

## Otago Regional Council meeting 25 March 2015

Attached is the agenda for the next Council meeting of the Otago Regional Council, which is to be held on Wednesday 25 March commencing at 1.00 pm. The venue is the Council Chamber, 70 Stafford Street, Dunedin. Members of the public are welcome to attend. Copies of attachments are available from the Committee Secretary (see contact details below) or online at

<http://www.orc.govt.nz/Meetings-Consultations-and-Events/Council-meetings-and-Agendas/>.



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## OTAGO REGIONAL COUNCIL

**Agenda for an Ordinary meeting of the Council to be held in the  
Council Chamber, 70 Stafford Street, Dunedin on Wednesday  
25 March 2015 commencing at 1.00 pm**

**Membership:**

- Cr Stephen Woodhead (Chairperson)
- Cr Gretchen Robertson (Deputy Chairperson)
- Cr Graeme Bell
- Cr Doug Brown
- Cr Louise Croot MNZM
- Cr Michael Deaker
- Cr Gerrard Eckhoff
- Cr Gary Kelliher
- Cr Trevor Kempton
- Cr Sam Neill
- Cr Bryan Scott
- Cr David Shepherd

**Apologies:** Cr Gretchen Robertson

**Leave of Absence:** Cr Croot - Request for Leave of Absence  
Cr Robertson – Request for Leave of Absence

**In attendance:**

**Please note that there is an embargo on agenda items until 8.30 am on Monday  
23 March.**

### CONFIRMATION OF AGENDA

### PUBLIC FORUM

### MINUTES

**Page Nos.**

The public and in committee sections of the minutes of the meeting held on  
11 February 2014, having been circulated, for adoption

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### Matters arising from the minutes

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Providing an overview of the Chief Executive’s activities for the period to 18 March 2015.	
<b>PART B – RECOMMENDATIONS</b>	
Item 3 2015/0702 <b>Wallabies in Otago.</b> DEMO, 27/2/15	19 - 22
The report notes the potential of wallabies to cause significant adverse environment effects should feral populations establish in Otago, and reports recorded sightings and sign of the animals in Otago. The development of a comprehensive pro-active wallaby incursion response is recommended.	
<b>PART C – ITEMS FOR NOTING</b>	
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## OTAGO REGIONAL COUNCIL

### Minutes of an Ordinary meeting of the Council held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 11 February 2015 commencing at 10.00 am

**Present:**

- Cr Stephen Woodhead (Chairperson)
- Cr Gretchen Robertson (Deputy Chairperson)
- Cr Graeme Bell
- Cr Doug Brown
- Cr Louise Croot MNZM
- Cr Michael Deaker
- Cr Gerrard Eckhoff
- Cr Gary Kelliher
- Cr Trevor Kempton
- Cr Sam Neill
- Cr Bryan Scott
- Cr David Shepherd

**Leave of Absence:** Cr Croot - Request for Leave of Absence  
The request for leave of absence was approved on the motion of Crs Woodhead and Shepherd.

**In attendance:**

- Peter Bodeker
- Wayne Scott
- Jeff Donaldson
- Jane Leahy
- Fraser McRae
- Gavin Palmer
- Janet Favel

#### CONFIRMATION OF AGENDA

There were no changes to the agenda.

#### MINUTES

The minutes of the public portion of the meeting held on 10 December 2014, having been circulated, were adopted on the motion of Crs Croot and Kempton.

#### Matters arising from the minutes

There were no matters arising from the minutes.

## **PART A – CHAIRPERSON’S AND CHIEF EXECUTIVE’S REPORTS**

### Item 1

2015/0738 **Chairperson’s report.** Chair, 5/2/15

The report provided an overview of the Chairperson’s activities for the period to 5 February 2015.

The Chair noted that he had attended a National Council meeting on 5 February. The topics discussed were Three Waters, hazards, and funding options. He commented on the upcoming RMA reforms, and advised that there would be opportunity for both local government and individual involvement.

Cr Woodhead encouraged Councillors to attend the Zones 5 and 6 meeting to be held in Dunedin on 27 March.

