

Council Meeting Agenda - 29 September 2021

Meeting will be held in the Council Chamber at Level 2, Philip Laing House
144 Rattray Street, Dunedin



Members:

Cr Andrew Noone, Chairperson	Cr Carmen Hope
Cr Michael Laws, Deputy Chairperson	Cr Gary Kelliher
Cr Hilary Calvert	Cr Kevin Malcolm
Cr Michael Deaker	Cr Gretchen Robertson
Cr Alexa Forbes	Cr Bryan Scott
Hon Cr Marian Hobbs	Cr Kate Wilson

Senior Officer: Sarah Gardner, Chief Executive

Meeting Support: Dianne Railton, Governance Support Officer

29 September 2021 01:00 PM

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1. APOLOGIES No apologies were noted at the time of publication of the agenda.	
2. PUBLIC FORUM Requests to speak should be made to the Governance Support team on 0800 474 082 or to governance@orc.govt.nz at least 24 hours prior to the meeting; however, this requirement may be waived by the Chairperson at the time of the meeting. No requests were received prior to publication of the agenda.	
3. CONFIRMATION OF AGENDA Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.	
4. CONFLICT OF INTEREST Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.	
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That the Council excludes the public from the following part of the proceedings of this meeting (pursuant to the provisions of the Local Government Official Information and Meetings Act 1987), namely:		
<ul style="list-style-type: none">- Minutes of the 25 August 2021 public-excluded Council Meeting- RPS Hearing Panels Paper #3		
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11.	CLOSURE	



Minutes of an ordinary meeting of Council held
via zoom/livestream
Wednesday 25 August 2021 at 1:00 PM

Membership

Cr Andrew Noone *(Chairperson)*
Cr Michael Laws *(Deputy Chairperson)*
Cr Hilary Calvert
Cr Alexa Forbes
Cr Michael Deaker
Hon Cr Marian Hobbs
Cr Carmen Hope
Cr Gary Kelliher
Cr Kevin Malcolm
Cr Gretchen Robertson
Cr Bryan Scott
Cr Kate Wilson

Welcome

Chairperson Noone welcomed Councillors, members of the public and staff to the meeting at 1:02 pm. Staff present included Sarah Gardner (Chief Executive), Nick Donnelly (GM Corporate Services), Gwyneth Elsum (GM Strategy, Policy and Science), Gavin Palmer (GM Operations), Richard Saunders (GM Regulatory and Communications), Amanda Vercoe (GM Governance, Culture and Customer), Dianne Railton and Liz Spector (Governance Support), Anita Dawe (Manager Policy and Planning), Anna Ferguson (Senior Analyst Freshwater and Land), Warren Hanley (Senior Resource Planner Liaison), Jean-Luc Payan (Manager Natural Hazards), Andrea Howard (Manager Environmental Implementation), David Randal (Buddle Findlay) and Miles O'Connell (Bancorp).

1. APOLOGIES

No apologies were received.

2. PUBLIC FORUM

There were four requests to speak at Public Forum.

Mayor Tim Cadogan, Central Otago District Council, spoke about the Manuherehia Minimum Flow. He said he came to the forum to make it clear to Councillors that neither he nor his Council have ever stated or endorsed a preferred minimum flow, saying that he agreed with DOC's reasoning that science is important and the paramount importance of native fisheries.

Adam Currie shared a video montage by put together by Generation Zero, regarding the Manuherehia River, expressing their concern with delaying setting a minimum flow rate.

Phil Murray, Chair, Central Otago Environmental Society (COES), spoke to the Manuherehia FMU Plan Provisions and the proposed notice of motion of Cr Noone as published in the agenda. He said that COES is confident that ORC has the science to set a minimum flow and sees the proposed motion as a way of avoiding making what is an urgent decision.

Rick Zwaan, Forest and Bird Otago & Southland Regional Conservation Manager, said Forest and Bird have been involved with Manuherehia issues for a number of years, with a particular focus on galaxiids. He said there have been a robust number of studies which indicate higher flows are needed to bring health to the river. Mr Zwaan answered questions from Councillors.

3. CONFIRMATION OF AGENDA

Chair Noone advised he would move consideration of the Notice of Motion on Manuherehia Flows to Item 7.1, Manuherehia FMU Plan Provisions. He also foreshadowed he would be making a statement and motion on the Manuherehia FMU Plan Provision report after staff had responded to questions about the report. He stated his proposed motion had had been circulated to Councillors.

Cr Noone also advised Item 7.9 CE Performance Panel would be withdrawn as Cr Forbes had requested to remain on the committee.

4. CONFLICT OF INTEREST

Cr Kelliher advised he had a conflict of interest for the Manuherehia reports and declared he would sit back during consideration of items 7.1 and 7.2.

5. CONFIRMATION OF MINUTES

Resolution: Cr Wilson Moved, Cr Calvert Seconded

That the minutes of the (public portion of the) Council meetings held on 16 June 2021 and 23 June 2021 be received and confirmed as a true and accurate record.

MOTION CARRIED

6. ACTIONS (STATUS OF COUNCIL RESOLUTIONS)

The status report on the resolutions of the Council Meeting was reviewed.

7. MATTERS FOR CONSIDERATION

7.1. Manuherekia FMU Plan Provisions

Cr Kelliher sat back for this item due to a conflict of interest.

The report was provided to note preferred irrigation season minimum flows for the Manuherekia rohe, part of the Clutha Mata-au Freshwater Management Unit, that will be included in the proposed Land and Water Regional Plan when it is notified in 2023. Gwyneth Elsum (General Manager Strategy, Policy and Science), Sarah Gardner (Chief Executive), Anita Dawe (Manager Policy and Planning) and Anna Ferguson (Senior Analyst Freshwater and Land) were present to speak to the report and respond to questions.

Following questions of staff, Chair Noone spoke to the motion he had earlier foreshadowed. Cr Hobbs then foreshadowed that she would move one of the staff recommendations should that motion fail. Cr Scott attempted to move the staff recommendation. The Chair declined to accept Cr Scott's motion and continued making his motion. Cr Scott then moved a procedural motion:

Cr Scott Moved, Cr Forbes Seconded

That the Chairman's ruling be disagreed with.

A division was called:

Vote

For:	Cr Deaker, Cr Forbes, Cr Hobbs, Cr Robertson and Cr Scott
Against:	Cr Calvert, Cr Hope, Cr Laws, Cr Malcolm, Cr Noone and Cr Wilson
Abstained:	Nil

MOTION LOST, 5 for and 6 against

Cr Scott asked for the letter sent to the Minister to be tabled and advised that he would leave the meeting for the remainder of this item. Chair Noone advised that the letter had been circulated to Councillors.

Cr Scott left the meeting at 3:20 pm.

After lengthy debate on delaying setting minimum flow levels to allow further scientific work from the Technical Advisory Group (TAG), Chair Noone moved:

Resolution CM21-138: Cr Noone Moved, Cr Calvert Seconded

That the Council:

- 1) **Receives the report.**

A division was called:

Vote

For: Cr Calvert, Cr Deaker, Cr Forbes, Cr Hobbs, Cr Hope, Cr Laws, Cr Malcolm, Cr Noone, Cr Robertson and Cr Wilson

Against: Nil

Abstained: Nil

MOTION CARRIED

Resolution CM21-139: Cr Noone Moved, Cr Calvert Seconded

That the Council:

- 1) **Thanks** both our Staff, Aukaha Staff, and the community for the work carried out so far on this process.

A division was called:

Vote

For: Cr Calvert, Cr Deaker, Cr Forbes, Cr Hobbs, Cr Hope, Cr Laws, Cr Malcolm, Cr Noone, Cr Robertson and Cr Wilson

Against: Nil

Abstained: Nil

MOTION CARRIED

Resolution CM21-140: Cr Noone Moved, Cr Calvert Seconded

That the Council:

- 1) **Requests** that the Technical Advisory Group (TAG) be requested to provide regular reports to the Strategy and Planning Committee on progress towards finalising the required science for the Manuherehia catchment.

A division was called:

Vote

For:	Cr Calvert, Cr Hope, Cr Laws, Cr Malcolm, Cr Noone and Cr Wilson
Against:	Cr Deaker, Cr Forbes, Cr Hobbs and Cr Robertson
Abstained:	Nil

MOTION CARRIED, 6 for and 4 against

The meeting adjourned at briefly to enable staff to provide the Chair with procedural advice.

Following adoption of the motions of Cr Noone, Cr Hobbs made a subsequent motion:

Cr Hobbs Moved, Cr Forbes Seconded

That the Council:

- 1) **Notes** the minimum flows and method for determining water take limits as those nominated by Kai Tahu, including their transition timeframes that will be included in the Land and Water Plan (their timeframes were 1200 l/s at 2023 and 3000 l/s at 2033.)

A division was called:

Vote

For:	Cr Deaker, Cr Forbes and Cr Hobbs
Against:	Cr Calvert, Cr Hope, Cr Laws, Cr Malcolm, Cr Noone, Cr Robertson and Cr Wilson
Abstained:	Nil

Motion Lost

Chair Noone advised that the letter from Kāi Tahu regarding the Notice of Motion - Manuherehia Minimum Flow, has been circulated to Councillors.

Cr Robertson noted that she supported staff recommendations in the report.

Resolution: Cr Wilson Moved, Cr Laws Seconded:

That the Council meeting adjourn and reconvene at 9:00am on 26 August 2021.

MOTION CARRIED

The meeting reconvened at 9:00am on 26 August 2021

Cr Kelliher will join the meeting following deliberations on 7.2 Manuherehia FMU – Non-regulatory Support Initiatives.

Cr Scott will join the meeting following deliberations on 7.2 Manuherehia FMU – Non-regulatory Support Initiatives.

7.2. Manuherehia FMU – Non-regulatory Support Initiatives

The report was provided to inform Council of ORC's role in the High Court declaratory proceedings on whether the proposed Regional Policy Statement 2021 (pRPS21) is a freshwater planning instrument in its entirety. Gwyneth Elsum (General Manager Strategy, Policy and Science) and Anita Dawe (Manager Policy and Planning) were present to speak to the report and respond to questions.

Resolution CM21-141: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Notes** that ORC has joined the declaration proceedings with respect to whether the proposed Regional Policy Statement 2021 is a freshwater instrument in its entirety.

MOTION CARRIED

Resolution CM21-142: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Notes** that staff will communicate to the Manuherehia community ORC's intention to support initiatives, noted in the next resolution, in the Manuherehia FMU.

A division was called:

Vote

For: Cr Calvert, Cr Deaker, Cr Hope, Cr Malcolm, Cr Noone, Cr Robertson and Cr Wilson

Against: Cr Forbes, Cr Hobbs and Cr Laws

Abstained: Nil

MOTION CARRIED

Resolution CM21-143: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Directs** staff to work with stakeholders and the community to develop work programmes specific to the Manuherehia FMU to enable:
 - i. Capacity building / education on water management
 - ii. Catchment groups
 - iii. Riparian works

MOTION CARRIED

Resolution CM21-144: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Notes** that there will be further workshops with Councillors to clarify expectations on the potential role for ORC in supporting and/or delivering land use change; water transportation efficiency; and storage initiatives (on and off farm) and any other initiatives and look at an approach for all catchments in Otago.

MOTION CARRIED

Resolution CM21-145: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Notes** that, once developed, these work programmes will be included as part of the 2022/23 Annual Plan.

MOTION CARRIED

7.3. Update on the Interpretation of the RPS as a Freshwater Instrument

Cr Kelliher joined the meeting at 9:55am.

Cr Scott joined the meeting at 9:57am.

The report was provided to inform Council of ORC's role in the High Court declaratory proceedings on whether the proposed Regional Policy Statement 2021 (pRPS21) is a freshwater planning instrument in its entirety. Gwyneth Elsum (General Manager Strategy, Policy and Science) and Anita Dawe (Manager Policy and Planning) were present to speak to the report and respond to questions.

Resolution CM21-146: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Notes** that ORC has joined the declaration proceedings with respect to whether the proposed Regional Policy Statement 2021 is a freshwater instrument in its entirety.

MOTION CARRIED

7.4. ORC Appointment to Cosy Homes Trust

The report was provided for Council to appoint a member to the Cosy Home Trust Board. Gwyneth Elsum (General Manager Strategy, Policy and Science) was present to speak to the report and respond to questions. It was noted that Cosy Home Trust is for Otago, not just Dunedin, as referenced in the staff report.

Resolution CM21-147: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Receives** this report.
- 2) **Notes** the Otago Regional Council must appoint one member to the Cosy Home Trust Board of Trustees.
- 3) **Nominates** Chair Andrew Noone for this position.

MOTION CARRIED

The meeting adjourned at 10.00am for a break and resumed at 10.17am.

7.5. ORC Submission on Freshwater Farm Regulations

The report was provided to request Council delegate authority to the Chair to approve a submission from ORC on the Ministry for the Environment's (MfE) 'Freshwater Farm Plan regulations' discussion document ('the discussion document'). Gwyneth Elsum (General Manager Strategy, Policy and Science), Richard Saunders (General Manager Regulatory and Communications) and Warren Hanley (Senior Resource Planner – Liaison) were present to speak to the report and respond to questions.

Richard Saunders advised that due to COVID-19, a two-week extension to the submission deadline had been granted. Mr Saunders noted this meant there will be an overlap with the Winter Grazing submission, so a joint workshop will be conducted to identify if there are any points that Councillors may wish to submit on.

Resolution CM21-148: Cr Hope Moved, Cr Wilson Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the ORC Chairperson to approve on its behalf, ORC submissions that reflect the issues identified in the Council workshops, on the 'Freshwater Farm Plans and Stock Exclusion regulations' and updated 'Winter Grazing regulations' discussion document, so that the submissions can be lodged no later than 26 September 2021 and 7 October 2021 respectively.

MOTION CARRIED

7.6. ORC Submission on the future of Forbury Park

The report was provided to request approval to lodge the attached ORC submission with Harness Racing New Zealand (HRNZ) on the future of Forbury Park. Gavin Palmer (General Manager Operations), Jean-Luc Payan (Manager Natural Hazards) and Warren Hanley (Senior Resource Planner - Liaison) were present to speak to the report and respond to questions.

Resolution CM21-149: Cr Wilson Moved, Cr Robertson Seconded

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the draft submission, subject to any changes as articulated in the Council meeting, to be lodged with HRNZ by 14 September 2021.

MOTION CARRIED

7.7. ECO Fund Review – Scope Options

The report was provided to seek endorsement of the proposed scope of works for the 2021 review of the Fund, and approval to redistribute funds from the March 2021 round. Andrea Howard (Manager Environmental Implementation) was present to speak to the report and respond to questions.

Resolution CM21-150: Cr Deaker Moved, Cr Hope Seconded

That the Council:

- 1) **Receives** this report.
- 2) **Approves** the recommended scope for the ECO Fund's 2021 annual review process.

- 3) **Approves** the redistribution of funds, totalling \$6,912, from the March 2021 round of the ECO Fund.
- 4) **Approves** an amendment to the current administrative process of the ECO Fund whereby in 2021/2022 one large application round will occur (in March 2022).

MOTION CARRIED

7.8. Proposal to join the Local Government Funding Agency

The report was provided to approve Council joining the Local Government Funding Agency (LGFA) as a guaranteeing member and to delegate authority to the Co-Chairs of the Finance Committee and Chief Executive to execute the documents required for this to occur. Nick Donnelly (General Manager Corporate Services), and Miles O'Connell (Bancorp), were present to speak to the report and respond to questions.

Resolution CM21-151: Cr Calvert Moved, Cr Kelliher Seconded

That the Council:

- 1) **Notes** the feedback received from consultation on the proposal to join the Local Government Funding Agency (LGFA).
- 2) **Approves** the Council joining the LGFA as a guaranteeing member.
- 3) **Instructs** staff, together with Council's investment and legal advisors, to prepare the documents required to complete Council's LGFA membership.
- 4) **Notes** the intent to appoint Covenant Trustee Services Ltd as trustee under the Debenture Trust Deed.
- 5) **Notes** the intent to appoint Computershare Investor Services Ltd as registrar and paying agent.
- 6) **Notes** the list of documents required to be executed in order to join the LGFA.
- 7) **Authorises and delegates** the Co-Chairs of Finance (Councillors Malcolm and Calvert) and the Chief Executive to execute the documents required to complete Council's membership of the LGFA and give effect to the above recommendations.
- 8) **Notes** a revised Treasury Management Policy was adopted in June 2021 and no further changes are proposed to this document following the consultation on the proposal to join the LGFA.
- 9) **Notes** that once membership is confirmed it is proposed to borrow from the LGFA as per the level of external borrowing included in the Long-Term Plan 2021-31.

MOTION CARRIED

7.10. Documents Signed Under Council Seal

The report informed the Council of delegations which have been exercised during the period 12 May 2021 through 25 August 2021.

Resolution CM21-152: Cr Wilson Moved, Cr Hope Seconded

That the Council:

- 1) **Receives** this report.

MOTION CARRIED

8. RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS

8.1. Recommendations of the Strategy and Planning Committee

Resolution CM21-153: Cr Wilson Moved, Cr Robertson Seconded

That the Council:

- 1) **Adopt** the resolutions of the 7 July 2021 and 11 August 2021 Strategy and Planning Committee Meetings.

MOTION CARRIED

8.2. Recommendations of the Governance, Communications and Engagement Committee

Resolution CM21-154: Cr Deaker Moved, Cr Hope Seconded

That the Council:

- 1) **Adopt** the resolutions of the 11 August 2021 Governance, Communications and Engagement Committee meeting.

MOTION CARRIED

9. CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

9.1. Chairperson's Report

Chair Noone spoke to his report and responded to questions.

Resolution:

That the Chairperson's report be received.

Moved: Cr Hope

Seconded: Cr Forbes

MOTION CARRIED

9.2. Chief Executive's Report

Resolution:

That the Chief Executive's report be received.

Moved: Cr Hope

Seconded: Cr Forbes

MOTION CARRIED

10. NOTICES OF MOTION

10.1. Notice of Motion - Weekly meetings between Chief Executive, Chair and Deputy Chair

Following a discussion of Cr Laws' Notice of Motion, it was seconded by Cr Calvert.

Resolution CM21-155: Cr Laws Moved, Cr Calvert Seconded

That the Council:

- 1) **Requests** that the Chief Executive, Chair and Deputy Chair of the ORC have a scheduled meeting every Monday for the purpose of reviewing ORC operations and reviewing ORC policy making and operational procedures as required, and that the Chair report progress on any relevant issues discussed and or canvassed to the Governance team.

