

# SLM HILL COUNTRY EROSION FUND STAGE 1 APPLICATION FORM (2007/08)



*The purpose of the Stage 1 application is to determine the eligibility of proposals when evaluated against the eligibility criteria identified in the Stage 1 Evaluation Framework. Those applications that are deemed to meet the criteria and provide a strong case for further consideration will progress to the more detailed Stage 2.*

**The Stage 1 application must not exceed 10 pages.**

<b>1 PROJECT TITLE</b> [Maximum 10 words] Wellington Regional Erosion Control Initiative (WRECI)	
<b>2. APPLICANT NAME</b> Greater Wellington Regional Council	
<b>3. CONTACT DETAILS</b> Contact name: David Cameron Telephone: 06 370 5662 Fax: 06 378 2146 Email: dave.cameron@gw.govt.nz	Address: Greater Wellington Regional Council P.O.Box 41 Masterton

4. SLM HILL COUNTRY EROSION FUNDING REQUESTED (INC GST)				
2008/09	2009/10	2010/2011	2011/2012	Total Funding
\$289,688	\$407,813	\$492,188	\$492,188	<u>\$1,681,875</u>
Proposed start date: 1/7/2008		Proposed end date: 30/6/2012		

5. PROJECT TEAM COMPOSITION			
Designation	Name	Organisation/job	Phone/e-mail
Project manager	David Cameron	Manager, Land Management, Greater Wellington	06 370 5662
Member 1	Peter Gawith	Farmer, Chair Wairarapa Hill Country Advisory Committee	06 372 7743
Member 2	Emily Crofoot	Farmer, Member Wairarapa Hill Country Advisory Committee	06 372 6465
Member 3			
Financial manager	Stephen Hill	Divisional Accountant, Greater Wellington	06 370 5644
Science / technology / extension providers	Lachie Grant	LandVision, Land Management Consultants	021 526 478
Others: Doug Hicks??			

## 6. PROBLEM/OPPORTUNITY DESCRIPTION

Define the issue(s) being addressed and evidence of importance/scale and targeting of the funding.

The Wairarapa hill country is typical of the recent sedimentary landforms located along the east coast of the North Island and extending into Manawatu, Taranaki and Waikato regions. Both the Wairarapa Catchment Board and GW have been very active in working with landowners for the last 50 years to combat hill country erosion. Existing funding levels indicate a further 50 years before the majority of the land is protected. There is a clear need to accelerate the planning and implementation of this Farm Plan approach to hill country erosion. The recent heavy rainfall events in 2004, 2005 and 2006 have focussed the landowners on the issue of hill country erosion, as well as the downstream effects of sediment on water quality and flooding. The projects looks to build on the work completed to date and ensure that the farming future is based on sound sustainable land management practices. From an economic perspective there are clear regional and national benefits from maintaining a viable farming industry based on sound land management principles. Sediment modelling completed by Landcare Research shows that there are priority areas within the region. A catchment based approach is to be applied where target land will come under the management of Sustainability Plans. Hotspots outside the five selected catchments will be included where sediment loads exceed certain thresholds. Sustainability Plans will be prepared from project funding, implementation will be achieved using regional funding and landowner contribution. Additionally existing poplar and willow nurseries will be developed using irrigation to produce the required pole resources for the initiative.

## 7. EXPECTED OUTCOMES

What difference will the project make?

A number of outcomes can be expected from the project

1. The rate at which hill country erosion in the Wellington region is combated will be accelerated, achieving LTCCP objectives by 2030 and maintaining the productive capacity of the land.. The focus will be on the severely eroding land within the region.
2. Co-benefits of carbon sequestration, improved water quality, protection of infrastructure, increased resilience to climate change and reduced flooding will be realised.
3. The existing partnership approach using Sustainability Plans will be enhanced through increased funding from both regional and national partners.
4. Ongoing education and support will be realised for key communities within the region, including an increase in the number of poplar and willow poles available for planting on appropriate classes of land.

## 8. OVERVIEW OF ACTIVITY

Describe:

- the extent of existing or proposed regional land management programmes;
- the proposed activities for the SLM Hill Country Erosion Fund;
- how the application fits with the region(s) existing or proposed land management activities.