In response to a question the Chief Executive explained that ORC was involved in current work to refine Overseer for high country use. He explained that Overseer provided a useful reference point for dairy, sheep and beef activities, not so much for other forms of agriculture. Mr Bodeker noted the Plan Change 6A requirement for approved Overseer operators, and advised that an approved operator course was available through Massey University.

The meeting with Mayor Cull and CE Ms Bidrose about the transfer to the DCC of public transport functions was discussed. Cr Woodhead advised that DCC had indicated interest in this transfer in the shorter term (12-24 months), and the meeting had discussed the work programme and the need for DCC staff to learn the system. The ORC’s preference was for provision to be made for this project in the next LTP. The meeting had agreed that a joint staff working group be established to work through the issues, including commitments already in place in relation to improvements.

In response to a question about RMA reforms, Cr Woodhead explained that a comprehensive review would be undertaken by the Minister’s office. He noted that culture and practice in implementing the RMA were seen as an impediment, rather than the law itself, and that the review would be carried out through a six month select committee process.

Changes to legislation requiring accreditation for both members and chairs of hearing panels were noted.

Item 2  
2015/0736 **Chief Executive's Report.** CE, 5/2/15

The Chief Executive provided an overview of his activities for the period to 5 February 2015.

Mr Bodeker explained that most of his work since the Christmas break had related to low flows, particularly in the Taieri River, and Councillors had been kept updated on the situation. The likelihood of insufficient rain for some months was noted, and water shortage notices of direction were prepared. These had not been applied to date apart from four takes upstream of Waipiata. It was proposed at the staff meeting earlier this morning to allow these landholders limited use of water as long as they managed the minimum flow at Waipiata.

The Chief Executive commented that the situation had been a valuable exercise for staff, and the daily meetings discussed the establishment of procedures for future events. When the event was over, further consideration would be given to ORC's role in the management of rivers. The staff meetings had cross-Council involvement, farmers had been well informed, and media releases had been prepared. A letter of thanks had been received from KTKO.

Cr Woodhead moved  
Cr Deaker seconded

*That the Chairperson's and Chief Executive's reports be noted.*

**Motion carried**

## **PART B – RECOMMENDATIONS**

Item 3  
2015/0705 **Low Flows in Otago Rivers.** DEENH, 2/2/15

The report noted that the lack of rain, and high temperatures in recent months, had resulted in very low flows in many of Otago's Rivers. The situation at present, the principles and approaches ORC staff had adopted in addressing this event, and actions taken to date were summarised in the report.

Councillors commended staff on their work in handling the low flow event, and noted the positive response from landholders attending the public meetings.

Mr Bodeker commented that the Council's responsibility was to manage a natural (ie water) system. If water storage was built, caution should be exercised not to negate that facility through more intensive farming. He did

not consider that it was the ORC's role to protect a more intensive farming system.

Cr Eckhoff moved  
Cr Bell seconded

*That the report be noted.*

**Motion carried**

Item 4

2015/0741 **Water Quality (Plan Change 6A) Implementation Strategy.**

DSE, 5/2/15

The report presented for information the Plan Change 6A (PC6A) Implementation Strategy. Cher da Rin, Team Leader Customer Services, and Nicola McGrouther, Manager Community Liaison and Education, were present for this item.

Mrs Jane Leahy gave a presentation on the Implementation Strategy. She explained that the project would extend over many years and it was important to set out a clear direction for its implementation. She spoke about how the goals in Council's recently adopted Strategic Plan would be met:

- Compliance – visits to landholders on properties >20ha to ensure good knowledge of PC6A, also working with third parties – industry groups, consultants. The first survey on PC6A had been carried out and the results were yet to be analysed.
- Measurement – 'we can't improve what we don't measure'.
- Social change – change society's views on water. Ensure information is targeting the right groups with the right messages at the right time.
- Recognition – risk of burn out/tune out. Keep the project alive and interesting. Establish milestones (internal and external) to recognise and celebrate, and provide incentive to achieve limits, eg discounted laboratory work.

In response to a question about investment in sampling technology, Mr Bodeker advised that discussions with likely suppliers were under way, and Councillors would be advised when an appropriate tool had been identified. It was anticipated that within the next 10-15 years all instream analysis would be carried out automatically.

