

Crown Pastoral Land Tenure Review

Lease name: DUNSTAN
DOWNS

Lease number: Po019

Summary of Preliminary Proposal

A Preliminary Proposal is advertised for public submissions as per Section 43 of the Crown Pastoral Land Act 1998.

The report attached is released under the Official Information Act 1982.

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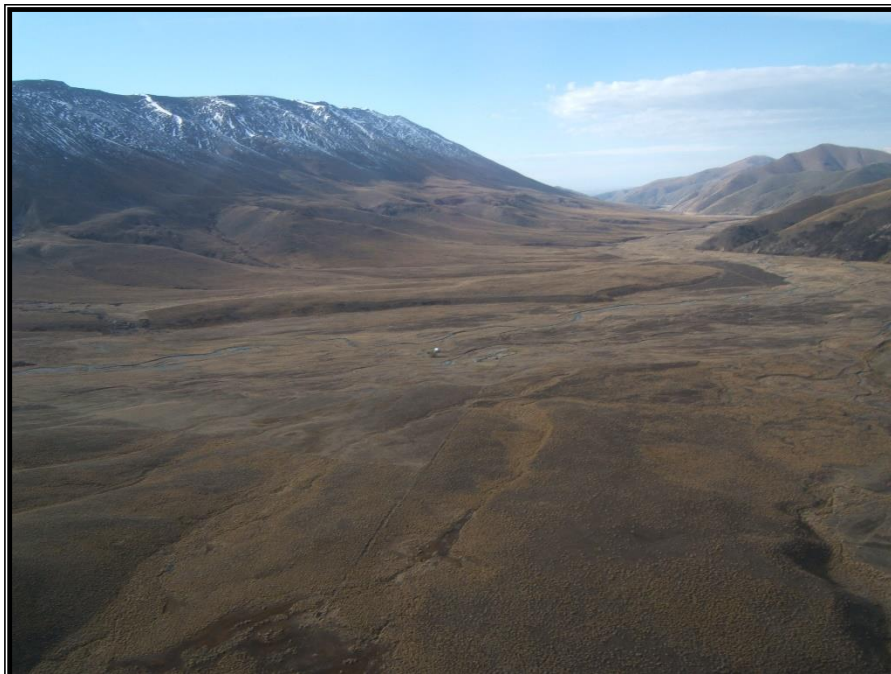
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TENURE REVIEW

DUNSTAN DOWNS

SUMMARY OF PRELIMINARY PROPOSAL

September 2020



SUMMARY OF THE PRELIMINARY PROPOSAL FOR TENURE REVIEW OF DUNSTAN DOWNS PASS PASTORAL LEASE UNDER THE CROWN PASTORAL LAND ACT 1998

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1. ***Details of land under consideration:***

Pastoral lease:

File Ref: 12432 (Po019)

Lease Name: Dunstan Downs

Lessee: Dunstan Down Limited

Location: State Highway 8, Lindis Pass

Record of Title: OT338/47

Legal Description: Part Run 201A, situated in Ahuriri, Hawkdun, Lindis, Longslip and St Bathans Survey Districts, Section 4 SO Plan 23073 and Section 2, Block 16 Longslip Survey District

Area: 12,351.3705 hectares more or less

Local Authorities: Waitaki and Otago District Councils

Term of Lease: 33 years from 1 July 1984



2. **Description of proposed designations:**

The front country of Dunstan Downs lies within the Longslip Creek catchment, a tributary of the Ahuriri River in the Waitaki River system. The back country lies in the Dunstan Creek catchment, a tributary of the Manuherikia River in the Clutha River System.

The proposed designations described below recognise this diversity and also the strategic location of the property adjoining the Oteake Conservation Park and conservation areas resulting from tenure reviews at Killermont and Twin Peaks to the east. To the west the property adjoins conservation areas arising from the Morven Hills tenure review and conservation covenants created from the historic reviews in the Lindis Valley. Linkages are provided to the Lindis Pass Scenic Reserve and conservation areas extending to the Main Divide.