A division was called:

Vote

For: Cr Calvert, Cr Deaker, Cr Hope, Cr Laws, Cr Kelliher, Cr Malcolm and Cr Noone

Against: Cr Forbes, Cr Hobbs, Cr Robertson and Cr Scott

Abstained: Cr Wilson

MOTION CARRIED

11. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution: Cr Noone Moved, Cr Wilson Seconded

That the public be excluded from the following parts of the proceedings of this meeting, namely:

- *Corrected Minutes of the 27 May 2021 public excluded Council Meeting*
- *Minutes of the 23 June 2023 public excluded Council Meeting*
- *Approve Recommendations Adopted by the 7 July 2021 public excluded Implementation Committee*

The general subject of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under [section 48\(1\)](#) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
<p><i>1.1 Corrected Minutes of the 27 May 2021 public excluded Council Meeting</i></p>	<p>To protect the privacy of natural persons, including that of deceased natural persons – Section 7(2)(a)</p> <p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p>	

	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)	
<i>1.3 Minutes of the 23 June 2023 public excluded Council Meeting</i>	To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h) To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i) To maintain legal professional privilege – Section 7(2)(g) To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)	
<i>4.1 Approve Recommendations Adopted by the 7 July 2021 public excluded Implementation Committee</i>	To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h) To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)	Section 48(1)(a) - Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) that the public conduct of the whole or the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.

This resolution is made in reliance on section 48(1)(a) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as shown above after each item.

11. CLOSURE

There was no further business and Chairperson Noone declared the public meeting closed at 11:39am.

Chairperson

Date

DRAFT MINUTES

Council Meeting Agenda - 29 September 2021 - ACTIONS (Status of Council Resolutions)

Document	Item	Status	Action Required	Assignee/s	Action Taken	Due Date
Council Meeting 2020.08.26	GOV1937 Electoral System for 2022 and 2025 Local Body Elections	In Progress	Work with Electoral Officer to include a poll asking for voter preference for STV/FPP alongside voting papers for the 2022 local elections.	General Manager Governance, Culture and Customer, Governance Support Officer	1/09/2020 Contacted Electoral Officer Anthony Morton of Electionz for information. He will update our file, noting the request to conduct the poll with the 2022 election. He indicated additional cost of approx \$75,000, not including additional comms that will be necessary. 14/09/2020 Public Notice in ODT on 12/9/20 to meet legislative requirements and to advise ORC intends to conduct a poll on voting systems alongside the 2022 local body elections.	01/01/2022
Council Meeting 2021.06.23	GOV2125 Adoption of Long Term Plan 2021/31	Assigned	That the Chair is to confirm Council's position regarding public transport in a letter to the Mayor of Dunedin City Council. Res CM21-121	Chairperson		25/08/2021
Council Meeting 2021.06.23	REG2108 Consent Fees Policy	Assigned	Staff review the Financial Support for Resource Consent Processing Fees policy at the end of the 2021/2022 year, and report back to Council on any recommended changes. Res CM21-126	General Manager Regulatory and Communications		09/12/2021
Council Meeting 2021.06.23	GOV2116 Zero Carbon 2030 Alliance Memorandum of Understanding	Assigned	Staff will update Council on discussions and activities related to the Zero Carbon 2030 Alliance. Res CM21-127	General Manager Governance, Culture and Customer, Senior Advisor - Mayoral Forum		09/12/2021
Council Meeting 2021.08.25	SPS2146 Manuherehia FMU Plan Provisions	Assigned	That the Technical Advisory Group (TAG) be requested to provide regular reports to the Strategy and Planning Committee on progress towards finalising the required science for the Manuherehia catchment. Res CM21-141	General Manager Strategy, Policy and Science		17/12/2021

7.1. Update #4 to the Minister

Prepared for:	Council
Report No.	SPS2152
Activity:	Governance Report
Author:	Anita Dawe, Manager, Policy and Planning
Endorsed by:	Gwyneth Elsum, General Manager Strategy, Policy and Science
Date:	29 September 2021

PURPOSE

- [1] To present, for adoption by Council, the fourth progress report to the Minister for the Environment, in accordance with section 27 of the Resource Management Act 1991 in relation to the recommendations made under section 24A of the Resource Management Act 1991.

EXECUTIVE SUMMARY

- [2] The Minister for the Environment wrote to the Otago Regional Council on 18 November 2019, setting out several recommendations regarding the development of a fit for purpose planning framework for Otago. One of the requirements outlined in the letter was a formal report, every six months, on progress against three measures. The first two reports were provided in 2020, and the third was approved by Council in March this year.
- [3] Over the past two years, considerable progress has been made against all the recommendations, including capacity and capability, as well as delivering against the agreed work programme.

RECOMMENDATION

That the Council:

- 1) **Receives** this report.
- 2) **Approves** the fourth report to the Minister for the Environment, that reports on progress against the recommendations contained in his letter of 18 November 2019.
- 3) **Notes** that the next report will be required to be provided by 31 March 2022.

BACKGROUND

- [4] In December 2019, ORC agreed to the work programme as set out by the Minister, in response to the Skelton Review under Section 24A of the Resource Management Act. As part of the response to the Minister, six monthly progress reports are required, demonstrating progress in meeting the recommendations.
- [5] Two progress reports were sent to the Minister in 2020, and the third report was provided in March this year. Each report addresses the recommendations of the Minister and includes an update from the previous report. The Ministers' recommendations are to:
-

1. *Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits.*
 2. *Develop and adopt a programme of work to achieve the following:*
 - (i) *By November 2020, a complete review of the current RPS that is publicly notified, with the intention that it is made operative before the review of its LWRP is notified;*
 - (ii) *By 31 December 2023, a new LWRP for Otago that includes region wide objectives, strategic policies, region-wide activity policies, and provisions for each of the Freshwater Management Units, covering all catchments within the region.*
 3. *Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning and consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with the requirements in the National Policy Statement for Freshwater Management.*
- [6] In addition, the following matters were to be included as part of the six-monthly updates:
- a. *Progress made in developing science, planning, consenting, monitoring and enforcement, and land management organisational capability and capacity;*
 - b. *Progress in achieving the [above] recommendations 1, 2 and 3; and*
 - c. *A summary of freshwater resource consenting activity for the reporting period.*
- [7] The third report was due in April 2021 but provided a month early due to the timing of Council meetings, and the fourth report is now presented for your approval today.

DISCUSSION

- [8] As outlined in the first three reports, staff have continued to implement the agreed work programme, and develop capacity and capability across the organisation.
- [9] A full report is appended but in summary of activity in the last six months, against the detail in the recommendations, is set out below:
- Both capacity and capability continue to be addressed across the organisation, but in particular in planning, science, environmental monitoring, consents and compliance monitoring. An Environmental Implementation Team has been established and is currently being recruited. A new Principal Consents Officer role has been established, to provide continued and ongoing support to the wider team.
 - ORC's new environmental data management system (Aquarius) went live in May 2021 providing enhanced quality assurance and significant custom configuration designed to improve the Council's monitoring of water metering and sampling data relating to resource consents.
 - Hearings on Plan Change 7 have concluded, with a decision due out in mid-October.
 - Mediation on the rural provisions of Plan Change 8 has been successful, with a hearing set down for early November 2021. Mediation on dust suppressants which form part of Plan Change 1 has also been successful. Mediation for the balance of Plan Change 1 and 8 is either set down for later in the year, or to be rescheduled (affected by the August Covid-19 lockdown).

- The proposed RPS 2021 (pRPS 2021) was notified on 26 June 2021 and submissions closed on 3 September 2021. Staff are now working on the Summary of Decisions Requested document, which will be notified for Further Submissions in due course. ORC nominations for the Freshwater Hearings Panel have also been made.
- As a result of Forest & Bird challenging ORC decision notify the pRPS21 as a freshwater instrument in its entirety. In September 2021, ORC lodged joint proceedings to the High Court to determine whether the pRPS21 is a freshwater instrument in its entirety.
- Work to set minimum flows and allocation limits in the Arrow and Cardrona Rivers is complete with Council noting the this in April 2021. Staff also presented minimum flows for the Manuherekia River and its tributaries to Council in August 2021. Council has requested the Technical Advisory Group report to the Strategy & Planning Committee on science undertaken on the Manuherekia.
- Work on the Upper Lakes rohe, and the Catlins Freshwater Management Unit is now commencing, with the first round of consultation with the community scheduled for November 2021.
- A programme of science has been established to support the development of the Land and Water Plan ahead of notification in 2023 and was noted by Council in June 2021.
- The RMA Compliance and Enforcement Policy was adopted by the Regulatory Committee in March 2021. ORC's Regulatory Committee approved an operational compliance programme for the 2021/22 year. There has been a delay in some on-site audits due to Covid-19 Alert Level restrictions.
- A summary of freshwater consenting has been prepared and is included in the attached report.

OPTIONS

- [10] Council has committed to six monthly reporting to the Minister, and this paper implements that Council direction. To not report would be in breach of Council's commitment to the Minister.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [11] There are no particular policy considerations as a result of this paper. The policy considerations relate to the planning work programme and will be considered on a case-by-case basis, as the work programme is implemented.
- [12] The implementation of the work programme satisfies several of the Strategic Directions and addresses the concerns of the Minister.

Financial Considerations

- [13] The report to the Minister is accommodated within existing budgets. There are no direct financial implications resulting from this paper.

Significance and Engagement

- [14] The paper does not trigger the Significance and Engagement Policy requirements.

Legislative and Risk Considerations

- [15] The Minister has requested a formal response under section 27 of the Resource Management Act 1991. Section 27 *Minister May Require Local Authorities to Provide*

Certain Information outlines the circumstances under which the Minister may request information and the criteria for local authorities to provide it.

Climate Change Considerations

[16] This is not a relevant consideration for this paper.

Communications Considerations

[17] There are no particular communications considerations resulting from this paper. The paper is discussed in a public Council meeting and any person who has a particular interest is able to review the report.

NEXT STEPS

[18] Staff will continue to deliver the work programme and will prepare the fifth report to the Minister in March 2022.

ATTACHMENTS

1. 7.1.1 September 2021 Report to the Minister attachment (final) [7.1.1 - 12 pages]

Minister for the
Environment Private Bag
18041 Parliament Buildings
Wellington 6160

September 2021

BY EMAIL

Dear Minister

Report under Section 27 of the Resource Management Act 1991

In accordance with your letter of 18 November 2019 and following on from our first two reports in 2020, and the third report in March this year, the following comprises the Otago Regional Councils' fourth report, in accordance with Section 27 of the Resource Management Act 1991 (the Act) and the recommendations pursuant to Section 24 of the Act.

This report will address the following:

- *Progress made in developing science, planning, consenting, monitoring and enforcement, and land management organisational capability and capacity; and*
- *Progress in achieving the [above] recommendations 1, 2 and 3 (copied below for ease of reference):*
 1. *Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits;*
 2. *Develop and adopt a programme of work to achieve the following*
 - i. *By November 2020¹, a complete review of the current RPS that is publicly notified, with the intention that it is made operative before the review of its LWRP is notified;*
 - ii. *By 31 December 2023, a new LWRP for Otago that includes region wide objectives, strategic policies, region-wide activity policies, and provisions for each of the Freshwater Management Units, covering all catchments within the region.*
 3. *Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning and consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with the requirements in the National Policy Statement for Freshwater Management; and;*
- *A summary of freshwater resource consenting activity for the reporting period.*

¹ Please note an extension of this date to 30 June 2021 as per your letter to ORC of 11 September 2020.

Progress Made in Developing Science, Planning, Consenting, Monitoring and Enforcement, and Land Management Organisational Capability and Capacity

The following table outlines the particular improvements in each of the areas specifically identified in your report.

Area	What we advised in March 2021	Latest Update
Science	<p>The new team structure has been implemented, with all new Team Leaders now on board.</p> <p>Key roles in Catchment Hydrology and Terrestrial Biodiversity now filled. Vacancies in hydrology and land management/agriculture are proving hard to fill.</p> <p>The Environmental Monitoring Manager is in place, with new roles filled in Dunedin and Alexandra.</p> <p>The new environmental data management system is now due to go live in early April 2021.</p>	<p>The Science Team is in place and developing and implementing programmes for biodiversity, land and water. An experienced team of mentors have also been engaged to support the Science Team deliver the programme of work for the new Land and Water Plan.</p> <p>The Manager Science position is vacant and under recruitment. Two vacancies in the science team continue to prove hard to fill in a competitive market. In these circumstances ORC is reliant on consultants to carry out work.</p> <p>A new team leader role in the Environmental Monitoring Team is being recruited.</p> <p>In May 2021 ORC completed the move from Hilltop to Aquarius, our new Environmental Monitoring System. Aquarius is now providing greater quality assurance of environmental data. Focus is now on developing a web interface to provide enhanced access to environmental water data for customers, stakeholders and the public.</p>
Planning	<p>Prior to Plan Change 7 hearings commencing in March, training (including holding a mock hearing) was provided to staff involved.</p> <p>A principal advisory role for the planning team has been formalised out to 2023. This specifically includes mentoring less experienced staff.</p> <p>Recruitment for a new Senior Analyst in the Urban Development team has been completed. A</p>	<p>A full governance model for the delivery of the new Land and Water Plan is now in place including project management and engagement expertise to support the delivery team. The governance arrangements also provide for partnership with Ngai Tahu at every level of decision making. The Land and Water Regional Plan Governance Group is co-chaired by ORC's Chairman Andrew Noone, and Ngai Tahu kaumatua Edward Ellison. Membership also includes Hoani</p>

	<p>graduate role has been filled with a permanent policy analyst, and a second junior analyst to support completion of the RPS including the new requirement for freshwater visions.</p> <p>The Policy and Planning Team have also commenced sharing their experiences of developing the latest RPS with other regional councils. Of particular interest so far has been Otago's experience as the first RPS to Nelson City Council, and Environment Canterbury.</p>	<p>Langsbury for Ngai Tahu, and Councillor Gretchen Robertson. In addition, other councillors and Ngai Tahu representatives attend meetings to provide addition input on specific FMU's as required.</p> <p>ORC's Long-Term Plan provides for 3 fixed term (3 year) roles in the Land and Freshwater team. All three of these roles have been filled with a range of graduate planners and planners, with commencement dates ranging from September through November 2021.</p> <p>There are also two senior vacancies in the Land and Freshwater team and one vacancy in the urban team, which are all being recruited.</p> <p>Members of the Land and Freshwater team are continuing to be involved in work on the implementation of Plan Change 8 provisions and supporting the Essential Freshwater package</p>
<p>Consenting</p>	<p>Six new Consents Officers have started since November 2020. These Officers are spread throughout Otago to ensure that we are able to support the community. The new staff are in Oamaru (x2), Balclutha (x1), Queenstown (x1) and Dunedin. An additional Public Enquiries Consents Officer has started in the team. The focus of this role is on providing advice and support to consent applicants. Workload consists of responding to question about deemed and water permits, the requirements of the NES-FW and also Plan Change 8.</p> <p>Further training has been held on the NPS and NES-FW. The focus has been on intensive winter grazing, wetlands and intensification. As part of this work and training links with other Regional Councils have been established and used. Stakeholders have been provided with copies of the 'standard' conditions that are</p>	<p>Staffing levels remain in line with those indicated in the previous report and support is continued to be provided by contractors for over-flow processing. An additional FTE is now budgeted for the next financial year at the Principal level to support the wider team.</p> <p>Work on the Manuherekia consents has continued by the project team set up to process the permits. These applications are 'on hold', at the request of the consent holders, waiting for a decision on Plan Change 7. The applications are being processed by an external consultant, with internal project leadership.</p> <p>Applications for permits relating to deemed and water permits that expire on 1 October have continued to be lodged. Most of these are 'on hold' pending a decision on Plan Change 7. This will be a bubble of work for the team when a decision</p>

	<p>used for permits under the NES and when any large updates are made to the conditions. This is to ensure they are aware of the conditions to be used and are supportive of them.</p> <p>Work on the Manuherekia consents has continued by the project team set up to process the permits. Work to date includes the development of practices notes (supplied to consultants and stakeholders and up on our website), pre-application reviews of documents and now consideration of the applications.</p> <p>Practice notes have been uploaded to the website about our interpretation of matters relating to water permits and also the NES-FW. Work continues on developing other ones relating to topics such as wetlands and winter grazing. The practice notes are largely for practitioners and are supported by the development of a regular newsletter from the Regulatory Group.</p> <p>Work has been undertaken on being as prepared as possible for any consents required for intensive winter grazing. This work has included the preparation of draft application forms, conditions and reports. Work preparing these has been supported by stakeholders and other regional councils. This material will be revisited and finalised once any changes to the NES-FW are made.</p> <p>Staff have attended another 4 catchment group meetings to discuss the new National Environmental Standards and Plan Change 8 rules with the farming community. A number of these sessions had a particular focus on intensive winter grazing and the new rules to manage this activity.</p>	<p>is released, but it is manageable with the resources in place. Staff are in regular communication with these applicants. At the time of writing 9 days before 1 October, applications were still being submitted.</p> <p>Preparation work is being undertaken to be ready for a decision on Plan Change 7. This includes drafting new application forms, updating report templates, drafting practice notes and updating conditions. These cannot be finalised until there is a decision and are in outline form at present. Legal advice is also being sought about the implications of the decision on PC7 for existing applications. This is to ensure we provide clear advice to applicants and process consents in line with the RMA and best practice.</p>
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	<p>The meetings were well received by the farming community.</p>	
<p>Monitoring & Enforcement</p>	<p>Two new Environmental Officers have been recruited, based in Oamaru and Balclutha.</p> <p>Further training has been held on the NPSFM and NES-FW. The focus has been on intensive winter grazing, wetlands and intensification. As part of this work, training links with other Regional Councils have been established and used, such as collaboration on wetland definition. Compliance staff have attended community and stakeholder group meetings with consents staff.</p> <p>The 2020/21 dairy project has had a particular focus on the storage of effluent pond solids and stone trap clearings, the distances that these have been kept away from waterways and monitoring their potential to discharge to the environment through ponding and overland flow. Emphasis has also been placed on the monitoring of silage leachate ponding and the lack of silage leachate collection facilities on many farms. There has also been a strong focus on providing awareness and engaging with farmers on the new requirements with the NES for Freshwater, the Stock Exclusion Regulations, Water Measuring Regulations and Plan Changes 7 and 8.</p> <p>A flyover of the North and South Otago regions in December 2020 identified a number of sites of interest. All have been followed up and where non-compliance was identified, appropriate action has been taken.</p> <p>The ORC Compliance Plan 2020-22 was endorsed by the Regulatory Committee in October 2020. The Compliance Plan sets out the</p>	<p>Staffing levels remain in line with those indicated in the previous report. Two additional FTE are budgeted for the 2021/22 year to support delivery of the ORC Compliance Plan 2020-22 and new regulations in place.</p> <p>The ORC Regulatory Committee approved an operational compliance programme for the 2021/22 year. There has been a delay in some on-site audits due to Covid-19 Alert Level restrictions, but it is expected that targets will be met by year end.</p> <p>The RMA Compliance and Enforcement Policy was adopted by the Regulatory Committee in March 2021. The Policy is consistent with the principles of the Regional Sector Strategic Compliance Framework 2019-24 and the MfE Best Practice Guidelines. There have been significant improvements made to the enforcement process and framework.</p> <p>Ongoing training for staff continues to ensure understanding of the rules and a consistent approach is taken to compliance monitoring and enforcement.</p> <p>Aquarius, ORC's new Environmental Monitoring System includes significant custom configuration designed to improve the Council's monitoring of water metering and sampling data relating to resource consents.</p> <p>Two additional FTE are budgeted for the 2021/22 year in the Council's Regulatory Data and Systems Team. One will support the technical management of the new system, the other will increase the resource dedicated to data monitoring from 3 to 4 FTE.</p>