A comment was made on the potentially huge cost to landowners to comply with PC6A. It was noted that 6A allowed for time extensions provided there was evidence that improvements were under way. Mr Bodeker noted that PC6A was about environmental impact and a solution could be the creation of a wetland. He also commented that confirmation should be given to landholders when they were compliant with 6A.



The need to address river pollution from, for example, sewage or industrial outputs was also noted.

Cr Shepherd moved  
Cr Neill seconded

*That the report be noted.*

**Motion carried**

Item 5

2014/1833 **Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago. DPPRM, 29/1/15**

The recommendations of the Hearing Committee on Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago were presented for Council's decision, in accordance with Schedule 1 of the Resource Management Act 1991. The proposed Plan Change and maps were circulated separately with the agenda.

A panel comprising Crs Robertson (Chair), Kelliher and Neill heard submissions on the Plan Change. They commented that the hearing went smoothly, mostly because of comprehensive preparatory work which meant that all parties understood and were in agreement with the proposed minimum flow. In response to a request by Clutha District Council, the panel recommended that the Waipahi rural stockwater supply be added to Schedule 1B which would mean it was excluded from the minimum flow requirement. Mr McRae explained that this was a minor consequential change to the plan change and therefore no further hearing was needed. As this was a relatively new scheme, it was not included in the initial plan. The high minimum flow demanded by the community was noted, and Mr McRae commented that it was significantly higher than the minimum flows placed on other rivers.

Cr Robertson moved  
Cr Neill seconded

*That Council:*

1. *Adopt the recommendations of the Hearing Committee on Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago as its decision;*
2. *Publicly notify its decisions on Proposed Plan Change 3B (Pomahaka catchment minimum flow) to the Regional Plan: Water for Otago on Saturday 14 February 2015; and*
3. *Notify submitters of its decision.*

**Motion carried**

Item 6  
2015/0735 **Financial Report.** DCS, 5/2/15

The report provided information in respect of overall Council finances for the six months to 31 December 2014.

Cr Shepherd moved  
Cr Croot seconded

*That the report be received.*

**Motion carried**

Item 7  
2015/0730 **Documents for Seal.** DCS, 3/2/15

The report listed documents signed under the Council's Seal.

Cr Croot moved  
Cr Kelliher seconded

*That the report be noted.*

**Motion carried**

Item 8 **Reports from Councillors**

*Regional Transport Committee*

Cr Kempton noted that the main focus of the joint Otago/Southland RTC meeting of 26 January (minutes attached to the agenda) had been to finalise the Regional Land Transport Plan (RLTP). Cr Kempton considered that the process of preparing a combined plan had been very successful, and he noted that journeys, whether for tourism or economic purposes, travelled through both regions. He noted that both Southland and Otago had included flood protection work in North Otago as a high priority in their plans.

The Plan had been advertised, and hearings were to be held on 16 and 17 March. The joint meeting had appointed a hearing panel of: Cr Cocks (Otago), Cr Kempton (Otago), Cr Ali Timms (Southland), Cr Dillon (Southland), and Jim Harland (NZTA), with Cr Wilson (Otago) the reserve. Council was requested to endorse the panel.

Cr Kempton explained that the panel would hear submissions on both plans within one plan framework.

Cr Kempton moved  
Cr Bell seconded

*That the Council endorse the following panel to hear submissions on the joint Otago/Southland RLTP: Cr Cocks (Otago), Cr Kempton (Otago), Cr Timms (Southland), Cr Dillon (Southland), and Jim Harland (NZTA), with Cr Wilson (Otago) the reserve.*

**Motion carried**

## **PART D – MINUTES OF MEETINGS**

Item 9      **Recommendations of the Joint Otago/Southland Regional Transport Committee meeting** held on 26 January 2015, for adoption

Cr Kempton moved  
Cr Bell seconded

*That the recommendations of the Joint Otago/Southland Regional Transport Committee meeting held on 26 January 2015 be adopted;*

**Motion carried**

Item 10     **Recommendations of the Communications Committee meeting** held on 28 January 2015, for adoption

Cr Kempton moved  
Cr Bell seconded

*That the recommendations of the Communications Committee meeting held on 28 January 2015 be adopted.*

**Motion carried**

Item 11     **Recommendations of the Policy Committee meeting** held on 28 January 2015, for adoption