2.1 **An area of approximately 800ha (labelled CA1, shaded pink on the plan attached as Appendix 2) to be restored to full Crown ownership and control as a conservation area pursuant to Section 35(2)(a)(i) Crown Pastoral Land Act.**



This area includes the upper slopes of the Wether Range. The land rises in altitude from 1000 metres at McLays Creek to 1747 metres on the Wether Range.

This is the northern extension of other areas designated for either restoration to the Crown or as freehold subject to conservation covenants. This area contains significant inherent values primarily related to the natural vegetation which is in good to excellent condition with a good diversity of plant communities and species on a range of aspects and altitudes. The vegetation ranges from shrublands and short tussock grasslands through snow tussock and mountain fescue tussock grasslands, screes, boulderfields and fellfield communities.

The main significance of the area relates to it forming part of a much larger area being contiguous with the proposed conservation area with GC1 and GC2 to the south also existing and proposed conservation land to the east. The Wether Range is contiguous with the Dunstan Range and the St Bathans Range. The area is also significant as being the linkage between the Waitaki and Central Otago Ecological Regions.

It also contains significant landscape values and is highly visible from SH8.

The area is already fenced with stock excluded in recognition of the altitude and sensitivity of this area.

2.2 An area of approximately 200ha (labelled CA2, shaded pink on the plan attached as Appendix 2) to be restored to full Crown ownership and control as a conservation area pursuant to Section 35(2)(a)(i) Crown Pastoral Land Act.

This area is an adjunct to the area described in 2.4 below and includes a continuation of the tussock grasslands at altitudes between 1140 metres in the southern corner to 1780 metres adjacent to Old Man Peak. The area is fenced with the adjacent Morven Hills pastoral lease (proposed conservation area under a recently accepted substantive proposal for tenure review).

2.3 An area of approximately 5,356ha (labelled CA3, shaded pink on the plan attached as Appendix 2) to be restored to Crown control as a conservation area pursuant to Section 35(2)(b)(i) Crown Pastoral Land Act subject to a qualified designation.



This area includes the western faces of the Wether and St Bathans Ranges, the crest and eastern faces of the Dunstan Range and the upper reaches of the Dunstan Creek Catchment. The land rises in altitude from 920 metres in Dunstan Creek to 1826 metres at Old Man Peak and 2098 metres on the St Bathans Range.

The vegetation ranges from shrublands and short tussock grasslands in the valley floors through good snow tussock and mountain fescue tussock grasslands, cushion field communities, screes, boulderfields and fellfield communities, and including montane bogs and wetlands with areas of sub-alpine shrublands.

Four threatened species were observed in the alpine area with a further species likely to be present. The species noted include the scree buttercup (*Ranunculus haastii*) the native dwarf broom (*Carmichaelia vexillata*), the coral broom (*Carmichaelia crassicaule*) and the tiny sedge (*Carex capillacea*). It is considered that the scree pea (*Montigena novae-zelandiae*) is likely to be present. In addition this is the site type locality for a whip cord daisy (*Raoulia petriensis*). The area is also significant as being the linkage between the Waitaki and Central Otago Ecological Regions.

Significant inherent values in the valleys include:

- *Olearia* shrublands with high faunal values

- A tiny sedge (*Carex capillacea*) which is listed as "declining" in the Threatened and uncommon plants list is found in the lower reaches of Dunstan Creek.
- There are scattered populations of the naïve dwarf broom (*Carmichaelia vexillata*) (status vulnerable) and coral broom (*Carmichaelia crassicaule*) (status declining) found in the area
- The area provides a remote experience for recreational users.

From a landscape perspective this area sustains a special natural quality and integrity in relation to the high-country landscape. The area is considered to have a high degree of naturalness, intactness, coherence and legibility and is a large and integral part of the distinctive transitional landscape of the central-North Otago and South Canterbury. The St Bathans Range is one of the two major ranges that form this area. The wider area including the Dunstan Creek valley is visually impressive and has a memorable landscape character. This is due to its scale, its dramatic landforms (*especially the St Bathans Range, the summit areas the cirque basins, the skewed knobs and mid-slope shoulder*), and its homogeneity. The St Bathans Range is an impressive mountain range providing a backdrop to views from the Upper Clutha basin and particularly from viewpoints along State Highway 6 and 8. The Lindis Pass highway adjoins this lease and provides the opportunity to appreciate the impressive landscape of the northern flanks of the northern and western flanks of the Dunstan Range.