	<p>priorities for compliance activities across the Otago region and supports a responsive and risk-based approach to the allocation of resources for proactive compliance monitoring as well as reactive response to environmental incidents. The Compliance Plan is consistent with the principles of the Regional Sector Strategic Compliance Framework 2019-24 and the MfE Best Practice Guidelines.</p> <p>Ongoing work is to monitor deemed permits and work proactively with permit holders to replace deemed permits</p>	
<p>Land Management</p>	<p>ORC has funded and supported the establishment of a new incorporated society, Otago Catchment Communities. This umbrella organisation has a vision to “create and support an Otago wide network of catchment groups that are addressing environmental issues now and for generations to come.”</p> <p>The Otago Catchment Community aims to encourage a thriving Catchment Group network by:</p> <ol style="list-style-type: none"> 1. Providing organisational support for Catchment Groups and volunteers. 2. Assisting with the formation and direction setting of new and emerging groups. 3. Assisting individual groups with identifying funding sources and writing applications. 4. Providing administration support to help create the run groups. 5. Providing communication support to help design, write and distribute information. 6. Facilitating access to experts, information, and technology. 7. Establishing enduring funding pipelines to support changing needs. 8. Acting as a conduit between government, regional authorities, and stakeholders. 	<p>As of 9 July 2021, a new Environmental Implementation Team has been established (previously referred to as the Biosecurity and Rural Liaison Team). The team comprises a range of roles and specialist areas of focus aimed at better supporting the delivery of Council’s biosecurity, biodiversity, and freshwater operational work. Additional funding from the 2021-2031 Long-Term Plan, has enabled the revision and creation of new roles and supports an increase in staff numbers.</p> <p>The new team comprises additional ‘on the ground’ community facing roles, as well as specialist operational advisory and environmental project management delivery roles, spatial analysis capabilities and quality assurance functions. In addition to its traditional core responsibilities (biosecurity compliance, land management and development of partnerships), the team will also facilitate the design and implement Council’s new integrated catchment approach (as adopted through the Long-Term Plan), deliver the non-regulatory Land and Water Regional Plan actions and design and deliver, with others, locally specific targeted</p>

<p>In addition to the above, ORC land management staff (Rural Liaison Team) are currently developing options for implementing non-regulatory approaches to best practice land management. This involves a mix of passive educational information and active on-on-one/group engagement and advice with landowners on good management practices and on areas such as nutrient management, soil health, land drainage, greenhouse gas emissions and more.</p> <p>Staff are due to participate in specialist training including:</p> <ul style="list-style-type: none"> • Land resource inventory – Inventory of physical factors (e.g. rock, soil, slope, erosion type and severity, and vegetation). The inventory is the basis of assessing land resources. • Land use capability (suitability for productive use or uses after considering the physical limitations of the land) to inform catchment and farm scale planning. • Sustainable nutrient management (assessment of nutrient requirements of a range of agricultural systems, including a consideration of best practices) for environmental protection. <p>These expertise development opportunities will enable the team to provide landowners with specific expertise and advice and a wider range of options when considering land use capabilities and best practice land management. This supports the deliberate shift to ORC staff taking a more proactive approach to providing advice on intervention methods.</p> <p>Further information is available here: https://www.orc.govt.nz/media/9638/agenda-implementation-20210310.pdf</p>	<p>environmental action plans.</p> <p>The 2021-2031 Long-Term Plan provides for 27 full time equivalents (FTEs) in Y1 (2021/22), 34 FTEs in Y2 and 37 FTEs in Y3. The team currently has a headcount of 19 staff.</p>
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Progress in Achieving the specified recommendations

The particular recommendations as outlined in the original letter, and ORC’s response, to date, is detailed below:

Action	What we advised in March 2021	Latest Update
<p><i>Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits.</i></p>	<p>Plan Change 7 hearings commenced on Monday 8th March, with around 8 weeks set down across Dunedin and Cromwell.</p> <p>Mediation is due to run concurrently with the hearings on PC7, for Plan Change 8 to the Regional Plan: Water, and Plan Change 1 to the Regional Plan: Waste. Any matters not suitable for mediation, or unable to be mediated will be set down for hearing immediately following the hearing for Plan Change 7.</p> <p>The review of the Waste Plan is now complete, and the review of the Water Plan is significantly completed.</p>	<p>Mediation on the rural provisions of Plan Change 8 has been undertaken and all provisions were agreed. Given the call-in is a first instance hearing, the provisions have been set down to be heard by the Environment Court in the week of 1 November 2021. The hearing is uncontested and several of the submitters are preparing evidence for or to support ORC.</p> <p>Mediation on dust suppressants which is part of Plan Change 1 occurred on 6 September 2021, however the mediation on Landfills (PC1) and Regionally Significant Infrastructure (PC8) that was scheduled for 7 September was vacated due to the Covid-19 lockdown and some parties unable to participate fully.</p> <p>Mediation on the urban provisions of PC8 is set down for 4 and 5 October 2021. Staff are anticipating that hearings will be required, irrespective of the mediation outcome, for the balance of PC8 and for PC1 and they are likely to occur in early 2022.</p> <p>See below for update on Plan Change 7.</p>
<p><i>By November 2020, a complete review of the current RPS that is publicly notified, with the intention that it be made operative before the review of the LWRP is notified</i></p>	<p>The first phase of pre-notification consultation (Clause 3 consultation) for the proposed Otago Regional Policy Statement 2021 (pORPS 2021) has been completed. This consultation finished on 12 March and as well as involving the mandatory parties, has included all members of the 2020 Stakeholder Reference Groups, and a wide range of key</p>	<p>The proposed RPS21 was publicly notified, as a freshwater instrument, on 26 June 2021. The period for making submissions closed on 3 September, and an approximate total of around 1500 submissions have been received. More than 1000 of those do not have any contact details on them and will need to be considered by the Hearing Panel to determine</p>

	<p>stakeholders.</p> <p>The 2020 Reference Groups reconvened during the Clause 3 consultation to discuss the chapter that they were involved in. Bringing these groups back together has been incredibly valuable and resulted in a positive engagement and improvements to the provisions in the pORPS 2021.</p> <p>Clause 4 consultation with iwi is set down for April.</p> <p>ORC intends to ask that the RPS, as a whole, be heard by the newly created Freshwater Hearing Panel, as we consider it to be a freshwater planning instrument. In order to be heard by the FHP, ORC is required to nominate two (2) Commissioners to sit and hear and make recommendations on the pORPS 2021. Staff have commenced an Expression of Interest process to identify suitable Commissioners, with a formal recommendation for two Commissioners to go to Council in May.</p> <p>The ORC will be asked to formally approve the section 32 for the pOPRS 2021 and approve the document for notification at a Council meeting in June.</p> <p>As advised last time, the Freshwater Visions workshop were held across October and November with 23 workshops across 18 locations throughout the region. In addition, an online survey was also available for people to respond to, either in lieu of attending a workshop, or as well as attending.</p> <p>In addition to progressing the draft RPS 2021, Council has approved making more of the 2019 partially operative RPS, operative from 15 March 2021.</p>	<p>their validity.</p> <p>ORC provided a submission period was 50 working days, rather than the statutory minimum of 40 working days. The submission period coincided with the August 2021 Covid-19 Level 4 lockdown and ORC received requests to extend the submission period. ORC did not extend the period for submissions but did advise parties that it would not oppose the receipt of late submissions.</p> <p>In July 2021 the Royal Forest and Bird Protection Society (F&B) wrote to ORC questioning the decision of Council that the pRPS21 is a freshwater instrument in its entirety. On Friday 3 September, ORC lodged joint proceedings to the High Court to determine whether the pRPS21 is a freshwater instrument in its entirety. ORC is plaintiff in the Statement of Claim and F&B is the other party to the proceedings. Due to the nature of the High Court claim, ORC has sought directions that all submitters to the pRPS21 are served notice of the proceedings. Directions from the High Court have been issued, and a hearing date set down to consider this matter on 8th and 9th February 2022.</p> <p>While the High Court proceedings are underway, staff continues to progress the proposed RPS process, and prepare the documents required to be provided to the Chief Freshwater Commissioner in December 2021. Staff are working to summarise the decisions requested and make the summary available, as soon as practically possible.</p> <p>ORC is having ongoing discussions with the Chief Freshwater Commissioner in terms of both</p>
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	<p>The only outstanding provisions are those relating to the appeal on Ports, which is set down to be heard by the Court of Appeal, in Wellington, in July</p>	<p>timing, and the actual process, for hearing a freshwater instrument. ORC has completed the process to identify its nominations for the Freshwater Hearings Panel to hear the pRPS21.</p> <p>Recommendations are being made to Council in September 2021.</p> <p>With regard to the partially operative RPS, the Court of Appeal hearing in relation to the Port appeal was undertaken in Wellington in early July. A decision on that appeal is anticipated soon</p>
<p><i>By 31 December 2023, a new LWRP for Otago that includes objectives, strategic policies, region-wide activity policies, & provisions for each of the FMU's, covering all catchments within the region</i></p>	<p>The Waste Plan review is now complete. Water Plan review is significantly advanced and is expected to be complete by June 2021.</p> <p>The RPS process of establishing freshwater visions for each FMU and rohe has provided the outcomes for each FMU. This will direct the proposed Land and Water Regional Plan. Work on the FMU's will commence in the middle of this year, once the Manuherehia, Arrow and Cardrona are completed.</p> <p>Work has continued in the Arrow, Cardrona and Manuherehia catchments, with community meetings to present quantity limits for Arrow and Cardrona scheduled for late March. Consultation on the Manuherehia flow and allocation preferences is scheduled to occur shortly after</p> <p>Work has continued in the Arrow, Cardrona and Manuherehia catchments, with community meetings to present quantity limits for Arrow and Cardrona scheduled for late March. Consultation on the Manuherehia flow and allocation preferences is scheduled to occur shortly after.</p>	<p>The Water Plan review is now being finalised.</p> <p>In June 2021, Council noted the proposed broad scale regional approach to be taken by the ORC Science Team to underpin the Land and Water Regional Plan development. This paper to Council outlined the high-level science work programme now being implemented. The programme has workstreams covering water quantity, surface water quality, groundwater, land use, soil attributes, wetlands, estuaries, biodiversity, ecological habitats and fish passage. The link to the 23 June 2021 Council Agenda – 7.7 Science Programme to Inform the Land and Water Plan is: https://www.orc.govt.nz/media/10015/agenda-council-20210623.pdf</p> <p>Staff have commenced work in the Upper Lakes rohe, and the Catlins FMU, and community consultation sessions in those two areas are scheduled for November this year. Staff are also working on an online consultation platform that will enable consultation to continue, should another lockdown occur. The Arrow and Cardrona minimum flows and allocation, as recommended by staff, have been</p>

		<p>formally noted by Council. No additional work is proposed on flows and allocation in these rivers and the noted numbers will be included in the proposed Land and Water Regional Plan in 2023.</p> <p>In accordance with the approach to the LWRP adopted by Council in July 2020, staff recommended that Council note their advice on Manuherekia rohe minimum flows at the August 26 Council meeting. Staff are now implementing Council's resolution that requests reports from the Technical Advisory Group established in 2019 to advise ORC with regard to the Manuherekia rohe on further science to be completed for the catchment. The full resolution is:</p> <p>Resolution CM21-140: Cr Noone Moved, Cr Calvert Seconded That the Council: 1) Requests that the Technical Advisory Group (TAG) be requested to provide regular reports to the Strategy and Planning Committee on progress towards finalising the required science for the Manuherekia catchment.</p>
<p><i>Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning & consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with requirements in the NPSFM.</i></p>	<p>As noted above, Plan Change 7 hearings commenced on Monday 8th March.</p>	<p>Plan Change 7 has now concluded the substantive hearings (over more than 10 hearing weeks) across Dunedin and Cromwell. The Environment Court also undertook a helicopter site visit across the Upper Taieri and Manuherekia valleys, and a 4WD trip across Alexandra, Clyde, and Cromwell. A decision is due in mid- October (delayed from September due to the latest Covid-19 lockdown). The latest communication from the Environment Court is a Minute at the start of September to confirm the status of the proposed RPS.</p>

Summary of Freshwater Resource Consenting Activity – for the period 9 March – 10 September 2021

The following is a summary of the freshwater resource consenting activity for the reporting period:

- Between 9 March 2021 and 10 September 2021, the Otago Regional Council received 95 applications for water take consents. These applications are being processed as 124 separate resource consents, with 22 for taking groundwater and 102 for taking surface water. Of the 95 applications, 41 relate to the replacement of Deemed Permits.
- From the 95 applications lodged between 9 March 2021 and 10 September 2021, Council issued 25 resource consents, 8 for taking groundwater and 17 for taking surface water. Of the remaining 99 resource consents, 88 are currently being processed and 11 have been rejected or withdrawn.
- The Council also issued a further 12 resource consents relating to applications lodged before 9 March 2021. These include 3 resource consent for taking groundwater and 9 for taking surface water. Of the 12 resource consents issued, 2 related to the replacement of 2 Deemed Permits.
- In total, the Council is currently processing 151 applications for water take consents. These applications are being processed as 253 Resource Consents, with 19 for taking groundwater and 234 for taking surface water. Of the 151 Applications, 90 relate to the replacement of Deemed Permits.
- Between 9 March 2021 and 10 September 2021 no applications relating to taking water were publicly notified, and 4 applications were limited notified.
- There are currently 326 active Deemed Permits in the Otago Region including 37 that have been replaced but not surrendered.
- One appeal, to a decision on an application for a new water permit relating to a deemed permit, has been lodged with the Environment Court. In this case the appeal has come from one of the submitters, not the applicant.

Next Steps

ORC will continue progressing the Catlins FMU and the Upper Lakes rohe and continue with processing submissions on the proposed RPS21. Our next report back to you will be in April 2022.

In the interim, if you have any questions or need further clarification, please don't hesitate to get in touch with Anita Dawe (anita.dawe@orc.govt.nz; or 021 445 993).

Yours sincerely

Sarah Gardner
Chief Executive Officer

7.2. Freshwater Farm Plan AND Intensive Winter Grazing Regulations Submissions

Prepared for:	Council
Report No.	SPS2153
Activity:	Governance Report
Author:	Warren Hanley, Senior Resource Planner Liaison
Endorsed by:	Gwyneth Elsum, General Manager Strategy, Policy and Science
Date:	29 September 2021

PURPOSE

- [1] To provide Council with submissions on the Ministry for the Environment's (MfE) '*Freshwater Farm Plan regulations*' and '*Managing Intensive Winter Grazing*' discussion documents (the discussion documents).

EXECUTIVE SUMMARY

- [2] At the 25 August 2021 Council Meeting, a council paper was tabled requesting Council approve the Chair to sign off any governance submissions for these discussion documents to ensure submissions could be lodged prior to closing dates.
- [3] The Intensive Winter Grazing (IWG) consultation wasn't referred to in the council paper as it was not released at the time of writing. The IWG consultation was raised in-meeting and subsequently provision for the Chair to approve any submission was included in Council's resolution.
- [4] Council's resolution required copies of any submissions would be provided to Council for noting. ORC's submission on the *Freshwater Farm Plan regulations* has been included for noting in this paper.
- [5] Since the 25 August 2021 Council Meeting, the submission closing date for both discussions documents has been extended. In respect to the IWG consultation, the submission extension allows Council to approve the finalised draft submission before lodgement. ORC's submission on *Managing Intensive Winter Grazing* has been included for approval in this paper.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Approves** the submission on *Managing Intensive Winter Grazing*.
- 3) **Notes** the submission lodged on *Freshwater Farm Plan regulations*.

BACKGROUND

- [6] Consultation on the Government's proposed Freshwater Farm Plans, a key tool in implementing the Government's Essential Freshwater Package, opened mid-July 2021. Further information can be found on the Ministry's website:
-

<https://environment.govt.nz/publications/freshwater-farm-plan-regulations-discussion-document/>

- [7] Consultation on the Government's proposed changes to intensive winter grazing regulations opened on the 26 August 2021. Further information can be found on the Ministry's website: <https://consult.environment.govt.nz/freshwater/intensive-winter-grazing-regulations/>
- [8] On 9 September 2021 staff held a workshop with Councillors on both the discussion documents. The views expressed by Councillors at this workshop have been reflected in the submissions attached.
- [9] The MfE subsequently extended the closing of submission dates to:
- a. *Freshwater Farm Plan regulations* 26 September 2021
 - b. *Managing Intensive Winter Grazing* 7 October 2021
- [10] As the submission closing date for *Freshwater Farm Plan regulations* still fell prior to this Council meeting, ORC's submission has been lodged. It is attached to this report for noting.
- [11] The submission closing date extension has given Council the opportunity to review the draft submission for *Managing Intensive Winter Grazing* and approve it, subject to any changes. It is attached for review and approval.

OPTIONS

- [12] As the submission for *Freshwater Farm Plan regulations* has been lodged, it may be noted.
- [13] For the draft submission on *Managing Intensive Winter Grazing*, Council may approve it be lodged as attached, approve it be lodged with changes, or request it not be lodged.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [14] Council's input through the workshop enabled the consideration of ORC's strategic and policy frameworks.

Financial Considerations

- [15] The consideration and development of submissions on these discussions documents is within existing budgets.

Significance and Engagement

- [16] This submission process is consistent with Council's Significance and Engagement Policy.

Legislative and Risk Considerations

- [17] The proposals are critical to the future of integrated freshwater management in New Zealand. Freshwater Farm Plans will be a new tool for Otago, and ORC should ensure it engages with MfE to on both proposals as presented, and where it sees further details will be needed to understand and implement the regulations successfully in Otago.

Climate Change Considerations

[18] Both proposals will play a role in the wider adaptation pathway New Zealand takes in responding to Climate Change.

[19] A proposed future module of Farm Plans will be on greenhouse gas emissions.

Communications Considerations

[20] ORC communications staff will ensure any submission is available through the appropriate communication channels.

NEXT STEPS

[21] If approved, lodge any ORC submission on *Managing Intensive Winter Grazing* regulations consultation on or before 7 October 2021.