Cr Robertson moved  
Cr Deaker seconded

*That the recommendations of the Policy Committee meeting held on 28 January 2015 be adopted.*

**Motion carried**

Item 12 **Recommendations of the Regulatory Committee meeting** held on 28 January 2015, for adoption

Cr Neill moved  
Cr Croot seconded

*That the recommendations of the Regulatory Committee meeting held on 28 January 2015 be adopted.*

**Motion carried**

Item 13 **Recommendations of the Technical Committee meeting** held on 28 January 2015, for adoption

Cr Scott moved  
Cr Brown seconded

*That the recommendations of the Technical Committee meeting held on 28 January 2015 be adopted.*

**Motion carried**

## **PART E – EXCLUSION OF PUBLIC**

Cr Woodhead moved  
Cr Kelliher seconded

*That the public be excluded from the following part of the proceedings of the meeting.*

*The general subject of the matters to be discussed while the public is excluded, the reason for passing this resolution in relation to the matter, and the specific grounds under Section 48(1)(a) of the Local Government Information and Meetings Act 1987 for the passing of this resolution are as follows:*

	<i>General subjects to be considered</i>	<i>Reason under LGOIMA for passing this resolution</i>	<i>Grounds under S.48 for the passing of this resolution</i>
<i>Item 14</i>	<i>Minutes of the In Committee portion of the Council meeting held on 10 December 2014</i>	<i>To protect the privacy of natural persons (S7(2)(a))</i>	<i>S.48(1)(a)(i)</i>

*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 with respect to each item.*

**Motion carried**

Following discussion of Item 14,

Cr Woodhead moved

Cr Bell seconded

*That the meeting resume in open session,*

**Motion carried**

The meeting closed at 11.33 am

**Chairperson**

**REPORT**

Document Id: A749609

Report Number: 2015/0825

Prepared For: Council

Prepared By: Chairperson

Date: 17 March 2015

Subject: **Chair's Report - March 2015**

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**1. National Council**

Verbal update.

**2. Regional Sector Group**

Sir Toby Curtis, Chair Te Arawa Lakes Trust, Sir Tumu te Heuheu, Tuwharetoa and Roku Mihinui, CEO Te Arawa Lakes Trust, attended to update on discussions Iwi leaders are having with the Crown with respect to the proprietary rights and interests over water. They are consulting Iwi and the public on a report by Sapere that investigates “The costs and benefits of an allocation of fresh water to Iwi”. Following discussion, LGNZ has been asked to develop a MoU with Iwi leaders group which will include reference to the relationship between RSG and the Freshwater Iwi Leaders Group (FWILG), with the core focus on fresh water.

Minister Nick Smith attended the meeting. The RMA Reform Bill will tackle the hard stuff. The merging of sections 6 and 7 has been reconsidered. Areas to be addressed include greater standardisation nationally including through a plan template; too many consents are required, greater national direction and more NPS's and NES's. Housing affordability, infrastructure and natural hazards will be added to Part II. The role of Elected Members in plan making will be elevated – proposed to remove the Environment Court from plan and policy making. The scope for collaboration in plan making will extend beyond fresh water management. Where a council adopts a decision made through a collaborative process, appeals to the Environment Court will not be allowed; there will be a test in the statute to ensure the key participants are in the room. Independent commissioners will make the decisions on notified resource consents – the consideration of resource consents is considered to be a technical matter. Transitional processes will be allowed for existing processes; a regional council should not wait for the law around collaborative processes to be final – transitional provisions will ensure processes in play can “piggy back” onto new processes. The Special Housing Areas Act is being looked at for wider applicability.

With respect to fresh water the Minister noted: He is hugely encouraged by regional councils tackling matters that had been in the “too hard basket” and there is a disconnect between what is occurring and what the public can see. The Crown is engaging on rights and interests around water. The Government's response has been: Nobody owns water and the Crown does agree that Iwi have a legitimate interest in rights and interests around water greater than the general public, but not an ownership or veto right. The focus is to get a greater degree of national consistency across the sector; work will be done to produce a “next steps” policy document; he wants to work with regional councils to evolve a “best practice” model in this area – around Iwi having a greater role in decision making around water management.