The St Bathans Range provides a dramatic and remote environment for recreational users including day walks, extended remote tramping, mountain bike and horse riding trips, cross-country skiing and ski touring in winter and the more passive pursuits such as fishing, photography, botanising and bird watching. The use of this area has been limited in the past due to the remoteness and the distances involved in gaining access.

In summary much of the significance of this area is from the scale of the landscape involved. This includes the vegetation and geological features.

2.3.1 Qualified Designation:

The proposed conservation area is subject to an easement concession pursuant to Section 36(1)(a) Crown Pastoral Land Act 1998. A draft concession document is included in the proposal document in Appendix 3.

Access is required across CA3 to gain access to the grazing concession over GC2.

The proposed terms of the concession are:

- a. The Concessionaire may pass over the easement with or without vehicles, sheep, horses, dogs and sheep.
- b. The Concessionaire may maintain the surface of the easement to a standard to allow safe passage, but may not alter the alignment of the track within the easement.
- c. The Concessionaire may carry firearms on the easement for pest control with grazing concession GC2 and other legitimate farm management purposes.

2.4 **An area of approximately 850ha (labelled GC1, edged and hatched pink on the plan attached as Appendix 2) to be restored to Crown control as a conservation area pursuant to Section 35(2)(b)(i) Crown Pastoral Land Act subject to qualified designations.**



This area encompasses the upper catchment of McLays Creek extending onto the crest of the Dunstan Range which is the division between the Waitaki and Clutha catchments.

The significant inherent values for this area are as previously described in 2.1 above for conservation area CA1 and the linkage between this area and Dunstan Creek with a transition into the values described in 2.5 below. The separate designation in this case is only to facilitate a period of phase out sheep grazing by the current holder.

2.4.1 Qualified Designation:

The proposed conservation area is subject to a grazing concession pursuant to Section 36(1)(a) Crown Pastoral Land Act 1998. A draft concession document is included in the proposal document in Appendix 3.

The significant inherent values described above will be best managed by the removal of grazing allowing growth and recruitment. It is however recognised that tenure review will significantly impact on the current farming operation. Therefore a grazing concession is proposed to allow time to restructure the farming operation, but also achieve the protection of the SIVs.

The proposed terms of the concession are:

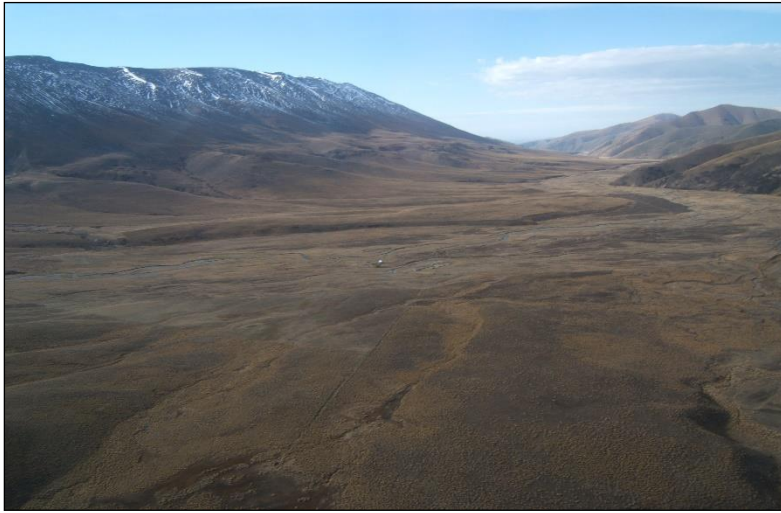
- a. Term 15 years from the registration of a s.61 notice under the CPLA.
- b. The land may be grazed by sheep only at not more than 100 stock units on an annualised basis.
- c. The Minister may monitor the effects of grazing on the land.

