cultural Impact Assessment (CIA) report for Balmoral, assessing options for an integrated water quantity solution for the Hurunui catchment and the provision of irrigation water to Balmoral. Prepared on behalf of the Mana Whenua Working Party.

²³ Aunty Darcia Solomon, Interview on November 28, 2013.

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