The Minister believes LAWF has played a very constructive role – politically keen to keep LAWF active; there are three outstanding matters with respect to the NPSFM: exemptions, coastal lagoons and MCI (where this sits in the NOF).

Clean up fund – Government yet to determine how to optimise the \$100M announced in election campaign (riparian planting). Likely criteria: won't get funding unless able to show that making good progress re managing within limits; relationship and involvement of with Iwi; involvement of the community.

The Environmental Reporting Bill expected to pass mid-year – aim to deliver consistency.

An update on the LGNZ business plan, funding review and reputation index etc. from Lawrence Yule and Malcolm Alexander – it was noted that the funding review report, 3 waters project and LTPs all come together around the middle of the year.

### **3. Mayoral Forum**

Hosted by Waitaki District Council, Mayor van Uden welcomed Leanne Mash, CE at Central Otago District Council to her first forum.

An update on the Otago Rural Fire Authority confirmed that although it has been a very busy and challenging summer, they are working to budget. Part of working through the transition of operating the new combined Authority, now with some experience of the different resources available and needs of the districts, they will be defining the level of service required.

*Otago Museum funding review* – At the November forum, it was decided to review the funding model for the Otago Museum. Following initial investigation it is clear that governance needed to be part of the review also. CEs are to continue the review.

*Wilding Trees* - A report done by Nick Ledgard (previously circulated to ORC Councillors) providing an overview of the wilding affected areas in Otago was discussed. It was noted that the National Strategy was soon to be approved.

There was no Te Roopu Taiao meeting this forum.

### **4. Otago Civil Defence Emergency Management Group**

The CDEM Coordinator report covered the six months to 31 December 2014. The detailed report showed activity reported against the ten objectives under the four Rs in the group plan. There is significant activity around the region, including at community level, which was pleasing to see. Future reports will be presented in a similar manner.

The Group Controller list was updated.

The process of the three yearly capability assessment done by MCDEM was discussed. The final report should be out soon.

An update on the review of CDEM arrangements was received.

**5. Regional Economy comments**

While there has been a dry summer for many in the primary sector, overall Otago economic data at this point is promising. The manufacturing sector is showing national leading growth figures for February. Reports indicate the horticulture crops, in particular cherry production in Central Otago are well above historical levels, visitor numbers are also very strong. A recent report noted that our regional GDP growth over the last five years was very slightly below the national average. Looking to the future, the diversified economy that Otago has means we will not be affected to the extent of our near neighbours by the dairy downturn.

**6. Other meetings/functions attended**

- Cricket World Cup game between Scotland and New Zealand.
- Forestry workshop.
- Cr Robertson, Mr Bodeker and I hosted His Excellency Mr Michael Potts, the Australian High Commissioner to NZ.

Stephen Woodhead  
Chairperson



**REPORT**

Document Id: A750352

Report Number: 2015/0829  
Prepared For: Council  
Prepared By: Chief Executive  
Date: 18 March 2015

Subject: **Chief Executive's Report - March 2015**

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**1. River Management – 2014-15 Drought**

The recent rains have all but remedied the low flow situation in the main rivers ORC has been monitoring. The major concern was the Taieri River but due to close monitoring by ORC and cooperation from irrigators who voluntarily rostered, water shortage directions to stop and/or limit irrigation were placed on only five irrigators, located upstream from Waipiata.

In the last three weeks ORC has also been focusing on the Manuherikia River as the supply from the Falls Dam was at a critically low level. Restrictions from the Falls Dam Company on irrigation take, and fortuitous rain, mean that the dam level has increased and the minimum flow at Ophir has been maintained.

ORC has also placed a recording site in the Kauru River to monitor flows that support an endangered galaxiid species.

Active communication between ORC and all interested parties has ensured that our actions have been well received and understood.

All of the actions taken by management and staff during the drought have been documented to assist in future events and ORC has developed working systems which will be used in future drought and other critical events managed by Council.

**2. LTP**

Following sign off of the LTP consultation document by the Finance and Corporate Committee, the document has been sent to the printers and can be released for public consideration.

As this is the first time a consultation document process has been used, there were a number of learnings for Council staff which have resulted in a high quality document being produced.

A feature of the communication will be an innovative on-line document reading programme and a ready reckoner to calculate new rate levels for individual property owners.