2.4.2 Qualified Designation:

The proposed conservation area is subject to the continuation of an existing easement in favour of the New Zealand Police pursuant to Section 36(3)(c) Crown Pastoral Land Act 1998. A copy of the easement document is included in the proposal document in Appendix 3.

This easement is over part of a route that utilises an existing farm track from McLays Creek to Police land at Old Man Peak.

2.5 An area of approximately 2,330ha (labelled GC2, hatched pink on the plan attached as Appendix 2) to be restored to Crown control as a conservation area pursuant to Section 35(2)(b)(i) Crown Pastoral Land Act subject to a qualified designation.



This area includes the valley floor of the Dunstan Creek Catchment that is within Dunstan Downs, other than the upper reaches that are in CA3 described above. The land rises in altitude from 775 metres in the lower reaches of Dunstan Creek to approximately 1200 metres where it adjoins CA3 described above.

The vegetation ranges from shrublands and short tussock grasslands in the valley floors through good snow tussock and mountain fescue tussock grasslands on the hill slopes with areas of sub-alpine shrublands in some of the gullies.

The area is significant as being the linkage between the Waitaki and Central Otago Ecological Regions.

The valley floor is a broad montane valley which has been assessed by the Department of Conservation as being of high natural value due to having a good diversity of plant communities and species and natural integrity. Significant inherent values include:

- *Olearia* shrublands with high faunal values
- A tiny sedge (*Carex capillacea*) which is listed as "declining" in the Threatened and uncommon plants list is found in the lower reaches of Dunstan Creek.
- There are scattered populations of the naïve dwarf broom (*Carmichaelia vexillata*) (status vulnerable) and coral broom (*Carmichaelia crassicaule*) (status declining) found in the area
- The area provides a remote experience for recreational users.

From a landscape perspective this area sustains a special natural quality and integrity in relation to the high country landscape. The area together with the adjacent ranges in CA3 described above, is considered to have a high degree of naturalness, intactness, coherence and legibility and is a large and integral part of the distinctive transitional landscape of the central-North Otago and South Canterbury. The St Bathans Range is one of the two major ranges that form this area. The Dunstan Creek valley is visually impressive and has a memorable landscape character. This is due to its scale, its dramatic landforms.

The valley provides a dramatic and remote environment for recreational users including day walks, extended remote tramping, mountain bike and horse riding trips, cross-country skiing and ski touring in winter, valley walking and the more passive pursuits such as fishing, photography, botanising and bird watching. The use of this area has been limited in the past due to the remoteness and the distances involved in gaining access.

In summary much of the significance of this area is from the scale of the landscape involved. This includes the vegetation and geological features.

2.5.1 Qualified Designation:

The proposed conservation area is subject to a grazing concession pursuant to Section 36(1)(a) Crown Pastoral Land Act 1998. A draft concession document is included in the proposal document in Appendix 3.

The significant inherent values described above in 2.5 will be best managed by the removal of grazing allowing growth and recruitment. It is however recognised that tenure review will significantly impact on the current farming operation. Therefore a grazing concession is proposed to allow time to restructure the farming operation, but also achieve the protection of the SIVs.

The proposed terms of the concession are:

- a. Term 10 years from the registration of a s.61 notice under the CPLA.
- b. The land may be grazed with sheep only with not more than 1,500 ewes for two months per annum in the "Bottom Dunstan Block".
- c. The concessionaire may use the huts and woolshed on The Land during the term of the concession.
- d. The Minister may monitor the effects of grazing on the land.

Both concessions GC1 and GC2 provide for the grazing of sheep only, within specified timeframes and stock limitations. The concessions also make provision for the concessionaire to use the huts and woolshed located within these areas and provide for monitoring of the effects of sheep grazing.

2.6 An area of approximately 2,815ha (shown shaded green and yellow on the plan attached as Appendix 2) to be disposed of by freehold disposal to Dunstan Downs Limited pursuant to Section 35(3) CPL Act subject to protective mechanisms and a qualified designation:

This area is the balance of the pastoral lease. It includes the lower hill slopes in the Longslip Creek catchment of the property. The proposed freehold lies in an altitude range from 600 metres at the homestead to 1464 metres on the crest of the hill behind the homestead and extending to 1826 metres at Old Man Peak. Most of the area lies below an altitude of 1100 metres. The proposed freehold extends to the top of Old Man Peak as the landscape implications and practicalities of subdividing this area from the lower altitude are unacceptable.

