

1. Right Tree Right Place

This pilot programme aims to transform the region over time by cloaking our eroding hillsides, storing carbon and improving water quality.

The Regional Council is on a mission to reduce Hawke’s Bay’s significant erosion challenges.

Erosion is a natural process, however human activity has accelerated the scale and rate of erosion. Around 250,000 hectares of Hawke’s Bay land is highly-erodible and vulnerable. We are already working to reduce erosion through our incentivised Erosion Control Scheme, but it’s not enough.

We want to partner with private landowners, investors and forestry companies to offer a tree-planting solution on marginal farmland that also preserves farm viability for the sheep and beef industry. This is to show farmers and other investors an economically viable alternative to whole farm afforestation.

We know that putting the right trees in the right places is the best way to slow erosion, transform freshwater quality and protect our biodiversity.

We propose to pilot this new programme on 3-5 farms to fully understand the details involved in set-up costs, partnership and delivery options.

Under this trial, we would offer a loan to landowners to plant trees on their erodible land. Mānuka, honey and timber are being considered, having the greatest potential to deliver a return and offset loan repayments.

In a sense this project is about returning a cloak or korowai to our eroding hillsides. This does not mean planting pine trees all over our productive farmland. Instead it is about balancing the right actions and outcomes for farmers, rural communities, Tangata Whenua and our region as a whole.

This concept has already attracted significant private investor interest. The Regional Council is in the position to stimulate market investment in this targeted planting programme on erodible land, and this will be critical to achieving our strategic goal of all erodible land being under cover by 2050.

If the pilot is successful, this scheme may expand considerably. As this is a region-wide transformational project, it is our preference to fund the trial through returns from our reserves. If successful, the development costs of the trial will be reimbursed to our reserves.

OPTION 1 (preferred option)	OPTION 2	OPTION 3
<p>Fund the development and pilot of Right Tree Right Place paid for through reserves, to the value of \$2.14 million (operating) and the capital expenses of \$2.62 million (capital) funded by the recipients.</p> <p>Impact on levels of service: Improve water quality through reduced sediment load into waterways.</p> <p>Total cost: \$4.8 million over 3 years.</p>	<p>Fund the development and pilot of Right Tree Right Place paid for through rates, to the value of \$2.14 million (operating) and the capital expenses of \$2.62 million (capital) funded by the recipients.</p> <p>Impact on levels of service: Improve water quality through reduced sediment load into waterways.</p> <p>Total cost: \$4.8 million over 3 years.</p>	<p>Status quo – no pilot of the Right Tree Right Place approach.</p> <p>Impact on levels of service: No change</p> <p>Total cost: Nil</p>
<p>Impact on rates: Nil</p>	<p>Impact on rates: additional to rates increase Year 1 \$474,000 1.9% increase Year 2 \$706,000 2.4% increase Year 3 \$968,000 2.9% increase</p>	<p>Impact on rates: Nil</p>
<p>Impact on debt: \$2.62 million over the first 3 years paid for by recipients.</p>	<p>Impact on debt: \$2.62 million over the first 3 years paid for by recipients.</p>	<p>Impact on debt: No impact</p>