**3. Fruit Fly Response**

The Queensland Fruit Fly response is currently in its fourth week but is likely to go for a number of months. Fourteen adult flies have been found and four infected places have been identified within the original control area. The expectation is that the flies will be able to be eradicated as a localised operation.

ORC has supplied Jeff Donaldson as Operations Manager for this response. Mr Donaldson worked for a six day period from 4–10 March. ORC has two other staff members (Richard Lord and Scott MacLean) who could also be requested to assist.

Field work continues to focus on the surveillance trapping system, to capture any male fruit flies present in the area, and ultimately confirm that the eradication is successful. Field teams continue to reapply insecticide bait and set traps throughout the Controlled Area, as well as informing residents about the controls and inspecting gardens and rubbish bins.

To date AsureQuality have used 19 organisations for various tasks as well as a total of 724 individuals. All NBCN members have been outstanding and the real worth of the NBCN has been 'tried and tested,' with positive comments from both the Director General of the Ministry for Primary Industries (MPI), Martyn Dunne, and the Minister for Primary Industries, Nathan Guy.

#### **4. Rabbit control**

As dry weather has continued in Central Otago rabbit breeding has exceeded normal breeding cycles. Currently 250 properties are under management plans but there is a need for compliance staff to carry out further inspections as there will be many more properties now exceeding MAL.

1080 oat poisoning has commenced and this will assist for part of the problem, but going into winter 1080 carrot operations will need to be undertaken. However where pindone carrot operation is more appropriate there is a risk that these operations may not go ahead due to the unavailability of the required pindone.

For those semi urban properties that are in breach, ORC will be looking at using pindone pellets, which are still able to be manufactured. There is concern that the extra cost of control and the reduced kill that occurs when using pindone in that form will not encourage its use.

Peter Bodeker  
**Chief Executive**

## REPORT

Document Id: A728244

Report Number: 2015/0702

Prepared For: Director Environmental Monitoring and Operations

Prepared By: Manager Operations

Date: 27 February 2015

Subject: **Wallabies in Otago**

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### 1. Précis

Wallaby are listed as an Unwanted Organism under the Biosecurity Act and are identified as a pest animal in Otago's Regional Pest Management Plan. These animals have the potential to cause significant adverse environmental effects should feral populations establish in Otago. They are adaptable with regards to habitat and can thrive in environments from forest through to open tussock country.

Wallabies currently occupy over 300,000 hectares of land in South Canterbury. Ecan's Pest Management Plan identifies a Wallaby Containment Zone where a Maximum Allowable Limit has been set. The Waitaki River is deemed to be the Southern boundary of Ecan's Wallaby Containment Zone. The numbers of confirmed sightings and kills of wallaby both south of the Waitaki river and within Otago are on the increase.

The most efficient way of migration prevention is regular, structured search-and-destroy operations and on-going surveillance of known natural incursion points. It is also vital the Otago Regional Council is resourced to respond swiftly to incursions, to prevent migration southwards and feral populations establishing themselves in Otago.

### 2. The Otago situation

Confirmed sightings and wallaby kills within Otago are on the increase. Environmental Monitoring and Operations staff have undertaken a number of strategic inspections upon receipt of suspected sightings over the past two years. These sightings have led to the discovery of both fresh and old wallaby sign (faecal matter) confirming the presence of at least single animals. The sightings have been relatively widespread in terms of location. Sightings or wallaby sign have been confirmed at Naseby forest, Herbert forest and one wallaby that was killed by a truck on State Highway 1 as far south as Evansdale, approximately 20km north of Dunedin, in 2012.

A number of other reported sightings have been ground-truthed and confirmed by staff experienced in wallaby sign detection and verification in recent months at Trotters Gorge near Palmerston. The sign evident at this location suggested a lone animal. This site was subject to a 1080 aerial poisoning operation for possums. Follow up inspections have failed to detect any fresh sign so it is likely the animal was killed as a consequence of the 1080 operation. Lone animals this far outside of their established feral zone are almost certainly the result of illegal release. The greatest threat of

establishment of a feral population within Otago remains natural migration southwards of the Waitaki.