ATTACHMENTS

1. ORC Submission - Freshwater Farm Plan Regulations [7.2.1 - 4 pages]
2. ORC Submission - Intensive Winter Grazing Regulations [7.2.2 - 2 pages]



Our Ref: A1527582

22 September 2021

Ministry for the Environment
Wellington

freshwaterfarmplans@mfe.govt.nz

Dear Sir/Madam

Otago Regional Council submission on the 'Freshwater Farm Plan regulations: Discussion document'

1. Otago Regional Council (ORC) welcomes the opportunity to make this ORC governance submission on the Ministry for the Environment's (MfE's) consultation document.
2. ORC recognises that farm planning is a tool that is widely used for non-regulatory purposes across New Zealand, and also as a regulatory tool in some regions. ORC further recognises farm plans can play an increased role in the implementation of the national freshwater management framework.
3. Except where our submission notes an area of concern, ORC is supportive of the concept of regulated farm plans as part of the freshwater management framework. We consider these have the potential to enable farmers, communities, the industry, and regulators to work more collaboratively and provide an alternative to consenting pathways.
4. The overall goal of farm plans should be to provide a framework for delivery on environmental objectives in a transparent, effective and efficient manner. The Freshwater Farm Plan (FWFP) framework should also complement related decision-making frameworks such as climate change, biosecurity and biodiversity.
5. **ORC supports** a FWFP framework which will deliver well developed farm plans, at a detail appropriate for the circumstances being considered. **ORC requests** that the MfE ensure that lessons from those regions already successfully using farm plans within a regulatory framework are incorporated into the development of the national freshwater farm plan framework.

Development of detail

6. ORC has significant concerns that the current proposal still requires further work to develop detail around how the FWFP framework will both be implemented, and function. This detail is critical for all parties involved in the process and will be critical to ensure farmers, communities, industry and regulators are able to work from a common understanding of what is required, and why. It is also important, so all parties understand the cost implications of their responsibilities.





7. ORC provides its 'in principle' support because farm plans are not a tool utilised within ORC's current planning framework, and without further details, we are unable to critically assess how this may positively, or otherwise, impact our region. To this end, we are reliant on the technical input of council staff informing the regional sector submission, and strongly support that MfE continue to work with the regional sector group, beyond this consultation process, to develop guidance material in the regulations.

National Accreditation for Certifiers and Capacity

8. ORC supports the reasons for a national accreditation for certifiers to achieve consistency, across New Zealand. This national consistency will give both farmers and regulators confidence in the framework and how it is being applied. ORC agrees it will be important for regional councils to support the national certification programme by providing regional context to assist with the accreditation programme.
9. ORC holds significant concerns around the capacity to implement the proposed FWFP framework. This concern is related to both the number of certifiers and auditors that will be required to service all New Zealand farms, and how much upskilling will be required to ensure appropriate levels of knowledge of the regions, and catchments in which they will operate.
10. Ensuring appropriate knowledge and skills is particularly important if accredited certifiers are to work broadly across the country to meet demand. It will be critical to the quality, and therefore effectiveness of the FWFP framework that certifiers appointed to a region/catchment are appropriately informed and skilled. These concerns also speak to the timeframes over which farm plans will transition from use as a primarily non-regulatory tool to a regulatory tool. If the timeframes are prioritised ahead of, and exceed the rate at which accreditors can be certified, this will adversely affect a smooth, successful transition
11. Furthermore, any capacity constraints that could unreasonably delay the development and implementation of a farm plan may create uncertainty and stress for farmers leading to negative impacts on both the decision making on a farm, and environmental outcomes.
12. **ORC supports** MfE's preferred option of a national accreditation programme from which regional councils can appoint certifiers.
13. **ORC supports** the regional sectors submission and **requests** that the Ministry involve the regional sector group to develop guidance material in respect to the accreditor process.

Frequency of Certification

14. Farming is an evolving business, irrespective of the type of farm. The changes on farm include changes in ownership, the configuration of a farm, adaptation to economic or environmental factors or implementing new practices to take advantage of new knowledge and technologies. An important component of this evolution is ensuring sufficient timeframes are given within the FWFP framework to enable farmers to prioritise and implement on-farm actions and investment, particularly if these are to be assessed in a regulatory sense.

For our future

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15. ORC considers that the MfE's preferred option of recertification every 3 years is too onerous a starting point.
16. Again, while we support the benefits of regulated farm plans, we are also mindful that we want to recognise and build on the good work farmers do, and do not want farmers spending unreasonable time and costs planning to farm, instead of farming and investing in better stewardship. A longer timeframe between the review and recertification of farm plans would also work to reduce concerns around capacity.
17. **ORC requests** that farm plan review and recertification be set at every five years. A period of five years is considered frequent enough to ensure environmental benefits are being achieved, but not so frequent as to divert resources away from on farm work. The FWFP regulation could have an alternative timeframe for underperforming farms such that they would be audited more frequently until and unless they improved their performance, leaving the 5-year timeframe for the balance of farms.

Roll out of FWFP Framework

18. ORC supports MfE's preferred option of farm plans being phased in on a catchment-by-catchment basis.
19. For ORC, this would enable alignment with our Freshwater Management Units (FMUs) that have been identified> Otago has five FMU's and associated and long-term visions, consistent with the NPSFM 2020.
20. Staff have developed a plan to consult with our communities on each FMU and develop the necessary FMU information to go into the proposed Land and Water Regional Plan which is to be notified late 2023. This timeframe should ensure the information for most if not all the FMU's is available for phasing in of farm plans in Otago.
21. This FMU information will assist the development of farm plans. . Otago's FMUs will provide the catchment context needed in the development of farm plans' impact and risk assessments, actions, and how these will ultimately align with catchment objectives and visions. This information will leverage off the efforts of our communities during the Land and Water plan consultation process – saving both farmers and the ORC further time and costs.
22. The FMU information will also assist identifying which catchments (including any sub-catchments/Rohe) within Otago should be prioritised for implementing regulated farm plans.
23. **ORC supports** catchment-by-catchment prioritisation for phasing in farms plans, and **requests** the Ministry involve the regional sector group in developing appropriate guidance material for rolling out the framework.

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We look forward to seeing the progress of the FWFP regulation framework and ultimately its successful implementation.

Yours sincerely

A handwritten signature in black ink that reads "Andrew Noone".

Andrew Noone
Otago Regional Council Chair

For our future

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XX September 2021

Ministry for the Environment
Wellington

IWG@mfe.govt.nz

Dear Sir/Madam

Otago Regional Council (ORC) submission on the Ministry for the Environment's "Managing intensive winter grazing: A discussion document on proposed changes to intensive winter grazing regulations"

1. ORC appreciates the opportunity to make a submission on the Ministry for the Environment's (MfE) proposed changes to Intensive Winter Grazing (IWG) regulations and recognises the constructive feedback the Southland Intensive Winter Grazing NES Advisory Group provided to MfE to help inform this review.
2. Except where our submission notes a different position, ORC is supportive of the proposed changes because they address the widely held concerns that many groups, including councils, have raised in respect to issues of practicality and implementation of the IWG regulations.
3. ORC considers it is critically important that council staff are involved in the detailed development of guidance for the regulations so we can have confidence that operationally, these regulations will be able to be effectively implemented, by both industry and regulators. To this end **ORC supports** the Regional Sector's submission.

Slope Threshold

4. **ORC supports** a maximum is preferable to using a mean when measuring slope. Using maximum slope is more practical and provides a more certain measure for both farmers and regulators when on site. However, ORC considers that a maximum slope of 10 degrees is too restrictive given that under a mean slope measure, land exceeding 10-degrees would be included.
5. **ORC requests** that the threshold be changed to read
 - *"Intensive winter grazing is restricted to paddocks where the **maximum** slope is **15** degrees or less."*

Pugging

6. ORC considers the current pugging regulation is impractical to implement, monitor and enforce.
7. **ORC supports** the regional sector submission and **requests** MfE work with the regional sector so council staff can be involved in developing framework guidance material.

Buffer Zones from waterways

8. ORC recognises including sub-surface or tile drains under the regulations would be problematic, both in terms of impacting the use of productive land, but also in implementing.
9. Due to age and changing practices over time, the knowledge of where sub-surface drains are located may vary greatly from farm to farm. This could create a two-tier system that significantly, and unfairly, differs in how it regulates farms with good sub-surface drain mapping over those which do not.
10. More importantly, the regulation has the potential to impact significance amount of productive land, such that the cost of this significantly outweighs any benefit.
11. **ORC supports** the regional sector submission and **requests** MfE work with the regional sector so council staff can be involved in developing framework guidance material.

Resowing

ORC supports the regional sector submission and **requests** MfE work with the regional sector so council staff can be involved in developing framework guidance material

Critical Source Areas

12. ORC understands critical source areas (CSA) will be managed under the Freshwater Farm Plan (FWFP) regulations, rather than IWG regulations. However, we are concerned about the disconnect between the two regulations.
13. Acceptable actions, and any requirements to address IWG activities, should be given guidance in the IWG regulations, and be consistent with how these actions are regulated under the FWFP framework.
14. For example, not all CSA may require permanent fencing (if any) to keep wintering stock out, temporary fencing may be acceptable.
15. **ORC requests** this clarity is addressed in the IWG regulations to ensure the relevant regulations are not inconsistent with each other.
16. **ORC supports** the regional sector submission and **requests** MfE work with the regional sector so council staff can be involved in developing framework guidance material.

Yours sincerely

Andrew Noone
Chairman - Otago Regional Council

7.3. Port Otago Statement of Corporate Intent

Prepared for:	Finance Committee
Report No.	CS2135
Activity:	Governance Report
Author:	Nick Donnelly, General Manager Corporate Services
Endorsed by:	Nick Donnelly, General Manager Corporate Services
Date:	29 September 2021

PURPOSE

- [1] To receive Port Otago's Statement of Corporate Intent (SCI) and provide comment to the Port Board of Directors for their consideration regarding the document.

EXECUTIVE SUMMARY

- [2] Each year the Board of Port Otago Limited is required to provide Council as shareholder, a SCI. The SCI for the three years to 30 June 2024 has been received and is attached for Council's consideration and comment.
- [3] The SCI sets out the objectives of the Port Otago group, and the intended nature and scope of activities for the three-year period to 30 June 2024. The three-year scenario covered by the SCI is reviewed annually on a rolling basis.
- [4] The SCI process is the formal opportunity for Council, as 100% shareholder of Port Otago, to have input into the intended activities of the company and its subsidiaries.
- [5] Last year the Port substantially revised the SCI format to focus on sustainability. This year the SCI has been refined further to align with an integrated reporting format and materiality. The Port Board and management conducted a workshop with Council on the draft contents of the SCI on 6 July 2020.

RECOMMENDATION

That the Council:

- 1) Receives** this report and the attached Statement of Corporate Intent for Port Otago Limited to 30 June 2024.
- 2) Endorses** the Statement of Corporate Intent for Port Otago to 30 June 2024.
- 3) Notes** any further feedback the Council wishes the Port Otago Board to consider regarding the Statement of Corporate Intent.

BACKGROUND

- [6] The principal objectives included in the SCI are:
We aim to operate as a successful and sustainable business that delivers value to our shareholders in the form of both financial and non-financial returns on investment. To achieve this, we aim to:
- *Achieve our performance targets, as set out in this SCI.*
 - *Understand and meet our customers' needs.*

- *Undertake new investments in the port supply chain and property sectors – investments which are expected to support efficient supply chains and increase the business’s commercial value.*
- *Continually improve safety, operational efficiency and effectiveness.*
- *Prudently and efficiently invest in channel and wharf infrastructure.*
- *Manage key risks.*
- *Comply with relevant legislation, regulation and planning requirements.*

[7] The SCI has been refreshed to reflect the Port’s progress with Integrated Thinking and Reporting, an approach that has received widespread stakeholder support. This approach provides an overview of the port under two fundamental headings – materiality and the six capitals of integrated reporting. This is followed by Port Otago’s plans for the future – the Strategy for a better business.

[8] The materiality process identifies the most important environmental, social, economic and governance issues to the company and its stakeholders. The six capitals incorporate the recommended international integrated reporting framework which the Port is now using as the basis for its reporting.

PERFORMANCE TARGETS

[9] Performance targets in relation to health, safety and wellbeing, financial, environmental, and compliance with the Port and Harbour Safety Code are set out in an appendix to the document (page 17 of the SCI).

SHAREHOLDER FUNDS AND DIVIDENDS

[10] The target level of shareholders’ funds as at June 2022 is \$640 million rising to \$660 million at June 2024.

[11] The dividend policy remains consistent with previous years (page 15 of the SCI):
The intention is to pay dividends within the range of 50%-70% of the group’s normalised operating surplus after tax.

[12] Target dividend amounts are \$13m for the year ending 30 June 2022 rising \$1m per year to \$15m in 2024. These targets are consistent with Council’s recently adopted Long-Term Plan 2021-31.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[13] There are no Policy considerations.

Financial Considerations

[14] The target dividends outlined in the SCI align with Council’s Long-Term Plan 2021-31.

Significance and Engagement Considerations

[15] There are no significance and engagement considerations.

Legislative and Risk Considerations

[16] The Port Companies Act 1988 requires the Draft SCI to be delivered to Council within one month of the commencement of each financial year and for the completed document to be finalised within three months of the commencement of the financial year.

[17] The primary risk is financial and relates to the Port's actual performance meeting the targets set out in the SCI and the Port's ability to pay dividends to Council. This includes underlying market risk which is inherent in the Port's commercial activities. Dividends levels outlined in the SCI are not guaranteed and are dependent upon the Port's underlying financial performance.

Climate Change Considerations

[18] There are no climate change considerations.

Communications Considerations

[19] There are no communications considerations.

NEXT STEPS

[20] The Board of Port Otago Limited will be advised of any comments and feedback from Council.

ATTACHMENTS

1. 2021 Port Otago Statement of Corporate Intent to June 2024 [7.3.1 - 17 pages]



Port Otago

Statement of Corporate Intent

For FY22, FY23 and FY24

Approved by the Port Otago Board



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Pat Heslin
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Tom Campbell
Jane Taylor
Bob Fulton
Becky Lloyd

Chief Executive

Kevin Winders



About Port Otago

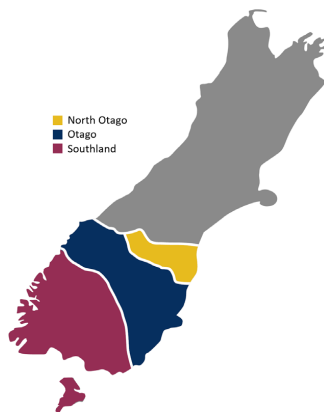
It was from Port Chalmers that New Zealand's first cargo of frozen meat left for London aboard the refrigerated ship *Dunedin* in February 1882, signalling the start of our country's modern export trade. The Otago Harbour Board managed the port and harbour from 1874 until 1988, when the Port Companies Act 1988 saw the registration of Port Otago Limited and the company's shares vested in the Otago Regional Council.

Port Otago is located on the Otago Harbour of the South Island of New Zealand. Port Otago benefits from a deep natural harbour, its strategic location for vessel rotation to and from deep-sea destinations and a large primary export cargo region.

Port Otago is a Lifeline Utility under the Civil Defence Emergency Management (Act) 2002, defined as entities that provide essential infrastructure services to the community. The company has a responsibility to ensure its ability to function at the fullest possible extent during and after a civil defence emergency.

Our region

Port Otago's role facilitating trade for the region's exporters and importers has a significant impact on the economic, as well as the social and environmental, well-being of the Otago-Southland region.



Our region has the infrastructure required for a successful port, including a fit-for-purpose road and rail network and a well-developed warehouse and cool storage sector.

Port Otago operates two wharf systems – Port Chalmers and Dunedin Bulk Port – within Otago Harbour. The lower harbour channel depth is 14.0m, while the upper harbour channel is 8.5m.

Port Chalmers is one of New Zealand's two deepest container ports and services the largest container ships in the New Zealand trade. It can store more than 7000 containers and has the highest number of reefer points of any New Zealand port, with 1850.

The company has more than 38,000m² of covered warehousing at Port Chalmers, built to the high standards required by the dairy industry. It also has two wharf-side cold storage facilities in Dunedin, able to hold up to 10,500 tonnes of chilled product. This is used primarily to service fishing customers.

Port Otago has a purpose-built forestry berth and adjacent 5.5 hectare log storage area at Port Chalmers along with 4.6 hectare log storage facilities in Dunedin Bulk Port.

Port Chalmers is the primary South Island port for cruise ships and generally the port of call immediately before or after visiting Fiordland. This aspect of the business is currently on hold, due to Covid-19.

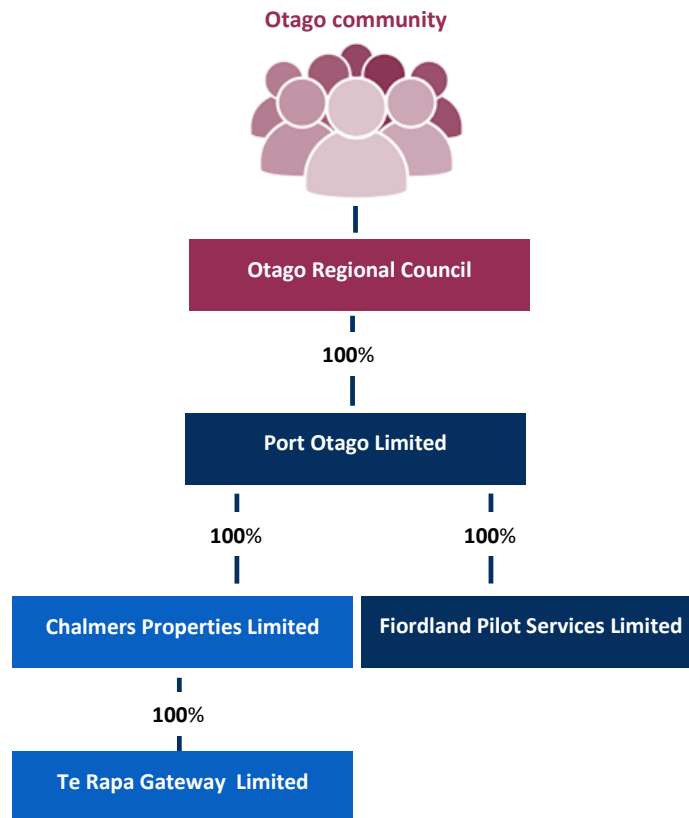
Company structure

This Statement of Corporate Intent (SCI) sets out Port Otago’s overall intentions and objectives. It also covers our wholly owned subsidiary companies, Chalmers Properties Limited, Fiordland Pilot Services Limited and Te Rapa Gateway Limited.

Port Otago and its subsidiaries are “Port Companies”, pursuant to the Port Companies (Act) 1988. This SCI has been prepared in accordance with this Act. Pursuant to section 5 of the Act, our principal objective is to operate as a successful business.

The company reviews and updates its SCI annually, in consultation with its shareholder. This SCI covers FY22, FY23 and FY24.