This area has been extensively modified for farming use with much of the land below 1000 metres having been oversown and topdressed. The upper reaches of the land are not directly suited to oversowing and topdressing but are part of a contiguous landform for inclusion in the same fenced area.

Significant inherent values, particularly in relation to landscape exist between McLays Creek and the Lindis Highway (see CC2). The McLays Creek catchment also includes remnant lowland shrublands that represent the plant community which was once much more widespread in this locality. They include a remnant *Podocarp* forest with Halls totara and mountain toatoa (see CC1). The valley floor shrublands include a range of *Olearia* species which have high values for an invertebrate fauna. Included in the *Olearia* shrubland are the rare plants *Olearia fimbriata* (declining) and *Coprosma intertexta* (uncommon).

These values can be adequately protected through covenants and these are the preferred mechanisms.

2.6.1 Protective Mechanism:

The proposed freehold is subject to a conservation covenant over an area of approximately 30 hectares (shown as yellow shading and labelled CC1 on the plan attached as Appendix 2) pursuant to Sections 40(1)(b), 40(2)(a) and 40(2)(b) Crown Pastoral Land Act 1998. A draft covenant document is included in the proposal document in Appendix 3.



This area adjacent to McLays Creek includes a remnant lowland shrubland that represents the plant community which was once much more widespread in this locality. It includes a remnant *Podocarp* forest with Halls totara and mountain toatoa.

This is a discrete area that is largely inaccessible to stock and therefore does not require fencing. It does however require protection from deliberate disturbance with a covenant as the appropriate for of protection.

The terms of the proposed covenant are:

- a. No new structures to be erected within the covenanted area.
- b. No tree planting to be permitted.
- c. No clearing of vegetation.
- d. No burning would be permitted.
- e. No stock to be deliberately grazed within the covenanted area.
- f. Access by DOC staff to the covenanted area for management purposes across the adjacent land.

2.6.2 Protective Mechanism:

The proposed freehold is subject to a conservation covenant over an area of approximately 865ha (shown as yellow shading and labelled CC2 on the plan attached as Appendix 2) pursuant to Sections 40(1)(b), 40(2)(a) and 40(2)(b) Crown Pastoral Land Act 1998. A draft covenant document is included in the proposal document in Appendix 3.



This area contains open space, landscape and indigenous vegetation values. It retains a high degree of naturalness and is a visible and visually significant part of the SH8 corridor in the Lindis Pass. Although modified, over-sown and top-dressed, this covenant serves to protect the landscape from wholesale earth or vegetation removal.

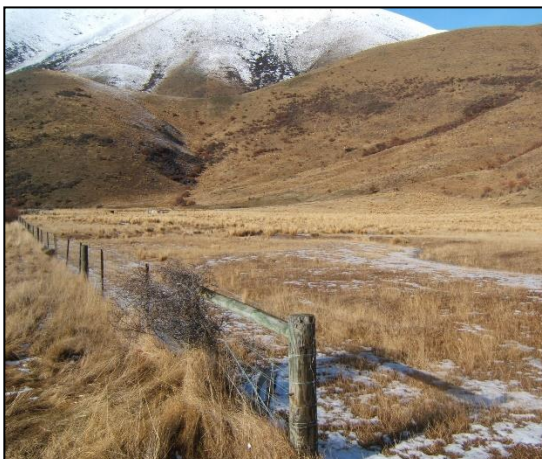
Old Man Peak is within the covenanted area. The separation of this from adjacent lands would cause an unacceptable disruption to the landscape. The upper levels of Old Man Peak comprise stable scree with a range of associated flora and fauna and the nature of this land is such that it is at little risk from continued pastoral use.

The terms of the proposed covenant are:

- a. No new structures to be erected within the covenanted area.
- b. No tree planting to be permitted.
- c. No burning to be permitted.
- d. The holders to have the right to maintain existing vehicle tracks within the covenanted area.
- e. The holders to have the right to oversow and topdress within the covenanted area.
- f. The grazing of the land by sheep and cattle.
- g. A programme of monitoring may be undertaken.