Currently there are 300 Farm Plans operating in the Wellington region. Of the 300 Farm Plans there are 27 Sustainability Plans. These existing Sustainability Plans have randomly targeted the highly eroding land. The HCE fund will be used to prepare 100 new Sustainability Plans on a priority catchment and isolated hotspot approach as defined by land use capability mapping and modelled sediment discharges. This will build on a proven, effective approach that will increase the rate of protection, and engage the landowner in long term sustainable solutions for their property. To meet the projected demands for poplar and willow poles a new irrigation system is proposed for GW's Akura nursery. Additional funds have been budgeted to utilise land associated with the Masterton District Council land based treated effluent disposal. A new nursery will be established on this site through a joint venture with MDC. The co-benefits of this venture will be further explained should a Stage 2 application eventuate.

## 9. SIGNIFANCE OF THE PROBLEM

*Refer to Eligibility Criteria E1 in the Evaluation Framework*

Does the problem :

- have significant or potential national effects;
- require solutions at a multi-regional level;
- affect an area of national significance?

The erosion, and the impacts off-site, that results from storm events leads to a number of significant negative effects. The erosion results in the loss of soil and productive capacity affecting regional GDP. Unchecked, this can in impact at the national level. Pasture production on slipped ground in a Wairarapa study indicated that pasture production takes 50 years to achieve 80% of the returns of unslipped ground. The problem severely affects at least 30,000 hectares within the Wellington region and has an impact on the local and regional economy. The Wairarapa hill country covers 40% of the Wellington region and is a very significant contributor to regional GDP.

Soil lost from the catchments is deposited in the lower reaches of rivers that often have ratepayer-funded flood and erosion control schemes. In two of the targeted catchments Catchment Control Schemes are operating and the movement of significant quantities of sediment threatens community assets and results in a significant loss of flood-carrying capacity. The local roading infrastructure servicing coastal tourism destinations is often disrupted during storm events e.g. Castlepoint, Cape Palliser. Erosion also affects farming infrastructure such as roads, culverts and fences. Repairs to structures such as these are very expensive.

## 10. BEYOND THE CAPACITY OF THE LOCAL GOVERNMENT

*Refer to Eligibility Criteria E2 in the Evaluation Framework*

Is the problem beyond the capacity of the local government because:

- of the sheer scale of the problem when considered on a total catchment basis;
- the region lacks the rating or other income;
- there is a lack of people and skills to implement a solution;
- the problem is longstanding and was inherited;
- other reasons?

Analysis of sediment models produced by Landcare Research shows that the Wellington region has 30,000 hectares of land producing more than 5,000 tonnes of sediment per km<sup>2</sup> per year. Sediment loads above this level are considered high on a national scale. 20,000 hectares of this target land lies within five catchments or is located within isolated hotspots. There is an additional 55,000 hectares in these priority catchments that are classified as producing moderate levels of sediment. There is clearly a need to accelerate the programme in these catchments.

Income within the region to tackle the issue is limited at the regional and severely limited at the farm level. Regional investment on WRECI is projected to total \$650,000 over the next four years. This represents a 45% increase in funding for all land management programmes. Landowner contribution is expected to total \$375,000 from the 100 new plans or \$3,750 per plan. In light of the present state of sheep and beef incomes this is a significant investment.

Land Management staff with GW currently totals 11. Four are directly involved with farm planning. To effectively manage 100 new plans one new staff member is required. The costs of this person will be shared between the HCE fund and GW. Skills within existing staff are very good and will be able to complement and support the new initiative.

GW prides itself on the progress made at the regional level since the demise of national grants in the late 1980's. Progress has been relatively slow but the framework exists to bring about quick and effective change. The problem has certainly been longstanding and to a degree has been inherited, however GW has invested at a level determined by other regional priorities such as Bovine Tb control, flood protection and regional transport.

## 11. QUANTIFY THE PROBLEM IN ENVIRONMENTAL AND ECONOMIC TERMS

*Refer to Eligibility Criteria E3 in the Evaluation Framework*

Clearly describe:

- a brief overview of the costs and benefits of the problem;
- the economic, social, cultural and environmental outputs and targeted outcomes.

**Note:** A detailed cost benefit analysis (NPV / I RR) is not required. A more detailed evaluation is required for Stage 2 applications.

Targeted catchments total 115,000 hectares (14% of the region). The focus within these catchments will be 20,000 hectares of the most severely eroding land. Traditional Farm Plans are currently operating on many properties within each selected catchment. New Sustainability Plans will provide more resource information, higher grant rates, and greatly assist decision making. Under existing funding the problem will take 50 years to combat. WRECI is likely to achieve the outcome by 2030.

Participation rates will be high as a result of existing relationships between landowners and GW providing the confidence in landowners to increase rates of land protection. 100 of the most severely eroding properties within the region will be targeted. The balance of properties operating Farm Plans will remain under a regionally funded programme, ensuring all properties within the region with a moderate or greater erosion problem will be under a farm plan.