Port Otago Group’s structure:



Our Strategy

Our vision and values



Principal objectives

We aim to operate as a successful and sustainable business that delivers value to our shareholders in the form of both financial and non-financial returns on investment. To achieve this, we aim to:

- Achieve our performance targets, as set out in this SCI
- Understand and meet our customers' needs
- Undertake new investments in the port supply chain and property sectors – investments which are expected to support efficient supply chains and increase the business's commercial value
- Continually improve safety, operational efficiency and effectiveness
- Prudently and efficiently invest in channel and wharf infrastructure
- Manage key risks
- Comply with relevant legislation, regulation and planning requirements.

Integrated Thinking at Port Otago

This Statement of Corporate Intent has been refreshed to reflect the port's progress with Integrated Thinking and Reporting. Driven by the Board and Leadership Team, this new approach has received widespread stakeholder support. Starting with an explanation of two fundamental parts of this approach, the materiality process and the six capitals, an overview of the port is then provided. This is followed by Port Otago's plans for the future, namely the Strategy for a better business. The port's business model to create value, the Value Chain, is then presented, followed by coverage of governance processes and some information on how Port Otago approaches each of the six capitals.

Materiality process

Port Otago undertook its second materiality process this year to identify the most important environmental, social, economic and governance issues to the company and its stakeholders. After a challenging year for everyone, it was important to hear direct from the port's stakeholders about what to prioritise for FY22 and beyond. The following top 12 material issues were identified and form the basis for Port Otago's Strategy for a better business (presented on pages 8-9):

1. Workforce safety.
2. Effective leadership team.
3. Relationships throughout our supply chain.
4. Health of our wider team.
5. Financial returns.
6. Workplace culture and wellbeing.
7. Innovation.
8. Growth.
9. Cyber security.
10. Shipping volatility in our supply chain.
11. Wharf capacity and infrastructure.
12. Climate change response.

The six capitals

The port now uses the International Integrated Reporting Council's (IIRC) Integrated Reporting <IR> Framework as the basis for reporting. The following six capitals from this Framework have also been adopted for the port's Strategy for a better business, using meaningful terminology:

1. Human capital: *Our team.*
2. Social and relationship capital: *Our wider team.*
3. Natural capital: *Our harbour and beyond.*
4. Intellectual capital: *Our know-how and skills.*
5. Manufactured capital: *Our assets.*
6. Financial capital: *Our financial value.*

Strategy for a better business

OUR TEAM	OUR WIDER TEAM	OUR HARBOUR AND BEYOND
GOALS		
<p>Develop a culture where workforce safety is the number one priority and our team looks out for each other so that everyone goes home safely.</p> <p>Build a workplace where the wellness of our team is supported through teamwork, accessible leadership, and open and honest communication.</p>	<p>Be a great neighbour by respecting what is important to our community and iwi and earning our social licence to operate.</p> <p>Build stronger relationships with our customers, partners and suppliers to better understand them, measure progress and plan for the future.</p>	<p>Understand our carbon footprint, measure and report progress.</p> <p>Identify how to reduce our carbon emissions, both directly and with our customers, such as harnessing renewable energy and conducting electric forklift trials.</p> <p>Play our part in achieving New Zealand’s goal of net zero carbon emissions by 2050.</p> <p>Preserve our beautiful harbour and its biodiversity by listening to our community and iwi, taking care and monitoring things closely.</p> <p>Reduce our noise emissions.</p>
MATERIAL ISSUES		
<p>Workforce safety Effective leadership team Workplace culture</p>	<p>Relationships Health of the wider team Workplace culture</p>	<p>Climate change response</p>
SDGs		
<p>SDG3 Good health SDG8 Decent work</p>	<p>SDG8 Decent work SDG11 Sustainable cities SDG17 Partnerships SDG3 Good health</p>	<p>SDG13 Climate action SDG14 Life below water SDG11 Sustainable cities SDG17 Partnerships</p>

SDGs: United Nations Sustainable Development Goals (SDGs): Those presented here are the ones to which Port Otago can best contribute, as identified by the port’s key stakeholders through the materiality process.



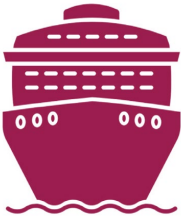

OUR KNOW-HOW AND SKILLS	OUR ASSETS	OUR FINANCIAL VALUE
GOALS		
<p>Improve our efficiency through automation and digitisation, such as systems for berth management, property management and Blockchain type connectivity.</p> <p>Work with our supply chain to embrace new and agile ways landside.</p> <p>Explore aligned business diversification to provide a sustainable future for the Port.</p> <p>Develop a strong platform to train and develop our team.</p>	<p>Grow the container business by increasing tranships and shipping lines using the Port.</p> <p>Grow the bulk business by increasing storage capacity, enhancing shipping flexibility with Victoria Channel improvements, relocating storage where it makes sense, developing wharf replacement options and working with customers on fit-for-purpose infrastructure to meet future needs.</p> <p>Rebuild the cruise business by engaging the cruise industry, maintaining capability and having safe landside practices ready to go.</p> <p>Continue to build a sustainable property portfolio as a fundamental part of the Port's financial sustainability.</p>	<p>Provide consistent shareholder dividends with a portfolio that optimises returns, builds resilience and facilitates investment in the future.</p>
MATERIAL ISSUES		
<p>Innovation</p> <p>Cyber security</p>	<p>Wharf capacity</p> <p>Shipping volatility</p> <p>Growth</p> <p>Innovation</p>	<p>Financial returns</p> <p>Growth</p>
SDGs		
<p>SDG9 Industry, innovation</p> <p>SDG3 Good health</p> <p>SDG11 Sustainable cities</p> <p>SDG17 Partnerships</p>	<p>SDG9 Industry, innovation</p> <p>SDG8 Decent work</p> <p>SDG17 Partnerships</p>	<p>SDG8 Decent work</p>

SDGs: United Nations Sustainable Development Goals (SDGs): Those presented here are the ones to which Port Otago can best contribute, as identified by the port's key stakeholders through the materiality process.

Our Value Chain

Business model to create value

The port's activities to create value

CONTAINERS	BULK	CRUISE	PROPERTY
			
ACTIVITIES			
<p>Exports Imports Transhipments Depot activity Warehousing</p> <p>Container terminal handling services which include receipt, delivery, transit, storage and shipment of export and import containerised cargos</p> <p>Provision of warehousing services</p> <p>Operation of inland depots, which involve storage, receipt, delivery, repair and washing of containers</p> <p>Marine services, including pilotage (Port Chalmers and Dunedin), towage and dredging</p>	<p>Logs Oil Fish Cement LPG Fertiliser</p> <p>Provision of wharves, plant and other services to facilitate the discharge of coastal cargos</p> <p>Breakbulk and bulk cargo handling services</p> <p>Marine services, including pilotage (Port Chalmers and Dunedin), towage and dredging</p>	<p>Port Chalmers Dunedin Fiordland</p> <p>Marine services, including pilotage (Port Chalmers, Dunedin and Fiordland) and towage</p> <p>Provision of landside services to cruise ships</p>	<p>Leasehold Commercial Property Property</p> <p>Management of the Dunedin leasehold property portfolio</p> <p>Management of Dunedin/Hamilton/Auckl and commercial property portfolios</p> <p>Design/build and lease of new commercial properties</p> <p>Development of Te Rapa Gateway industrial park</p> <p>Redevelopment of the ex Warehouse site into a new office for our shareholder</p>

The port’s inputs and outputs to create value in the form of outcomes

CAPITAL	INPUTS	FY21 OUTPUTS	OUTCOMES
OUR TEAM	A team of approx. 300 local people in the Otago region Trained in safety and other skills for their roles Undertaking safety risk assessments and inspections	Exports: \$4.3 billion 2.7 million tonnes Imports:	A safety culture where our people look out for each other in a high-risk environment so that everyone goes home safely. Employees who are proud to work for the port, some staying with us for their entire careers. Work ons: Workplace culture; Wellness strategy
OUR WIDER TEAM	Customer relationships Partnerships with shipping lines, landside operators and suppliers Community and iwi engagement	\$0.74 billion 0.7 million tonnes Export value \$ Wood: \$261m	A good neighbour to our community and iwi, respecting what is important to them for our social licence to operate. A strong central link in the value chain, connecting our customers, partners and suppliers from Otago to the world, for mutual growth. Work on: Customer relationships
OUR HARBOUR AND BEYOND	Use of air, land and water in all weather conditions Consumption of energy and other resources Listening to community and iwi concerns about changes to our harbor	Dairy: \$2,110m Meat: \$1,579 m Fruit: \$24m Seafood: \$119m Other: \$207m	A light touch to preserve or enhance our beautiful harbour, taking care with dredging. Understanding what has changed and what we need to improve by listening to our community and iwi. Work ons: Noise emissions; Climate change targets
OUR KNOW-HOW AND SKILLS	Great people with experience New recruits with emerging skills Upskilling through training, including digital Investment in secure technology	Import value \$ Fuel & Oil \$301m Fertiliser \$31m Cement \$10m	A considered approach to the future, learning from the past and what others do. A talented workforce with an ability to learn and a wealth of knowledge. Improved productivity and resilience by embracing new agile and efficient ways. Work on: Digitisation
OUR ASSETS	Assets owned and productivity optimised Land owned and space utilised efficiently Investment in long term infrastructure for a sustainable future	Dairy \$75m Seafood \$89m Other \$230m Property: 100% property occupancy	Continued investment in infrastructure to support our customers’ and partners’ future needs, facilitating our mutual growth to the benefit of the local, regional and national economy. Work on: Efficient supply chains
OUR FINANCIAL VALUE	Diverse and balanced portfolio to optimise returns and build resilience Long term agreements with customers, partners and suppliers for a sustainable future	Cruise: Zero ships or passengers	Consistent sustainable dividends for our shareholder to support regional economic development and benefit our community. A sustainable future built on solid investment in infrastructure and long-term customer, partner and supplier relationships. Work ons: Balancing our portfolio; Efficiency

Governance and Leadership

The board

Port Otago's shareholder appoints the directors to govern and direct the company's activities. The board is the overall and final body responsible for the proper direction and control of the company's activities and decision making. The board's responsibilities include the overall objectives, strategy, stewardship, performance and reporting of the company.

Statement of corporate intent (SCI)

The SCI is prepared based on the requirements within the Port Companies Act 1988. The board submits a draft SCI to the company's shareholder after due consultation with the shareholder and, after considering its comments, the board approves the final SCI and delivers it to the shareholder.

Board operation

The Port Otago board's operation is subject to the company's constitution and board charter, which sets out how the board and directors shall undertake their responsibilities.

The board chair leads the board and its relationship with the shareholder and other major stakeholders. The chair maintains a close professional relationship with the company's CE and, through the CE, the leadership team (LT).

New directors undertake an induction process to familiarise them with matters related to the company.

Conflicts of interest policy

These documents require all directors and employees to:

- Act with integrity, honesty, transparency, openness and in good faith
- Comply with the law, apply good judgment and proactively identify, disclose and manage conflicts of interest
- Promptly disclose or report any significant potential or perceived conflict or wrongdoing.

The company maintains an Interests Register that is reviewed at the start of every scheduled board meeting.

Policies

The board reviews the company's key policies at regular intervals.

Board performance and review

The board regularly reviews its performance and the performance of the CE. The reviews aim to identify opportunities and set plans for performance development and improvement.

Board meetings and committees

The board meets approximately 11 times per year. Additional meetings are convened as and when required. The board's annual work programme is set by the board before the start of each financial year. The board receives formal agenda papers and regular reports, generally a week in advance of meetings. Senior managers are regularly involved in board discussions. Directors also have other opportunities to obtain information and may seek independent expert advice.

The board delegates some responsibilities and tasks to board committees, but the board retains the ultimate responsibility and accountability for any committee's actions or inactions. Subject to any conflict issues, all directors receive agenda papers for committee meetings and all directors may attend committee meetings.

The board's three standing committees are:

- Audit and Risk Committee – which liaises with the company's independent external auditor, and reviews the quality and reliability of internal controls and financial and regulatory information used by and issued by the board
- Health and Safety Committee – which assists the board in discharging its responsibilities with respect to health, safety and well-being
- Remuneration Committee – which reviews the company's remuneration policies and practices, and reviews and sets the remuneration of the company's CE and LT.

Liability insurance and indemnity

Port Otago arranges comprehensive liability insurance policies for the company, directors and officers within the limits and requirements set out in the Companies Act 1993 and the company's constitution. The company also indemnifies directors and employees within the limits and requirements set out in the Act.

Legislative compliance

The board receives regular updates and representations from management on legislative compliance. Areas of relevant law include industry-specific regulation, health and safety, corporate, taxation, financial reporting, commercial, environmental, human resources and privacy.

Auditor

Audit New Zealand, on behalf of the Auditor-General, is auditor of the company.

Our compliance with relevant legislation

Port Otago will continue its legislative compliance programmes and aim to ensure we meet our obligations under relevant legislation and regulations.



The Six Capitals

Capital #1: Our team

Port Otago will aim to attract, retain, develop and motivate employees at all levels – to support our principal objective, which is to operate as a successful business. The port’s human capital is referred to as “Our team” and consists of approx 300 employees with their wealth of knowledge and strong connections. Their safety and wellbeing will always be the port’s number one priority.

Our commitment to keeping each other safe

Health and safety (including well-being) is everyone’s responsibility. Port Otago will provide a safe environment for our team, contractors and visitors. We will aim to have a fit-for-purpose health and safety management system, one with effective and robust:

- Objectives and performance targets
- Identification and management of critical safety risks
- Board and management reporting
- Incident investigation, applying lessons learnt
- Investment to achieve our health and safety objectives
- Compliance with legislation.

Workplace culture and wellbeing

We are a socially responsible and equal-opportunities employer. We aim to provide a work environment that ensures we have skilled employees. Port Otago will continue with initiatives that focus on recruitment, training, retention and succession.

Diversity refers to characteristics that make people different from each other, including gender, gender identity, age, ethnicity, disability, beliefs, sexual orientation, family responsibilities, work style and experience, socio-economic background, thinking style and personality type. Diversity exists within our current and potential employees and in our customers, partners, suppliers and other stakeholders.

Inclusion means providing a work environment where everyone feels they can fully participate at work and where each person is valued for their unique perspectives, skills and experiences.

Port Otago will develop and foster an inclusive environment where we value and embrace diversity. Workplace culture is something that the port is working hard to improve. Progress will continue to be made in FY22 and the years ahead. Our objectives are to:

- Treat people with fairness and respect
- Foster a culture where discrimination is unacceptable
- Hire and promote the best person for the job, regardless of background
- Develop the relevant skills, diverse experience and attributes of our people.

Capital #2: Our wider team

The port works closely with our shareholder, as well as the community, iwi, customers, partners, suppliers, regulators and government, to keep exports and imports moving in a way that works best for everyone, including the harbour. Achieving the port’s objectives cannot be done alone, it relies on strong relationships with our stakeholders. Hence, this is the port’s social and relationship capital. Through an independent materiality process, Port Otago is engaging with stakeholders to gain useful insights into the following:

- Issues of most importance to the value the port creates
- How the port is currently performing in its management of these issues
- Any issues that have been missed
- Ideas for initiatives to make progress
- Feedback on the Annual Report, now that Integrated Reporting has been adopted
- How the port can play its part in the “bigger picture”, by exploring which UN SDGs the port can best contribute to

Stakeholders often tell the port things that are difficult to hear. But it is only through this level of engagement that Port Otago can continue to improve and grow into the future. This openness with stakeholders is helping to build stronger relationships and now forms an integral part of the port’s approach to Integrated Thinking.

OUR KEY STAKEHOLDERS
Shareholder
Export and import customers across our region
Sea and land-side supply chain partners
Tenants and leaseholders
Community and iwi
Regulatory agencies
Government

Capital #3: Our harbour and beyond

It is important to Port Otago to act in a socially responsible manner and as a good corporate citizen, with empathy for our community. Working in such a unique and beautiful environment is not something that the port takes for granted, instead taking responsibility to preserve and enhance it. Establishing a baseline is the first step, and the port is working hard to understand its carbon footprint, taking steps in response. To be resilient into the future, scenario planning for climate change will be critical, in particular the potential impacts on port assets and properties from sea level rise and increasing extreme weather events. Much work lies ahead to protect the port’s natural capital.

Our commitment to sustainability

Sustainability encompasses a broad range of environmental, social, economic, cultural and governance issues that are meaningful to our shareholders, employees, community, Māori, customers and other stakeholders. By integrating sustainability principles into our strategy, we create long-term value for Port Otago and our communities. Our sustainability objectives are to:

- Develop a sustainability framework based on our Material Issues
- Adapt our approach, as we better understand the port’s impact and role within our social, economic and physical environments, through monitoring and stakeholder engagement
- Be accountable and transparent by setting meaningful sustainability targets and reporting on our performance against those targets.

Capital #4: Our know-how and skills

The port has some team members with extensive experience, having spent their entire careers with Port Otago. Teaming these key personnel with new recruits bringing in skills in essential new and emerging fields will help with innovation and staying ahead, in areas such as technology and digitisation. Responding to Covid-19 has brought its own innovation through necessity, but this has also diverted the port's attention. Increasingly from FY22 to FY24, the port hopes to get back to some areas of innovation that haven't progressed as quickly as desired, due to the challenges thrown at us all by the pandemic.

Capital #5: Our assets

FY21 tested the port's assets to their limit, not least wharf capacity. With shipping disruption presenting a significant issue for the sector, space on the wharf became strained. Unpredictable shipping visits resulted in the need for additional storage space on the wharf and Port Otago had to work closely with key customers to manage this challenge and buffer the shocks. This issue will stay with the sector well past FY22 and much innovation and strong customer relationships will continue to be relied upon. Optimising productivity and utilising space efficiently are critical to value creation from the port's assets. To do this, the port needs to work across the entire value chain, namely with the shipping companies that come into Port Otago, the customers who store their goods for export on the wharves and the rail and land transport companies taking goods to-and-from customers' facilities. It is a complex supply chain with many moving parts, which will require further investment in infrastructure and technology over the coming years.

Capital #6 Our financial value

Port Otago aims to manage its long-term capital structure so that it has sufficient financial flexibility to cope with significant capital replacements and investments without the need to seek additional capital from its shareholder, whilst maintaining a sustainable and reliable dividend stream. In FY21, with the significant loss of cruise during the global pandemic, the four pillars of the port's business came to the fore. With one pillar dropping back to zero, another pillar facilitated a good result, namely the property business. Maintaining the strength of the property portfolio by retaining and optimising assets will continue to facilitate dividends in the long term.

We will pay dividends to our shareholders after taking into account the company's current and forecast financial position and performance, current and forecast investment and funding requirements, and the solvency test, pursuant to section 53 of the Companies Act 1993.

The intention is to pay dividends within the range of 50-70% of the group's normalised operating surplus after tax.

Acquisitions and divestments

The subscription or acquisition of securities in any company or organisation, or a divestment of part of the existing business, will only be considered where it is consistent with Port Otago's objectives. When the board considers a transaction to be significant to the company's business operations, we will consult with our shareholder.