The natural incursion point for wallabies to spread into Otago is up and over the Hawkdun Range. Targeted search and destroy operations are required along this range and monitoring stations should be set up at strategic points (eg saddles and established farm tracks) to detect movement of animals over the range.

The Regional Pest Management Strategy for Otago 2009 (RPMS) states the key objective for wallaby is to prevent their establishment in Otago. The intention is that this would be achieved by the requirement for all wallaby to be destroyed by land occupiers and all wallaby killed or seen to be reported to Council.

The reality is, the situation has evolved at a faster rate than the plan anticipated. The likelihood of achieving the aims and objectives of the RPMS 2009 with regards to wallaby is remote without a thorough, strategic surveillance programme and the ability to respond to incursions. This should include close liaison with Ecan for a coordinated approach to control programmes.

A fundamental component of a wallaby response strategy is a comprehensive communications plan. Affected landowners need to be closely involved and informed about the situation and encouraged to become proactive and work in partnership with Council as we tackle this unwanted pest and stop it at the border.

Confirmed kills from Ecan's search and destroy operations south of the Waitaki have increased 8-fold in the last two years. 70% of the wallabies killed in these operations have been within a six kilometre radius of the Aviemore dam which indicates the primary pathway for the migration southwards of the Waitaki. Ecan have recently taken measures to slow the migration by installing rabbit proof netting fences ultimately restricting passive access to the dam and subsequently across to the southern side.

The remote terrain of the Hawkduns coupled with increasing migration southwards of the Waitaki River means that reliance on land occupiers alone for control in Otago is a failing strategy and one that must be confronted realistically and with expedience.

### **3. Population expansion predictions**

Bennett's wallabies were introduced into the Hunter Hills near Waimate in 1874 to provide animals for recreational hunting. It is thought that only 3–5 breeding pairs were introduced. Since that initial release, the population has grown exponentially and their distribution has become widespread. It is estimated that between 1916 and 1975 wallabies spread at a rate of approximately 46km<sup>2</sup> per annum [Warburton et al 2014).

Landcare Research Ltd have modelled the population expansion and predicted a natural migratory spread into areas such as the headwaters of the Manuherikia, Ida and Kyeburn catchments within the next two decades [Figure 1]. In the absence of dedicated monitoring and search and destroy operations there is little reason to doubt a feral population being established in Otago within that timeframe.