2.6.3 Qualified Designation:

The proposed freehold is subject to an easement for public foot and mountain bike access (shown as a dashed orange line and labelled "a-b" on the plan attached as Appendix 2) and conservation management access (shown as a dashed orange line and labelled "a-b" and "e-f" on the plan attached as Appendix 2) pursuant to Section 36(3)(b) Crown Pastoral Land Act 1998. A draft easement document is included in the proposal document in Appendix 3.



The public access route "a-b" would commence at a new carpark adjacent to SH8 and follow the outer edge of a set of sheep yards before climbing to a low saddle. This would give direct access to the boundary of proposed conservation land in McLays Creek. From here access could be gained up the leading ridge and over the tops to Dunstan Creek, onto the Wether Range or into the McLays Creek valley. On the Wether Range this would provide a potential route to the North connecting to SH8 via an existing easement on the Killermont-Dunstan Downs Boundary. In the other direction routes are available into the Lindis Valley or back to SH8 at the Lindis Pass.

The conservation management access "e-f" follows an existing farm track adjacent to McLays Creek into the conservation area. A locked gate will control access. This route is unsuitable for public access as the exit point from SH8 is in a dangerous location and would not comply with traffic safety requirements.

Access was also considered on the access track put in by New Zealand Electricity Department to access the transmission lines from State Highway 8 and also the mountain track leading to Old Man Peak. This route is not recommended as there would be direct conflict between public use of this track by recreational users and farm management, Transpower and the NZ Police. Vehicle use in particular is not appropriate as the track is steep and narrow creating a significant public risk issue if inexperienced drivers were utilising this track. There is also a significant climatic risk as the track is not accessible seven months of the year. If any use of the track is contemplated in the future this would be best done by individual users directly making arrangements directly with the landholder.

2.6.4 Qualified Designation – Existing Easements

The proposed freehold area is subject to the continuation of existing easements in favour of Telecom and the New Zealand Police pursuant to Section 36(3)(c) Crown Pastoral Land Act 1998. A copy of the easement documents is included in the proposal document in Appendix 4.

The Telecom easement follows a Transpower access track from State Highway 8 to the Morven Hills Boundary.

The Police easement is over part of a route that utilises an existing farm track from McLays Creek to Police land at Old Man Peak.

3. Discussion of proposed designations in relation to the objects of Part 2 CPL Act:

The objects of Part 2 of the CPL Act are set out in section 24 Crown Pastoral Land Act 1998:

24. Objects of Part 2 - *The objects of this part are-*

(a) *To-*

- (i) *Promote the management of reviewable land in a way that is ecologically sustainable;*
- (ii) *Subject to subparagraph (i), enable reviewable land capable of economic use to be freed from the management constraints (direct and indirect) resulting from its tenure under reviewable instrument; and*

(b) *To enable the protection of significant inherent values of reviewable land -*

- (i) *By the creation of protective mechanisms; or (preferably)*
- (ii) *By the restoration of land to full Crown ownership and control; and*

(c) *Subject to paragraphs (a) and (b), to make easier -*

- (i) *The securing of public access to and enjoyment of reviewable land; and*

(ii) The freehold disposal of reviewable land.

The designations proposed in this report represent one of a number of scenarios that would meet the objects of the Part 2 of the CPL Act. The boundaries adopted reflect both the advice received on the significant inherent values and the other objects.

3.1 Promote the management of reviewable land in a way that is ecologically sustainable:

It is expected that the vegetation on the proposed conservation land (CA1, CA2, CA3, GC1 and GC2) will increase in vigour and stature with the progressive removal of grazing livestock.

It is also anticipated that the proposed freehold land is capable of maintaining pastoral use in an ecologically sustainable manner. While there are small areas of relatively high altitude land (*up to 1826 metres*) these are relatively small in area and fencing these from the balance of the blocks of which they form part would have an unacceptable landscape impact and be technically challenging. With the lower country being oversown and topdressed it is anticipated that most stock will favour this improved vegetative cover. These areas are subject to a covenant to manage any adverse effects.