Major transactions, as defined by the Companies Act 1993, will be subject to shareholder's approval by special resolution. However, when considering a significant acquisition or disposal of assets or securities, Port Otago will consult with its shareholder with as much lead-time as is commercially practicable in the prevailing circumstances. Where we decide to incorporate or subscribe for shares in subsidiaries to undertake our commercial activities, we will ensure effective management. Board control of any subsidiary is exercised by our directors and management.

Capital expenditure

Port Otago will confer with the shareholder in respect of any significant proposed capital expenditure, which is not included within, or is inconsistent with, the SCI before contractual commitments are entered into.

Reporting to our Shareholders

Port Otago submits its draft SCI to its shareholder for consultation annually, as required under the Port Companies Act 1988. Where appropriate, we will submit a revised SCI to our shareholder. (See appendices for performance targets.)

We will submit an annual report to our shareholder. This annual report will include:

- Audited financial statements
- Performance relative to the targets set in this SCI
- Key issues and progress with sustainability
- Other information to enable an informed assessment of the group's performance and financial position.

Port Otago values shareholder communication facilitated by the Port Liaison Committee which enables periodic interchange with our shareholder

We will also submit an interim report to our shareholder. This report will contain unaudited information similar in content to our annual report and will comply with financial reporting standard NZ IAS 34 – Interim Financial Reporting.

Port Otago's accounting policies comply with applicable NZ IFRS standards and interpretations. We have applied the same accounting policies when preparing the SCI's financial forecasts, as for our audited financial statements for the year ended 30 June 2021. Our actual accounting policies during the three-year period of this SCI may change as a result of changes to NZ IFRS standards and interpretations.

No surprises policy

The company will endeavour to inform our shareholder prior to any significant decision being made public and will engage via the Port Liaison Group as required.

The commercial value of our shareholder's investment

Port Otago estimates the commercial value of its shareholder's investment in the group is at least that which is stated as shareholder's equity in our audited financial statements. This is reassessed annually, alongside our audited financial statements.

Activities subject to compensation

The company will provide the following services for the Otago Regional Council, for which Port Otago expects to be remunerated or reimbursed by the council:

- Assistance in matters of good navigation and safety on Otago Harbour.
- Provision of such services as may be requested by the Regional Council.
- Construction of a new office.

Appendix 1 Our targets

Capital reference	Objectives	Key performance measures	Targets		
			2022	2023	2024
Our Team	Health, safety and well-being	Critical Risk: Visible Leadership Conversations	1000	1000	1000
Our Team	Health, safety and well-being	Total recordable incident frequency rate (per 1 million hours)	<10	<10	<10
Our Financial Value	Financial	EBIT	\$25m	\$30m	\$40m
Our Financial Value	Financial	Shareholders' funds (Equity) or Net Assets *	\$640m	\$650m	\$660m
Our Assets	Financial	Stay in business capex (SIB)	\$40m	\$15m	\$15m
Our Harbour and Beyond	Financial	Investment in growth/decarbonisation	\$45m	\$65m	\$50m
Our Financial Value	Financial	Return on equity *	2.5%	4.0%	4.0%
Our Financial Value	Financial	Equity Ratio*	Between 70%-85%		
Our Financial Value	Financial	Interest cover ratio	5	5	5
Our Financial Value	Financial	Dividend	\$13m	\$14m	\$15m
Our Assets	Environmental	Straddle fleet that is an electric/diesel hybrid	27%	27%	55%
Our Harbour and Beyond	Environmental	Number of harbour spills caused by Port Otago	0	0	0
Our Know-How and Skills	Environmental	Percentage of resource consent compliance monitoring events achieving full compliance	100%	100%	100%
Our Harbour and Beyond	Compliance with Port & Harbour Safety Code (PHSC)	The requirements of the PHSC continue to be met	Yes	Yes	Yes
Our Know-How and Skills	Compliance with Port & Harbour Safety Code (PHSC)	Risk assessments of new tasks or reviews post incident completed	Yes	Yes	Yes

*Excludes future unrealised fair value movements of investment properties and hedging interest rate swaps.

Financial performance measure	Definition
EBIT	Earnings before interest, taxation, realised and unrealised investment property gains
Return on equity	Profit divided by average shareholder's equity
Equity ratio	The percentage that equity represents of total assets within the target range between 70% and 85%
Interest cover ratio	The number of times interest is covered by the profit before tax, interest, unrealised fair value movements and unrealised impairment charges.

7.4. Kuriwao Sale

Prepared for:	Council
Report No.	CS2150
Activity:	Internal Projects: Corporate
Author:	Peter Kelliher, Legal Counsel
Endorsed by:	Nick Donnelly, General Manager Corporate Services
Date:	29 September 2021

PURPOSE

- [1] This report seeks Council's approval of the sale of surplus land subject to the Otago Regional Council (Kuriwao Endowment Lands) Act 1994.

EXECUTIVE SUMMARY

- [2] The Otago Regional Council administers property under the Otago Regional Council (Kuriwao Endowment Lands) Act 1994.
- [3] This includes disposing of land subject to the Act.
- [4] Council holds a specific property in Kuriwao that is not subject to a current lease.
- [5] Consistent with Council's previous approach to Kuriwao land, staff recommend that this property is sold with the proceeds applied in accordance with the Act.

RECOMMENDATION

That the Council:

- 1) **Receives** this report.
- 2) **Approves** the sale of the land contained in record of title 7963.
- 3) **Approves** Council staff commencing a public process for the sale of the Land.
- 4) **Authorises** the Chief Executive or the General Manager Corporate Services to execute any proposed Sale and Purchase Agreement (subject to obtaining satisfactory terms).
- 5) **Authorises** the Chief Executive or the General Manager Corporate Services to sign an authority and instruction form for the sale of the Land.

BACKGROUND

- [6] The Otago Regional Council (Kuriwao Endowment Lands) Act 1994 ("the Act") was enacted to:
- a. Confirm the vesting of land in the Otago Regional Council.
 - b. Redefine the purposes for which the land is held by the Council.
 - c. Recognise existing leases of the land.
 - d. Transfer the lessor's interest in leases of the land to the Council.
 - e. Empower the Council to dispose of the land.
-

- f. Define the purposes for which any of the proceeds from the sale of the land may be used.
- [7] Under the Act, responsibility for administering the land was passed from the Crown to the Otago Regional Council.
- [8] In 1994, there were 18 Kuriwao Endowment Leases. 14 of these have since been sold to the respective lessees.
- [9] There is one Kuriwao property (record of title 7963) that is not subject to a current lease ("the Land").
- [10] The Land (which comprises of 50.16 hectares) was formerly part of a Kuriwao lease comprising of 1316.24 hectares. In 2001, the land subject to this lease was resurveyed and subdivided where all but 50.16 hectares was sold to the current lessee of the land. The balance of 50.16 hectares was intended to be transferred to the Department of Conservation for conservation purposes (to include it as part of the Catlins Forest Park).
- [11] The transfer to the Department of Conservation did not take place and the Land remains in the Council's name.
- [12] Council staff have been advised by the Department of Conservation that the Department is no longer interested in the Land.
- [13] Kuriwao lands are endowments. They are vested in the Council, on trust, for the purposes set out in section 7 of the Act. The trust applies not only to the land itself, but to proceeds from the sale. The trust funds are to be used first for administration of the endowment and the balance for the benefit of the Lower Clutha district.
- [14] Consistent with Council's approach of freeholding and selling Kuriwao land, we consider it is appropriate for the Land to be sold.

DISCUSSION

- [15] The Land is located off Cairn Road 27kms from the rural township of Clinton. It has an area of 50.16 hectares and is legally defined as section 1 Survey Office Plan 300321. Maps of the Land is set out below:

Map 1



Map2: Red star showing location of the Land



- [16] The Council has recently contributed to the maintenance of the Land, namely pest control and fencing. The Land has not been leased since the date it was separated from the original pastoral lease in May 2001.
- [17] The Land is primarily forest and shrubland area.
- [18] The Act empowers the Council to dispose of the Land provided the process within the Act is followed.

- [19] The procedure for disposal of the land is governed by section 13 of the Act. The following steps must be taken:
- a. The Council must give public notice of its intention to sell the land.
 - b. The public notice must state the date, time and place of the meeting at which the resolution is to be submitted to the Council authorising the disposal of the land.
 - c. The notice must be given not more than 14 clear days before the date of the meeting.
 - d. The Council must then make a resolution to sell the land.
 - e. The land must be sold at a price not less than the capital value of the land as determined by a Registered Valuer, no earlier than six months before the date of sale, unless the Minister of Local Government otherwise consents.
 - f. The Chief Executive of the Council must certify that public notice has been given before any transfer of land can be registered.
- [20] Steps (a) to (c) above have been completed.
- [21] If the Council makes a resolution to sell the Land, the terms of the sale, including price (but subject to the limitations imposed by the Act) will be negotiated with any prospective purchaser.
- [22] Any sale will be a public process, noting that the Land cannot be sold at a price less than the capital value of the land as determined by a Registered Valuer without the consent of the Minister of Local Government.
- [23] There may be a limited market given the lack of access.

Proceeds of Sale

- [24] The Act defines the purposes for which any of the income (including the proceeds from the sale of land) may be used.
- [25] Such proceeds are held upon trust:
- a. To pay firstly the costs, charges, and expenses reasonably incurred by the Council in administering the land, any leases of the land, or any funds obtained by the sale.
 - b. To use the balance for, as the Council, in its absolute discretion, thinks fit:
 - i. Works for the benefit of the Lower Clutha District.
 - ii. Servicing any loans raised for works for the benefit of the Lower Clutha Special Rating District.
 - iii. Carrying out the functions, performing the duties, and exercising the powers of the Council under section 5 of the Act for the benefit of the Lower Clutha District, including the Council's general administration expenses incurred in respect of the Lower Clutha District.

OPTIONS

- [26] If the Council makes a resolution to sell the property, staff will arrange for a valuation and have the Land listed for sale.
- [27] If the Council elects not to authorise the sale, the Council will continue to hold the Land and incur costs as the landowner. Under the Act, Council could also seek to lease the land under the Public Bodies Leases Act 1969.

CONSIDERATIONS

Strategic Framework and Policy Considerations

[28] Since 2010, Council has actively promoted selling Kuriwao endowment land.

Financial Considerations

[29] The Act defines the purposes for which any of the income (including the proceeds from the sale of the Land) may be used.

[30] The Council incurs costs in holding the Land. Over the last 24 months, Council has spent \$3,013.29 on the Land.

Significance and Engagement

[31] The Act requires public notice of the meeting to consider the sale of the Land.

[32] The Significance and Engagement policy is not triggered.

Legislative and Risk Considerations

[33] The sale procedure is regulated by the Act.

[34] Nothing in the Local Government Act 2002 alters this procedure.

Climate Change Considerations

[35] There are no climate change considerations with the sale.

Communications Considerations

[36] The Act requires public notice of the meeting to consider the sale of the Land.

ATTACHMENTS

Nil

7.5. 2021/22 Rates Resolution Correction

Prepared for: Council
Report No. CS2151
Activity: Governance Report
Author: Nick Donnelly, General Manager Corporate Services
Endorsed by: Nick Donnelly, General Manager Corporate Services
Date: 29 September 2021

PURPOSE

- [1] To consider options for correcting a rating error relating to the calculation of East Taieri Drainage targeted rates for the 2021/22 year.

EXECUTIVE SUMMARY

- [2] The LTP 2021/31 and associated rates resolution provided for targeted rates for the East Taieri Drainage scheme. There is an error in the calculation of those rates.
- [3] The rate per hectare and therefore the rate allocation to each classification is incorrect. All classifications excluding ED7 have been over charged as a result. ED7 has been undercharged.
- [4] There are 2,730 rates assessments affected. The average impact of the error is an over charge of \$12.09. This is split between 1,233 assessments in ED1, ED2, ED4, ED5, ED8, ED9 and ED10 being overcharged an average of \$31.20 and 1,497 assessments in ED7 being undercharged an average of \$3.65.
- [5] The average amounts overcharged vary across the classifications with ED1 and ED2 having the largest average overcharges of \$460.61 and \$629.88 respectively.
- [6] The Local Government (Rating) Act 2002 (the Rating Act) allows for rates assessments to be reissued if errors in the database have occurred (sections 40-41) or errors have occurred in the calculation of rates (sections 119-127).
- [7] There are prescribed criteria for the various sections of the Act and prescribed steps for each course of action.
- [8] Three options have been considered:
- Do nothing in the current year and adjust the rate per hectare in the 2022/23 rates resolution to correct the total amounts payable over the two years.
 - Reset the rates for all rate classifications except ED7 under section 119 of the Ratings Act.
 - Replace the rates for all classifications under sections 120-127 of the Ratings Act.
- [9] Both of the options under the Rating Act add considerable administration time and cost that outweigh the benefit of correcting the error in the current year especially the replacement option which requires a special consultative procedure to be undertaken.
-

- [10] Staff recommend leaving the assessments as issued and then correct the error in the 2022/23 rates strike. A letter should also be sent to the 60 ratepayers whose adjustment would be greater than \$100 explaining the issue and offering to discuss payment arrangements if the wish to defer the adjustment amount to the 2022/23 year.

RECOMMENDATION

That the Council:

- 1) **Notes** this report and the error in the calculation of rates for the East Taieri Drainage targeted rates for the 2021/22 rates resolution.
- 2) **Approves** the rates remaining as assessed in the 2021/22 year and adjusting the 2022/23 rates assessments to correct this error.

BACKGROUND

- [11] An error has occurred in the calculation of the rates for the East Taieri Drainage scheme targeted rates for the 2021/22 year. This has occurred as two titles were amalgamated and at the point in time the database was extracted for the rates resolution calculation in June 2021 the new title excluded any ED2 classification. The previous titles were split across multiple classifications including a portion in ED2 and also included land outside the scheme area.
- [12] As a result, the total land area for ED2 was understated by 160 hectares. The total rate requirement for the scheme is pro-rated across the various classifications based on the land area for each classification. This calculation then determines the rate per hectare that applies for each classification when the rates assessments are struck. As a result of the ED2 area being understated the rates per hectare in each classification increased and are therefore overstated.
- [13] This applies for all classifications except ED7 which is calculated as percentage of the ED2 rate allocation. As ED2's allocation was understated in total dollar terms, ED7 was therefore understated in both total dollar requirement and rate per hectare.
- [14] The table below shows the rates as per the rates resolution and the recalculated rates as they should be:

Classification	Rates Resolution		Corrected Calculation		Difference	
	Rate per hectare	Rates \$	Rate per hectare	Rates \$	Rate per hectare	Rates \$
ED1	218.18	\$194,000	205.21	\$182,000	-12.97	-\$12,000
ED2	169.73	\$104,000	156.49	\$121,000	-13.24	-\$17,000
ED4	183.94	\$20,000	173.02	\$19,000	-10.92	-\$1,000
ED5	82.98	\$78,000	78.04	\$74,000	-4.94	-\$4,000
ED7	199.01	\$16,000	266.28	\$21,000	67.27	\$5,000
ED8	55.05	\$43,000	51.78	\$41,000	-3.27	-\$2,000
ED9	47.75	\$32,000	44.91	\$30,000	-2.84	-\$2,000
ED10	42.42	\$13,000	39.90	\$12,000	-2.52	-\$1,000
Differential		\$500,000		\$500,000		\$-
Uniform	38.65	\$167,000	37.26	\$167,000	-1.39	\$-
TOTAL		\$667,000		\$667,000		\$-

- [15] In total there are 2,730 rates assessments in the East Taieri Drainage targeted rate area. Of these, a large number, 1,497 are in the ED7 classification. This classification includes

part of Mosgiel and as the total rate requirement for this classification is small and the number of rate assessments large, the average rate amount is \$14.45 and the average amount undercharged is \$3.65.

- [16] Most of the rates assessments, 2,374 of the 2,730 in total (87%) require an adjustment of +/- \$10 and 93% are less than +/- \$20. There are however a small number of assessments that require larger adjustments. These predominately sit in the ED1 and ED2 zones where the largest portions of the total scheme rates are allocated. There are only 28 and 17 rate assessments in these two classifications respectively so the average amounts payable and therefore amounts overcharged are larger.
- [17] The table below shows the number of assessments in each classification and the average and maximum amount over / (under) charged for each classification (includes differential and uniform amounts, GST inclusive):

Classification	Rates Assessments	Average Adjustment	Maximum Adjustment
ED1	28	-\$460.61	-\$1,983.51
ED2	17	-\$629.88	-\$1,946.15
ED4	28	-\$76.21	-\$266.20
ED5	174	-\$33.83	-\$386.03
ED7	1,497	\$3.65	\$81.55
ED8	210	-\$17.31	-\$187.61
ED9	309	-\$8.97	-\$215.34
ED10	519	-\$2.35	-277.78
TOTAL	2,730	-\$12.09	

- [18] There is a further complication as the property that wasn't included the ED2 classification in the rates database at June 2021 has been reinstated when the rate assessments were struck. This has resulted in rates invoiced being \$33,000 higher than anticipated when the rates resolution was calculated.
- [19] Further, this property's ED2 split in the database was still understated by 47 hectares meaning they have still been undercharged. As this shortfall is due to an error in the underlying rates database this will be corrected separately under section 40 of the Rating Act and a new rates assessment issued.

DISCUSSION

- [20] The Ratings Act provides for the amendment and reissue of rates assessments.

Correcting errors in the rating information databased and rates records

- [21] Under sections 40 and 41 of the Rating Act Council may correct an error in the rating database and issue an amended rates reassessment. This applies in circumstances where the information in the database was incorrect or amended i.e. a valuation is reassessed and updated.
- [22] This is done routinely and is delegated to staff. Although the error in the rates calculation is the result of the database being incorrect the database information for all but one of the properties is correct and therefore this section is not applicable to correct the rate per hectare which is set in the rates resolution.

Setting rates again

- [23] Section 119 of the Rating Act allows Council to reset the rates to correct an error in the same year providing the correction doesn't result in higher rates being paid by any rating unit.
- [24] If this section is used the procedure is relatively straight forward as all amended assessments are receiving a credit.
- [25] Council has to give 14 days' notice of its intention to reset rates and comply with Standing Orders around revoking the original rates resolution.
- [26] Any amounts already overpaid would be refunded to the person who paid those rates as per section 41 of the Rating Act. This would be in the form of a credit to future payments if full payment had not been received or to future years. Ratepayers can request repayment of the refund if they wish.

Replacing invalid rates

- [27] Sections 120 to 127 of the Rating Act allow Council to set replacement rates in various circumstances including if there has been a mistake in calculating the rate. Once Council has decided to set replacement rates the Rating Act sets out the steps that must be followed.
- [28] These steps include:
 - Notifying the Secretary of Local Government
 - Giving public notice that the rates will be replaced
 - Preparing and adopting a rates replacement proposal
 - Undertaking a special consultative procedure in accordance with the Local Government Act 2002
 - Give specific notice to every rate payer in the district
- [29] The total rates revenue being sought cannot exceed the total rates revenue that was sought from the original rates being replaced.
- [30] The Ratings Act also prescribes the mandatory information that must be included in a rates replacement proposal.
- [31] Any amounts already overpaid would be refunded to the person who paid those rates. This would be in the form of a credit to future payments if full payment had not been received or to future years. Ratepayers can request payment of the refund if the refer.
- [32] Any additional amounts owing cannot be recovered until the next rating year so would not be payable until the 2022/23 rates are issued. No penalties would therefore be charged on these outstanding balances unless they remain unpaid on 1 November 2022.