The Upper Taueru is a major tributary of the Ruamahanga river and a significant reduction in sediment will produce improvement in water quality in a river system that has very high recreational, cultural, and habit values. Fully implemented Sustainability Plans will reduce sediment loads by up to 60%.

Investment by landowners is expected to be recouped by reduced on-farm costs and by increased production. Carbon credits are likely to offset the losses caused by the retirement of land. Benefits to the tax and rate payers include reduced erosion rates, minimising damage to infrastructure, reducing the costs of disaster relief,

## 12. CONSISTANCY WITH ACHIEVING GOVERNMENT'S DESIRED OUTCOMES

*Refer to Eligibility Criteria E4 in the Evaluation Framework*

Demonstrate that this application is consistent with Government's priorities for sustainable land management.

WRECI is closely aligned with or will give direct effect to the Governments sustainable land management outcomes.

1. Maintenance of the potential of the nations soil resources to achieve viable land use options for present and future generations
2. Adoption of management skills and application of appropriate technology to enable people and their communities to provide for their social and economic well-being
3. Adoption of management practices that maintain or enhance quality of waterways(both instream and offshore) with respect to suspended sediments, nutrients and other contaminants.
4. Avoidance, mitigation and remedying the impacts of land-related hazards including flooding subsidence and erosion
5. Maintenance of catchments to provide high quality water resources for downstream users and users of coastal spaces
6. Maintenance of cultural values associated with land and water
7. Maintenance of aesthetic, ecological and conservation values related to soil and water

### 13. SLM HILL COUNTRY EROSION PROPOSAL FUNDING – RELATIONSHIP WITH OTHER FUNDS

**Note:** All figures should be inclusive of GST.

**Note:** The table below is based on an Excel spreadsheet. To enter your figures, double click on the table. When you have completed the table, click outside the table to return to the application form.

<b>A. Cash Contributions</b>					
SLM: HCE Funds Requested (this fund)	\$289,688	\$407,813	\$492,188	\$492,188	\$1,681,877
Other Central Govt Funds: (name)					\$0
Other Funders (names):					
Greater Wellington	\$33,750	\$180,000	\$258,750	\$258,750	\$731,250
Landowners	\$0	\$84,375	\$168,750	\$168,750	\$421,875
Source 3:					\$0
<b>Total A: Total Cash (incl. GST)</b>	<b>\$323,438</b>	<b>\$672,188</b>	<b>\$919,688</b>	<b>\$919,688</b>	<b>\$2,835,002</b>
<b>B. In-Kind Contributions</b>					
Contributors (names):					
Greater Wellington	\$20,000	\$20,000	\$20,000	\$20,000	\$80,000
100 Landowners (25 per year)	\$7,500	\$7,500	\$7,500	\$7,500	\$30,000
Contributor 3:					\$0
<b>Total B: Total In-Kind (incl. GST)</b>	<b>\$27,500</b>	<b>\$27,500</b>	<b>\$27,500</b>	<b>\$27,500</b>	<b>\$110,000</b>
<b>Total C: Total Contributions (incl. GST)</b>	<b>\$350,938</b>	<b>\$699,688</b>	<b>\$947,188</b>	<b>\$947,188</b>	<b>\$2,945,002</b>

### 14. STATUS OF CASH CONTRIBUTIONS

Source	Confirmed Yes/No	Pending Yes/No	In Discussion Yes/No
Other Central Government Funds:			
Source 1: Greater Wellington -cash		Yes	
Source 2: Greater Wellington - inkind	Yes		
Source 3: Landowners		Yes	

### 15. APPLICATION CONFIRMATION

**Duly authorised agent of the community of interest / applicant group:**      **Name: David Cameron**      **Date: 8 February 2008**

By completing and submitting this application, the agent certifies and understands that:

1. all information provided is up to date, true and correct;
2. the project is believed to be eligible for a SLM Hill Country Erosion grant;
3. if a grant is given, a contract will be entered between the Applicant/Grantee and the Crown;
4. summary information about the application and any resulting grant (including applicant name, project title, and a précis of the proposal, its progress and results) may be made publicly available.;
5. the signatory has the authority to commit the Applicant / Grantee to this application / contract; and
6. the assessment of projects will be a subjective and relative process, and that MAF has final decision-making authority in this process.

Please email this application to: [john.greer@maf.govt.nz](mailto:john.greer@maf.govt.nz) by **Thursday 13 December 2007**  
No other attachments will be considered, nor will applications be accepted if received after this date.

**For any further queries please phone 03 943 1706.**