3.2 Economic Use:

This run property is a complex and integrated unit. As it is long and narrow it poses significant management requirements, however these are justified in terms of the overall balance of the unit. On this basis it is believed that the entire property is capable of economic use with each component part filling its relative purpose. On a more micro scale it is however recognised that the higher altitude lands (*above 1250 metres*) have limited capability in their own right of sustaining economic use. Much of this land has very limited vegetative cover meaning it only contributes on the margins of the enterprise. There is however a recognised difficulty in separating these areas without a significant impact on the landscape and a significant engineering issue in relation to securing fences.

Other economic uses identified for this land include the existing communications site on the top of Old Man Peak and the opportunity for eco-tourism.

Whilst recognising the capability for economic use, much of the land contains significant inherent values and it has been considered desirable to restore key areas to full Crown ownership and control. Covenants are utilised where it is considered that ongoing economic use can be maintained while protecting SIVs.

3.3 Protection of significant inherent values of reviewable land by the creation of protective mechanisms; or (preferably) by the restoration of land to full Crown ownership and control:

The Conservation Resources Report prepared for Dunstan Downs identified the entire Dunstan Creek catchment and all the higher altitude lands in the Longslip Creek catchment as containing significant inherent values.

Much of this inherent value is in the scale of the landscape and the transitions that occur within the vegetation types. There is limited site specific information and a number of very generalised statements. The designations proposed in this report provide protection for virtually all the land with significant inherent values that was identified by the Department of Conservation. The exception is a small area of hill above the homestead.

The preference of restoration to full Crown ownership and control for the inherent values has been pursued where appropriate. Short term grazing concessions are proposed over portions of the conservation area to allow changes to be made to the farming operation. In total some 77% of the lease will be restored to Crown ownership. Covenants covering a further 7% of the lease are used

where it is considered ongoing economic use is compatible with the protection of SIVs (particularly landscape related SIVs) and/or areas of higher altitude land cannot be easily separated from lower farm land.

3.4 The securing of public access to and enjoyment of reviewable land:

Public access is well provided for within the recommended proposal. This includes a proposed route off SH8 south of McLays Creek to the Wether and Dunstan Ranges. This in turn provides access within the public conservation lands to be established from this review and beyond that to Oteake Conservation Park and other conservation areas. It is the final part of a link from Danseys Pass to the Main Divide. Public access is also available into the Dunstan Creek via existing easements from the Lindis Valley.

4WD access has not been provided as public use of the only available access route would create conflict with existing uses including the farming operation, the maintenance of the Transpower transmission line and the police communications site. There is also an issue of public safety which would mean it is not desirable to allow inexperienced drivers on these tracks.

3.5 The freehold disposal of reviewable land:

Only 23% of the property is available for freehold disposal. This is the residual area after the recognition of the most significant inherent values. Of the proposed freehold 32% will be subject to conservation covenants protecting further SIVs and to promote the management of the land in a manner that is ecologically sustainable. The proposal therefore meets this object of the CPLA.

3.6 Section 25 Crown Pastoral Land Act 1998:

The Commissioner of Crown Lands has obtained a Cultural Values Report from Te Rūnanga o Ngai Tahu and will consult with iwi on the preliminary proposal.

Existing easements are in place protecting the interests of Telecom and NZ Police.

No other Crown purposes have been identified for this land.

APPENDIX 1:

Copy of public notice

Refer to the Land Information NZ website here <https://www.linz.govt.nz/crown-property/crown-pastoral-land/status-and-location-crown-pastoral-land/dunstan-downs> for a copy of the public notice

APPENDIX 2:

Proposed designations plan

Refer to the Land Information NZ website here <https://www.linz.govt.nz/crown-property/crown-pastoral-land/status-and-location-crown-pastoral-land/dunstan-downs> for a copy of the designations plan

APPENDIX 3:

Preliminary Proposal - including proposed concession, covenant and easement documents

Refer to LINZ website here <https://www.linz.govt.nz/crown-property/crown-pastoral-land/status-and-location-crown-pastoral-land/dunstan-downs> for a copy of the Preliminary Proposal