OPTIONS

- [33] There are 3 options to consider:

Option 1. Leave 2021/22 as is and correct in 2022/23

- [34] Do not amend rates in the current year but adjust the rates per hectare in the 2022/23 rates strike to reflect the over / under payments this year and ensure the correct amount of rates for each classification are paid over the two years.
- [35] The rates assessments have been issued as per the rates resolution and are therefore legal and the calculation reflected the information in the rates database at that point in time.
- [36] Advantages of this option are that it requires less administration and additional cost and will still result in the correct rates payments over the two-year period following the rates strike in 2022/23.
- [37] Disadvantages are that some ratepayers will pay more this year and not have this corrected for 12 months. Changes in ownership may occur meaning the property owner who paid the excess this year may not be the one receiving the adjusted benefit next year. Given the small average amounts this is not likely to be significant.
- [38] The table below shows the estimated rates to be collected over the two years using the correct calculation in the 2021/22 year:

Classification	Adjusted 2021/22		Estimated 2022/23 (based on LTP)		Movement	
	Rate per hectare	Rates \$	Rate per hectare	Rates \$	Rate per hectare	Rates \$
ED1	205.21	182,000	226.44	201,000	21.23	19,000
ED2	156.49	121,000	172.68	134,000	16.19	13,000
ED4	173.02	19,000	190.91	21,000	17.89	2,000
ED5	78.04	74,000	86.12	81,000	8.07	7,000
ED7	266.28	21,000	293.83	24,000	27.55	3,000
ED8	51.78	41,000	57.13	44,000	5.36	3,000
ED9	44.91	30,000	49.56	33,000	4.64	3,000
ED10	39.90	12,000	44.03	14,000	4.13	2,000
Differential		500,000		552,000		52,000
Uniform	37.26	167,000	41.11	184,000	3.85	17,000
TOTAL		667,000		736,000		69,000

Classification	Actual 2021/22 (based on rates resolution)		Estimated 2022/23 (adjusted to correct 2021/22)		Movement	
	Rate per hectare	Rates \$	Rate per hectare	Rates \$	Rate per hectare	Rates \$
ED1	218.18	194,000	213.18	189,000	-5.00	-5,000
ED2	169.73	131,000	160.15	124,000	-9.58	-7,000
ED4	183.94	20,000	181.35	20,000	-2.59	-
ED5	82.98	78,000	81.82	77,000	-1.16	-1,000
ED7	199.01	16,000	357.07	29,000	158.06	13,000
ED8	55.05	43,000	53.79	42,000	1.26	-1,000
ED9	47.75	32,000	46.22	31,000	1.53	-1,000
ED10	42.42	13,000	41.63	13,000	0.79	-
Differential		527,000		525,000		-2,000
Uniform	38.65	173,000	39.77	178,000	1.12	5,000
TOTAL		700,000		703,000		3,000

- [39] This option is preferred as it is the easiest and most cost effective to implement. As part of this option staff propose contacting the ratepayers most affected and payment arrangements can be put in place if required.

Option 2. Reset the rates

- [40] Set the rates again for all East Taieri Drainage rate classifications except ED2 as permitted under section 119 of the Local Government (Rating) Act 2002.
- [41] Section 119 may be used if no rating unit is to receive an increased rates assessment. Excluding ED2 where all adjustments are increases would allow this section to be used and would therefore simplify the process for issuing the reset rates for the remaining classifications.
- [42] Under this option ED2 would be excluded from the correct and Council wouldn't recover the \$5,000 they have been under charged. Not including this amount would be cheaper than including ED2 and having to use Option 3 which involves a full special consultative procedure.
- [43] There are still notification processes to follow under the Rating Act and additional cost in reissuing rates assessments from undertaking this option. The cost of doing this outweighs the benefit as the average refunds remain relatively small. For ratepayers with larger adjustments the benefit this option can still be achieved more cost effectively with the targeted communication and payment arrangements proposed in Option 1.

Option 3. Replace the rates

- [44] Replace invalid rates for all East Taieri Drainage rates as permitted under section 120 of the Local Government (Rating) Act 2002.
- [45] This option is the most precise, however it involves considerable administration time and cost that outweigh the benefit of correcting the error in the current year especially as this option requires a special consultative procedure to be undertaken and specific notification to all ratepayers in the region.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [46] There are no strategic or policy considerations

Financial Considerations

- [47] Financial considerations other than those already outlined in the paper.

Significance and Engagement

- [48] Significance and engagement considerations are outlined in the paper.

Legislative and Risk Considerations

- [49] Legislative and risk considerations are outlined in the paper.

Climate Change Considerations

- [50] There are no climate change considerations.

Communications Considerations

[51] Communications considerations are outlined in the paper.

NEXT STEPS

[52] The next steps depend on with option Council selects. The steps for each option are outlined in the paper.

ATTACHMENTS

Nil

7.6. Governance appointment to Otago South River Care Governance Group

Prepared for: Council
Report No. GOV2140
Activity: Governance Report
Author: Amanda Vercoe, General Manager Governance, Culture and Customer
Endorsed by: Cr Andrew Noone, Chairperson
Date: 29 September 2021

PURPOSE

- [1] To appoint a governance representative to the Otago South River Care governance group.

EXECUTIVE SUMMARY

- [2] The Otago South River Care Group has been successful in receiving \$1.8million funding from the Ministry of Primary Industries to help achieve their vision *“To engage our communities to protect and enhance water quality now and for future generations”*.
- [3] The key outcomes being sought from the project are:
- a. Support for farmer lead catchment group to achieve on the ground outcomes to improve their environmental health.
 - b. Wider community engagement and wellness.
 - c. Increased innovation.
- [4] The group has asked for an ORC governor to join the governance group overseeing the project.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.
- 2) **Agrees** to nominate *[insert name]* an ORC councillor to join the Otago South River Care governance group.

BACKGROUND

- [5] Nil.

DISCUSSION

- [6] Nil.

OPTIONS

- [7] Nil.

CONSIDERATIONS

Strategic Framework and Policy Considerations

- [8] Nil.

Financial Considerations

[9] Nil.

Significance and Engagement

[10] Nil.

Legislative and Risk Considerations

[11] Nil.

Climate Change Considerations

[12] Nil.

Communications Considerations

[13] Nil.

NEXT STEPS

[14] To advise the Otago South River Care group of the nominated Councillor.

ATTACHMENTS

Nil

8.1. Recommendations of the Implementation Committee**Resolution**

That the Council adopts the resolutions of the 8 September 2021 Implementation Committee.

Report	Resolution	Res#	Mover/ Second
Biosecurity Operational Plan 2020/2021 Summary of Performance	<ol style="list-style-type: none"> 1) Notes this report and the range of work undertaken to give effect to Otago's Regional Pest Management Plan and the Biosecurity Act (1993). 2) Notes the full achievement and/or exceedance of 20 key performance indicators (KPIs), the partial achievement of 25 KPIs with 6 KPIs not achieved. 3) Notes that learnings from the operationalisation of Council's first BOP 2020-21 are being applied to the delivery of the BOP 2021-22. 	IMP21-113	Cr Calvert / Cr Wilson CARRIED
Environmental Implementation Update	<ol style="list-style-type: none"> 1) Notes this report. 2) Notes the establishment of a new Environmental Implementation Team in July 2021 to support increased 'on the ground' action towards achieving Otago Regional Council's environmental objectives. 3) Notes the range of standard business and transformational activities being undertaken to maintain and improve Otago Regional Council's delivery of environmental implementation activities. 4) Notes Otago Regional Council's role in managing Jobs for Nature funded initiatives, and the associated increase in 'on the ground' biosecurity and biodiversity work. 5) Notes progress made with seven communities to develop long-term, sustainable approaches to rabbit management. 	IMP21-114	Cr Wilson / Cr Scott CARRIED

<p>Notice of Motion - Request for reports on gravel consents, river management work programmes, and asset management of riverbank plantings.</p>	<ol style="list-style-type: none"> 1) Requests staff report in December and three monthly thereafter to Council on progress on gravel extraction consents. 2) Requests staff report three monthly on development of work programmes for the 2022/23 and subsequent annual plans for river management. 3) Requests staff provide Council with a report on timeframes and process to better develop asset management plans for plantings alongside riverbanks. 	<p>IMP21-115</p>	<p>Cr Wilson / Cr Laws CARRIED</p>
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8.2. Recommendations of the Governance, Communications and Engagement Committee

Resolution

That the Council adopt the resolutions of the 8 September 2021 Governance, Communications, and Engagement Committee.

Report	Resolution	Res#	Mover/ Secunder
Notice of Motion - Request for Job Descriptions for Chair and Deputy Chair	1) That the General Manager Governance, Culture and Customer after studying standing orders and what exists at other regional councils, draft job descriptions for the chair and deputy chair positions and present them to the Governance, Comms and Engagement committee for consideration. The drafting to be in consultation with the CE, Chair and Deputy Chair.	GCE21-107	Cr Scott / Cr Robertson CARRIED

8.3. Recommendations of the Data and Information Committee**Resolution**

That the Council adopts the resolutions of the 8 September 2021 Data and Information Committee.

Report	Resolution	Res#	Mover/ Second
Queenstown and Dunedin 2020-21 FY Public Transport report	1) Notes this report.	DAIC21-108	Cr Malcolm / Cr Hope CARRIED
The Environmental Monitoring and Reporting Framework - a Regional Sector Strategic Initiative	1) Notes this report.	DAIC21-109	Cr Wilson / Cr Noone CARRIED
SoE Monitoring Biannual Update	1) Notes this report.	DAIC21-110	Cr Calvert / Cr Hope CARRIED
LakeSPI Report	1) Notes this report. 2) Refers this report to staff for consideration as part of the Lakes Strategic Plan before their report to the 10 November 2021 Strategy and Planning Committee.	DAIC21-111	Cr Wilson / Cr Hope CARRIED
Air Quality 2010-2019 SoE Report	1) Notes this report. 2) Requests a report on areas of concern regarding potential knowledge gaps regarding Otago's air quality be brought to an upcoming Strategy and Planning Committee meeting.	DAIC21-112	Cr Wilson / Cr Noone CARRIED

8.4. Recommendations of the Regulatory Committee

Resolution

That the Council adopts the resolutions of the 9 September 2021 Regulatory Committee.

Report	Resolution	Res#	Mover/ Second
Regulatory Group – Quarterly Report	1) Receives this report. 2) Notes the update report from the Regulatory Group for the 2020 / 2021 year and the new reporting framework for the 2021/2022 year.	REG21-104	Cr Noone / Cr Kelliher CARRIED
Regulatory Group – Quarterly Report	1) Requests that staff provide an updated report on the compliance status of TLA operated wastewater treatment plants in the Otago Region for the December Regulatory Committee meeting.	REG21-105	Cr Hope / Cr Calvert CARRIED
Landfill Report	1) Notes this report on the management of landfills within the Otago region.	REG21-106	Cr Hope / Cr Forbes CARRIED

9.1. Chairperson's Report

Prepared for: Council
Activity: Governance Report
Author: Cr Andrew Noone, Chairperson
Date: 22 September 2021

PUBLIC TRANSPORT DISCUSSIONS WITH DCC

[1] I, along with Crs Deaker, Forbes, CEO and GM Operations, met with Mayor Hawkins, Cr Benson Pope, Cr O'Malley, CEO Ms Graham and DCC GM Infrastructure to discuss Dunedin Public Transport. The focus was on improving lines of communication on bus service related matters between Otago Regional Council and Dunedin City Council. There was general agreement that a formal joint Governance structure with clear objectives could be worth pursuing. This option is to be followed up by councillors from both Councils.

SOUTH DUNEDUN / HARBOURSIDE

[2] You may recall at last year's December meeting of Strategy and Planning, we resolved to discuss with Dunedin City Council, greater collaboration between the City and the ORC at a Governance level. Staff of both Councils have been progressing an arrangement of a more integrated programme of work. Progress has been made with the appointment of Jonathan Rowe as the Joint Programme Manager. Gavin Palmer was a member of the selection panel that appointed Jonathan, who is an employee of DCC. This role is part funded by the ORC.

[3] Jonathan's first substantive task is to complete a current snapshot of the South Dunedin Programme, including canvassing current understanding across both Councils of the vision, problem definition, outcomes and objectives, workstreams and activities currently involved in the South Dunedin programme.

[4] It was felt that Jonathan could from time to time provide updates to inform Governance about what future work programmes looked like, with draft budgets for 2022/23 starting to be worked on now. We could expect some information before the end of the year.

MANA TO MANA

[5] At the recent meeting with our Iwi Partners the future of the relationship was discussed. This was particularly prevalent on two fronts:

- 1) We are about to sign the reviewed Terms of Reference between ourselves and tangata whenua.
- 2) The recent Council decision on the Manuherekia Rohe.

[6] We the ORC, are committed to enhancing this special relationship we have with Iwi and will continue to strive for greater cultural competencies right across the organisation.

- [7] Note the Mana to Mana Principles of Relationship that both organisations are mutually committed:
- a) to give effect to the Treaty of Waitangi and the key principles determined by the Courts;
 - b) to work collaboratively in good faith and in a spirit of cooperation;
 - c) to address any conflict or tension openly and constructively; and
 - d) to act in ways that enhance the mana of each party.

MEETING WITH LANDOWNERS

- [8] Along with Crs Wilson, Hope and Calvert, we met with a group of landowners representing ratepayers from the East Taieri Flood and Drainage Scheme, who were following up on concerns that they had previously raised with Council.

LETTERS SENT AND RECEIVED

- Letter to Minister Mahuta from Zone 6 – Three Waters pause.
- Minister Parker – RPS/Freshwater Instrument.
- Wormworx funding support letter.
- Freshwater Farm Plan submission.
- Letter received from Minister Parker – Manuherekia Rohe and RPS.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

ATTACHMENTS

1. Letter to Minister Mahuta from Zone Six re Three Waters Reform 25.08.21 [9.1.1 - 2 pages]
2. Letter to Minister Parker 19.09.21 re Proposed Otago Regional Policy Statement 2021 [9.1.2 - 3 pages]
3. Letter of support for Robbie Dick, Wormworx to MPI 02.09.2021 [9.1.3 - 1 page]
4. ORC Governance Submission - Freshwater Farm Plan Regulations [9.1.4 - 4 pages]
5. Letter from Minister Parker 20.09.2021 re Proposed Otago Regional Policy Statement 2021 [9.1.5 - 2 pages]

**We are.
LGNZ.**

Zone Six

25 August 2021

Hon Nanaia Mahuta
Minister of Local Government
Parliament Buildings
Wellington

n.mahuta@ministers.govt.nz

Tēnā koe e te Minita

Three Waters reform – engaging with our communities

At a zoom meeting on Monday 23 August, all Mayors and Chairs of Otago & Southland (Zone 6) discussed the pace of the Government's three waters reform and the need to engage appropriately with our communities to inform council decisions. As well as engaging with our communities, you will also be aware that important conversations about the reform are continuing between Te Rūnanga o Ngāi Tahu and South Island councils within the takiwā.

The three waters reform process is a once-in-a-generation decision for councils and communities. It is also being undertaken at the same time as resource management reform and a review into the future for local government. As such, it is imperative that communities be given adequate time to clearly understand the implications of the three waters proposals that affect them so directly.

The ten Mayors and Chairs of Otago & Southland (Zone 6) are deeply concerned about the lack of information provided to the public regarding the reforms, especially when that is placed alongside the timeframe for a decision to opt out (if a Council chooses to do so) needing to be made some time before the end of this year.

Presently the information provided by Government to the broader community consists of television advertisements that provide virtually no information and a Department of Internal Affairs website that has an overload of highly technical information in a format that is very difficult for a layperson to navigate.

This is leaving individual councils doing their best with limited resources to inform the public about the reforms and the complexity of the choice before us.

We request that the Government pause the reform process to allow communities sufficient time to better understand the significant amount of complex information on which the Government has based its case for change and to allow councils to engage with our communities about it. Without this pause, there is a very real risk that communities will not be able to make informed decisions about the merits of the proposed reform. Rushing the engagement process will simply not provide for good decision-making, and the decisions made as a result could see adverse and costly consequences for communities, councils and the Government for many years to come.

It is very clear to Zone 6 that more time is needed to ensure our communities are as informed as they can be about the shape of the three waters service delivery reform in totality.

We urge the pause to be advised to the public now and remain in place until such time as Councils are satisfied that the reform issue is clearly understood. We believe this is essential in order to properly and authentically engage with our communities on this incredibly important decision.

To ensure we are demonstrating our collective leadership and reflecting the voice of our communities, we will be making a public statement that we have written to you to formally request a pause in this process.

Zone 6 looks forward to your consideration of our request. We would welcome a meeting or other form of engagement with you to further discuss our concerns.

Ngā mihi



Bryan Cadogan
Mayor, Clutha District
Chair, Zone 6



Tim Cadogan
Mayor, Central Otago District



Aaron Hawkins
Mayor, Dunedin City



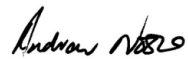
Nicol Horrell
Chair, Environment Southland



Tracy Hicks
Mayor, Gore District



Tim Shadbolt
Mayor, Invercargill City



Andrew Noone
Chair, Otago Regional Council



Jim Boulton
Mayor, Queenstown Lakes



Gary Tong
Mayor, Southland District



Gary Kircher
Mayor, Waitaki District

CC: Local Government New Zealand Zone 5 and 6 Mayors
Dr Te Maire Tau, Ngāi Tahu



Our Ref: A1517262

19 August 2021

Minister for the Environment
Private Bag 18041
Parliament Buildings
Wellington 6160
Email: d.parker@ministers.govt.nz

Dear Minister

Proposed Otago Regional Policy Statement 2021

As you will be aware, the Otago Regional Council has recently notified its proposed Regional Policy Statement (RPS21), with submissions closing on 3 September 2021.

The notification, on 26 June 2021, ensured ORC met our commitment to you in terms of reviewing and notifying a new RPS by 30 June 2021. The notification by 30 June this year was to ensure that the RPS is operative ahead of the notification of the proposed Land and Water Regional Plan.

For reference, ORC agreed to take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits. ORC continues to work towards this.

As part of the notification decision, ORC determined that ORC's RPS21 was a freshwater planning instrument and has notified it accordingly (as set out in sections 80A(2)(a) and (2)(b)) in relation to the pRPS21. For completeness, the relevant sections state:

A freshwater planning instrument means—

- (a) a proposed regional plan or regional policy statement for the purpose of giving effect to any national policy statement for freshwater management:*
- (b) a proposed regional plan or regional policy statement that relates to freshwater (other than for the purpose described in paragraph (a)):*
- (c) a change or variation to a proposed regional plan or regional policy statement if the change or variation—*
 - (i) is for the purpose described in paragraph (a); or*
 - (ii) otherwise relates to freshwater.*





Since then, we have received correspondence from Royal Forest and Bird Society (F&B) and the Environmental Defence Society (EDS) outlining their concerns with the whole RPS being considered a freshwater instrument and, as a consequence, being heard in its entirety by a Freshwater Hearings Panel.

Both F&B and EDS are planning to lodge declaratory proceedings on whether in fact the RPS21 is a freshwater instrument in its entirety. Council is of the view that it is important we proactively defend our decision that the pRPS is a freshwater instrument in its entirety. However, we also intend to pursue the current pRPS process at the same time to avoid unnecessary delay.

Depending on the outcome of the declaratory proceeding the following will occur:

- If the High Court agrees that our RPS is a freshwater instrument in its entirety, there would be no consequential implications for the process. ORC would continue with a Summary of Decisions Requested, and providing the documents to the Chief Freshwater Commissioner.
- If the High Court does not agree that our RPS is a freshwater instrument in its entirety, ORC would be required to pause the notification/hearing process (wherever it was at) and withdraw the RPS21. The RPS21 would then need to be reviewed, and provisions separated out based on whether they were related to, or giving effect to, a freshwater matter. ORC considers that should this be the case, the RPS would need to at least be publicly notified again, and may also need to repeat the statutory prenotification consultation.

ORC has made contact with officials at the Ministry for the Environment to explain this situation and seek assistance. In the meantime F&B and EDS have confirmed they will proceed with lodging the application for a declaration.

ORC is now intending to join the declaration application in respect of our RPS only, and it is likely that should other regional councils also wish to have their RPS's considered a freshwater instrument, they may need also to seek such a declaration. Hence this issue is unlikely to resolve itself for all RPS's across New Zealand and it is possible each one will be challenged in this manner.

If a judgement was not in favour of our position we will not have an operative RPS ahead of the notification of the Land and Water Regional Plan. This is because we would need to run two processes – one for those parts of the RPS that are deemed to be freshwater instruments, using the Freshwater Process, and a second for the remainder using a Schedule 1 process. These two processes would not be able to run in parallel, as the documents would need to be reintegrated following the decisions. There is currently no guidance on how reintegration should occur to ensure any policy conflicts are avoided in either legislation, regulation or caselaw.





There is also no guidance on how to separate out provisions and ORC is mindful that, if a declaration did not support our view, the decision on how to separate out provisions is also subject to a legal challenge, by way of a judicial review. This further potential could lead to additional delays in making the RPS21 operative.

As you know we are committed and have worked hard to ensure we meet your recommendations for establishing a fit for purpose freshwater management framework. It is of great concern that we are now pushing up against the challenge of being first in terms of the new provisions of the freshwater commission and its process. We would be grateful if, in light of this, you could consider providing some support or advice to us that might assist in overcoming these challenges or their impact. We would gladly meet with you to discuss the issues raised at your convenience.

Kind regards

A handwritten signature in black ink that reads "Andrew Noone".

Cr Andrew Noone
Chair, Otago Regional Council

For our future

70 Stafford St, Private Bag 1954, Dunedin 9054 | ph (03) 474 0827 or 0800 474 082 | www.orc.govt.nz



From the Office of the Chairperson

Our Ref: A1523816

2 September 2021

Robin Brooks
Senior Advisor
Ministry for Primary Industries
Wellington

To whom it may concern

Wormworx Limited

Otago Regional Council fully support Robbie Dick of Central Otago, Wormworx Limited application for funding to help identify other opportunities to use Tiger Worms to convert biodegradable waste products into a nutrient fertiliser and soil conditioner.

I and other Otago Regional Councillors have visited Wormworx on a number of occasions, and we have been impressed by what is being achieved by this recycling operation.

On a recent visit we saw shredded sheep pelts plus fruit and vegetable waste being processed by worms where normally these products would be landfilled.

The soil conditioner produced by the worm castings have the ability to retain moisture which is extremely valuable in a dry climate such as Central Otago.

Please consider this funding application from Robbie Dick favourably.

Yours sincerely

A handwritten signature in black ink that reads "Andrew Noone".

Andrew Noone
Chairperson
Otago Regional Council

027 430 1727
Andrew.noone@orc.govt.nz
www.orc.govt.nz
0800 474 082





Our Ref: A1527582

22 September 2021

Ministry for the Environment
Wellington

freshwaterfarmplans@mfe.govt.nz

Dear Sir/Madam

Otago Regional Council submission on the 'Freshwater Farm Plan regulations: Discussion document'

1. Otago Regional Council (ORC) welcomes the opportunity to make this ORC governance submission on the Ministry for the Environment's (MfE's) consultation document.
2. ORC recognises that farm planning is a tool that is widely used for non-regulatory purposes across New Zealand, and also as a regulatory tool in some regions. ORC further recognises farm plans can play an increased role in the implementation of the national freshwater management framework.
3. Except where our submission notes an area of concern, ORC is supportive of the concept of regulated farm plans as part of the freshwater management framework. We consider these have the potential to enable farmers, communities, the industry, and regulators to work more collaboratively and provide an alternative to consenting pathways.
4. The overall goal of farm plans should be to provide a framework for delivery on environmental objectives in a transparent, effective and efficient manner. The Freshwater Farm Plan (FWFP) framework should also complement related decision-making frameworks such as climate change, biosecurity and biodiversity.
5. **ORC supports** a FWFP framework which will deliver well developed farm plans, at a detail appropriate for the circumstances being considered. **ORC requests** that the MfE ensure that lessons from those regions already successfully using farm plans within a regulatory framework are incorporated into the development of the national freshwater farm plan framework.

Development of detail

6. ORC has significant concerns that the current proposal still requires further work to develop detail around how the FWFP framework will both be implemented, and function. This detail is critical for all parties involved in the process and will be critical to ensure farmers, communities, industry and regulators are able to work from a common understanding of what is required, and why. It is also important, so all parties understand the cost implications of their responsibilities.

For our future

70 Stafford St, Private Bag 1954, Dunedin 9054 | ph (03) 474 0827 or 0800 474 082 | www.orc.govt.nz



7. ORC provides its 'in principle' support because farm plans are not a tool utilised within ORC's current planning framework, and without further details, we are unable to critically assess how this may positively, or otherwise, impact our region. To this end, we are reliant on the technical input of council staff informing the regional sector submission, and strongly support that MfE continue to work with the regional sector group, beyond this consultation process, to develop guidance material in the regulations.

National Accreditation for Certifiers and Capacity

8. ORC supports the reasons for a national accreditation for certifiers to achieve consistency, across New Zealand. This national consistency will give both farmers and regulators confidence in the framework and how it is being applied. ORC agrees it will be important for regional councils to support the national certification programme by providing regional context to assist with the accreditation programme.
9. ORC holds significant concerns around the capacity to implement the proposed FWFP framework. This concern is related to both the number of certifiers and auditors that will be required to service all New Zealand farms, and how much upskilling will be required to ensure appropriate levels of knowledge of the regions, and catchments in which they will operate.
10. Ensuring appropriate knowledge and skills is particularly important if accredited certifiers are to work broadly across the country to meet demand. It will be critical to the quality, and therefore effectiveness of the FWFP framework that certifiers appointed to a region/catchment are appropriately informed and skilled. These concerns also speak to the timeframes over which farm plans will transition from use as a primarily non-regulatory tool to a regulatory tool. If the timeframes are prioritised ahead of, and exceed the rate at which accreditors can be certified, this will adversely affect a smooth, successful transition
11. Furthermore, any capacity constraints that could unreasonably delay the development and implementation of a farm plan may create uncertainty and stress for farmers leading to negative impacts on both the decision making on a farm, and environmental outcomes.
12. **ORC supports** MfE's preferred option of a national accreditation programme from which regional councils can appoint certifiers.
13. **ORC supports** the regional sectors submission and **requests** that the Ministry involve the regional sector group to develop guidance material in respect to the accreditor process.

Frequency of Certification

14. Farming is an evolving business, irrespective of the type of farm. The changes on farm include changes in ownership, the configuration of a farm, adaptation to economic or environmental factors or implementing new practices to take advantage of new knowledge and technologies. An important component of this evolution is ensuring sufficient timeframes are given within the FWFP framework to enable farmers to prioritise and implement on-farm actions and investment, particularly if these are to be assessed in a regulatory sense.





15. ORC considers that the MfE's preferred option of recertification every 3 years is too onerous a starting point.
16. Again, while we support the benefits of regulated farm plans, we are also mindful that we want to recognise and build on the good work farmers do, and do not want farmers spending unreasonable time and costs planning to farm, instead of farming and investing in better stewardship. A longer timeframe between the review and recertification of farm plans would also work to reduce concerns around capacity.
17. **ORC requests** that farm plan review and recertification be set at every five years. A period of five years is considered frequent enough to ensure environmental benefits are being achieved, but not so frequent as to divert resources away from on farm work. The FWFP regulation could have an alternative timeframe for underperforming farms such that they would be audited more frequently until and unless they improved their performance, leaving the 5-year timeframe for the balance of farms.

Roll out of FWFP Framework

18. ORC supports MfE's preferred option of farm plans being phased in on a catchment-by-catchment basis.
19. For ORC, this would enable alignment with our Freshwater Management Units (FMUs) that have been identified> Otago has five FMU's and associated and long-term visions, consistent with the NPSFM 2020.
20. Staff have developed a plan to consult with our communities on each FMU and develop the necessary FMU information to go into the proposed Land and Water Regional Plan which is to be notified late 2023. This timeframe should ensure the information for most if not all the FMU's is available for phasing in of farm plans in Otago.
21. This FMU information will assist the development of farm plans. . Otago's FMUs will provide the catchment context needed in the development of farm plans' impact and risk assessments, actions, and how these will ultimately align with catchment objectives and visions. This information will leverage off the efforts of our communities during the Land and Water plan consultation process – saving both farmers and the ORC further time and costs.
22. The FMU information will also assist identifying which catchments (including any sub-catchments/Rohe) within Otago should be prioritised for implementing regulated farm plans.
23. **ORC supports** catchment-by-catchment prioritisation for phasing in farms plans, and **requests** the Ministry involve the regional sector group in developing appropriate guidance material for rolling out the framework.

For our future

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We look forward to seeing the progress of the FWFP regulation framework and ultimately its successful implementation.

Yours sincerely

A handwritten signature in black ink that reads "Andrew Noone".

Andrew Noone
Otago Regional Council Chair

For our future

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Hon David Parker BCom, LLB

Attorney-General

Minister for the Environment

Minister for Oceans and Fisheries

Minister of Revenue

Associate Minister of Finance



20 September 2021

Cr Andrew Noone
Chair, Otago Regional Council
Andrew.Noone@orc.govt.nz

Dear Andrew

RE: Proposed Otago Regional Policy Statement 2021

Thank you for your letter of 19 August 2021 outlining progress and potential hurdles in your efforts to develop a fit for purpose freshwater planning regime in the timeframes agreed. I have also received your email of 31 August 2021 with your introductory statement for the recent Notice of Motion on minimum flows for the Manuherehia River.

Freshwater planning process

Concerns have been conveyed to me about the use of the freshwater planning process for the entire Regional Policy Statement, and I understand that legal action is now underway.

Otago Regional Council (the Council) is the first council to use the freshwater planning process. I am conscious that you are testing a new process, and that can result in unforeseen challenges. In recognition of this, my officials have indicated to Council staff that the Ministry for the Environment will be willing to contribute some financial support to the Council to help fund court proceedings. I have authorised my officials to continue working with you to clarify the mechanics and quantum of any funding.

I will be taking advice on whether a decision may have wider national significance and if I, as Minister for the Environment, should join the proceedings. I will also be reviewing the decision from any proceedings carefully to consider if subsequent clarifications or guidance to the freshwater planning process are necessary.

Notice of Motion on Manuherehia flows

There are concerns, which I share, that the decision to delay the minimum flows process for the Manuherehia will impact on the timeframe for notifying a new Land and Water Plan by 2023. The need to establish environmental flows and levels has existed in national direction since the 2011 NPS-FM. I would have expected sufficient progress in data gathering and scientific research to have already been made so that decisions could be made.

Also, several parties have written to me raising significant concern about due process and decision-making within the Council when considering freshwater matters.

Assurances sought from Council

I request written confirmation that the Council is committed to delivering a robust freshwater plan within the agreed 2023 timeframe, and that the plan will include a comprehensive

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minimum flow regime for the Manuherekia. Please therefore advise when the Council expects to make a decision on these flows.

I will be discussing this matter with the Minister of Local Government, Hon Nanaia Mahuta. It seems to me premature at this point to consider intervention options available under the Resource Management Act 1991 and Local Government Act 2002, as some have advocated. By the same token, I am keen to receive assurances from you that will provide me with a high level of confidence that a robust freshwater plan will be notified as agreed.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'David Parker', with a stylized flourish at the end.

Hon David Parker
Minister for the Environment

9.2. Chief Executive's Report

Prepared for: Council
Activity: Governance Report
Author: Sarah Gardner, Chief Executive
Date: 27 September 2021

PURPOSE

- 27 August – RCEO Group fortnightly catch-up (Zoom)
 - 30 August – Otago Regional Leadership Group (Zoom)
 - 30 August – Weekly catch-up with Chair, Deputy & CEO (Zoom)
 - 31 August – Meet and greet session with new staff (Zoom)
 - 2 September – ORC All Staff meeting to check-in on Alert Level 3 settings (Zoom)
 - 2 September – ORC New Office Steering Committee (Zoom)
 - 2 September – Three Waters update to Mayors, Chairs & CEO's (Zoom)
 - 3 September – Regional Sector meeting (Zoom)
 - 3 September – Discussion on Sector Piece for Local Government Future (Zoom)
 - 6 September – Waka Kotahi Live Call (Zoom)
 - 6 September – Weekly catch-up with Chair, Deputy & CEO (Zoom)
 - 7 September – Introduction re Comms SIG (Zoom)
 - 7 September – Progressing the Takiwā approach to Three Waters – September hui (Zoom)
 - 8 September – Implementation Committee; Governance, Comms & Engagement Committee; Data & Information Committee (Zoom)
 - 9 September – Regulatory Committee + Workshop: Freshwater Farm Plans consultation document (Zoom)
 - 9 September – Wilding pines discussion with Crs Forbes, Noone and Wilson, and Gavin Palmer (Zoom)
 - 10 September – Otago CE's Forum
 - 10 September – CEG
 - 13 September – Weekly catch-up with Chair, Deputy & CEO (Zoom)
 - 13 September – LWRP Governance Group meeting (Zoom)
 - 14 September – Mana to Mana meeting (Zoom)
 - 14 September – DCC/ORC meeting re South Dunedin and Harbourside collaboration (Zoom)
 - 16 September – Three Waters update to Mayors, Chairs & CEO's (Zoom)
 - 17 September – Meet and greet session with new staff (face-to-face & Zoom)
 - 17 September – Met Consent Applicant with Consents Manager
 - 20 September – Three Waters Steering Group meeting (Zoom)
 - 20 September – Weekly catch-up with Chair, Deputy & CEO (Zoom)
 - 22 September – LWRP Comms Plan discussion with General Manager Strategy, Policy and Science, Crs Noone, Robertson & Wilson
 - 23 September – Otago CEO's fortnightly Three Waters catch-up (Zoom)
 - 23 September – CDEM Otago Joint Committee meeting
 - 23 September – South Island Regional Councils CEO's (Zoom)
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- 24 September – Otago Mayoral Forum
- 28 September – Chair Noone and I met with Philippa Fourie and Robb Stevens from Fonterra. Robb Stevens has replaced James Caygill.

RECOMMENDATION

That the Council:

- 1) **Notes** this report.

DISCUSSION

Covid-19

- [1] Staff have responded well to the challenge of navigating COVID-19 lockdown and maintaining the work programme. Staff worked from home over the period of Level 3 and 4 and we maintained a 50% occupancy rate in all offices until Wednesday 23 September 2021 when government advice changed slightly. New staff were also onboarded in a working from home capacity over lockdown.
- [2] Our Public Transport services were quickly adjusted to Alert Level requirements and patronage monitoring was undertaken throughout Alert Levels. It was down by approximately 90% which wasn't unexpected in the circumstance. All ORC drivers were paid throughout.
- [3] All staff have had safety plans tailored to Alert Levels in place throughout. Some field work was undertaken in Levels 3 and 4, in particular, the repair of monitoring instruments, monitoring of flood infrastructure and attendance at pollution incidents that required an on-site response.
- [4] We know from previous experience one of the most important things for our staff during lockdowns is maintaining a connection with the organisation and getting good consistent messaging about what is happening and the expectations we have for staff. During Levels 3 and 4 all staff received updates from me each day, with particular emphasis on staff wellbeing as a priority. We implemented some initiatives to assist with any unforeseen hardship and also increased our staff newsletter to a circulation level of three times per week, which included a social component for staff contributions. At critical times, like announcements of changes to Alert Levels, we held all staff zoom meetings to ensure consistent messaging and also to answer staff questions and concerns. The Leadership Team also maintained a daily situation report to ensure all activity undertaken as essential work or issues arising had transparency, and as required were addressed.
- [5] In respect of our CDEM response, we were linked into national activity at stand-up but were one of the few Regions not to activate our Emergency Coordination Centre. The Manager of Emergency Management Otago and I monitored the situation and there was a very limited need for community support. This was not the case for other agencies, and I acknowledge the very positive work done for our community by agencies like the Ministry of Social Development, Ministry of Health and Southern DHB and Kai Tahu for their Food Hub initiative.

ATTACHMENTS

Nil

That the Council excludes the public from the following part of the proceedings of this meeting (pursuant to the provisions of the Local Government Official Information and Meetings Act 1987) namely:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
<p><i>1.1 Minutes of 25 August 2021 public excluded Council Meeting</i></p>	<p>To protect the privacy of natural persons, including that of deceased natural persons – Section 7(2)(a)</p> <p>To protect information where the making available of the information— would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information – Section 7(2)(b)(ii)</p> <p>To protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied – Section 7(2)(c)(i)</p> <p>To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h)</p> <p>To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)</p> <p>To maintain legal professional privilege – Section 7(2)(g)</p>	
<p><i>3.1 RPS Hearing Panels Paper #3</i></p>	<p>To protect the privacy of natural persons, including that of deceased natural persons – Section 7(2)(a)</p>	<p>Section 48(1)(a) -Subject to subsection (3), a local authority may by resolution exclude the public from the whole or any part of the proceedings of any meeting only on 1 or more of the following grounds: (a) that the public conduct of the whole or the relevant part of the proceedings of</p>

		the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist.
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This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are shown above after each item.