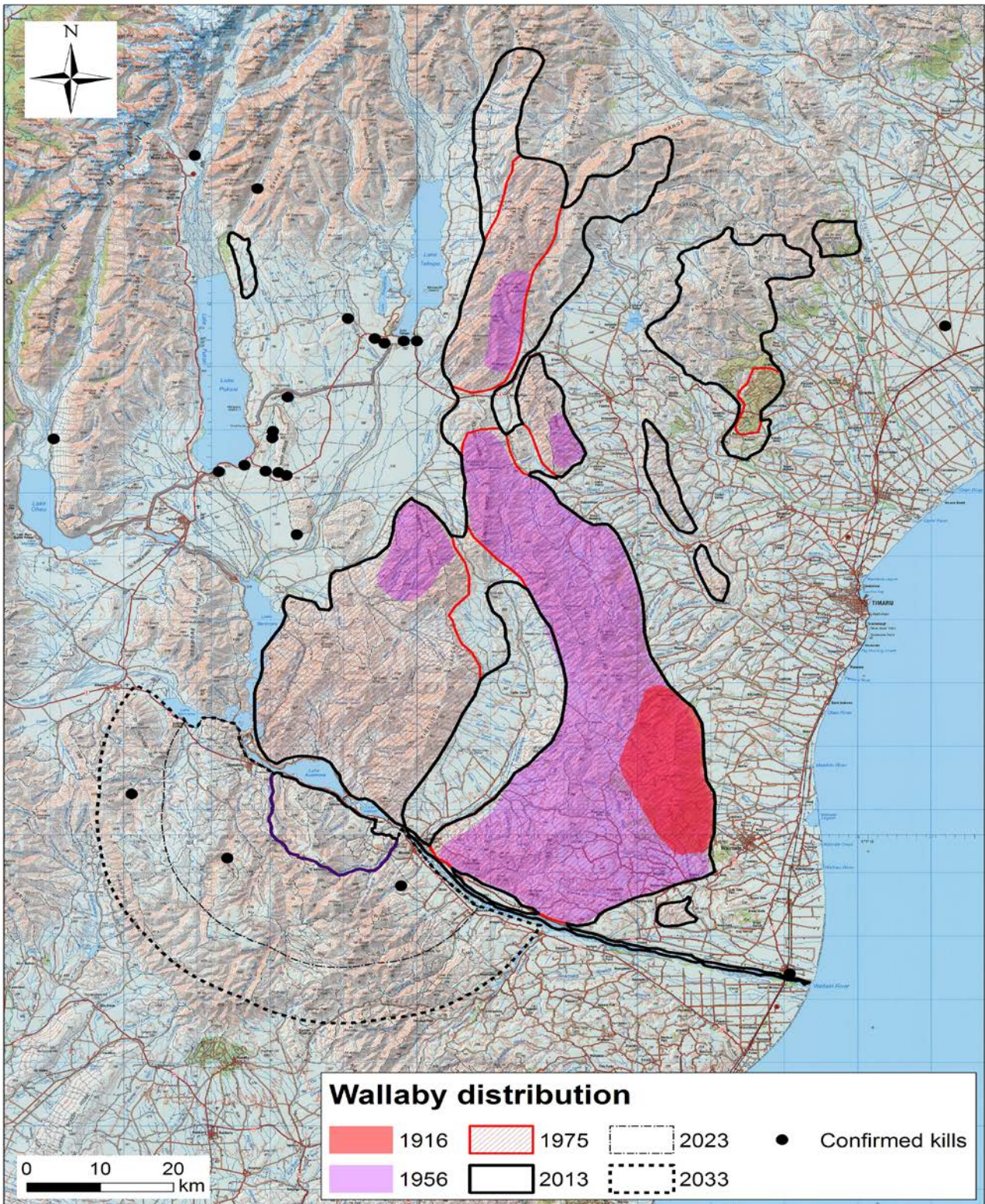


Figure 1

© Bruce Warburton – Landcare Research Ltd

#### **4. Summary**

Confirmed wallaby sightings and kills within Otago are on the increase. The current 2009 Regional Pest Management Strategy for Otago relies solely on land occupiers undertaking surveillance and control of wallabies as the means of preventing the establishment of feral populations within Otago. Population modelling suggests that with the current rate of spread wallaby will be established in Otago within the next two decades.

The Otago Regional Council needs to be able to respond quickly to incursions and undertake strategic surveillance. It can achieve this through a structured, targeted programme that complements Environment Canterbury's eradication programme for wallabies outside of the containment zone, south of the Waitaki River. Coupled with a comprehensive communications and awareness campaign, Otago has a real opportunity to stop this pest at the border and prevent the establishment of feral populations within our region.

#### **5. Recommendations**

1. That this report be received.
2. That a comprehensive pro-active wallaby incursion response, control and surveillance strategy, including funding implications and communications plan, be drafted for Council consideration.

Jeff Donaldson

**Director Environmental Monitoring and Operations**

## REPORT

Document Id: A747120

Report Number: 2015/0815

Prepared For: Council

Prepared By: Finance Manager

Date: 19 March 2015

Subject: **Financial Report to 28 February 2015**

The following information is provided in respect of the overall Council finances for the eight months to 28 February 2015.

### 1. Activity Expenditure

Expenditure for the Council's activities, including capital expenditure and internal charges, is summarised as follows:

	Annual Budget \$000's	Budget February \$000's	Actual February \$000's	Variance (unfav.) \$000's
Air Quality	753	501	293	208
Emergency management	415	276	163	113
Environmental Incident response	961	636	678	(42)
Flood protection & control works Note 1	7,983	6,201	4,798	1,403
Governance & Community	3,618	2,411	2,316	95
Land Note 2	2,514	1,700	1,189	511
Policy	899	598	722	(124)
Regulatory Note 3	3,115	2,065	1,589	476
Rivers & Waterway Management	986	659	782	(123)
Natural hazards	1,040	690	564	126
Transport Note 4	11,119	7,068	6,129	939
Water Note 5	5,187	3,442	3,240	202
	<b>38,590</b>	<b>26,247</b>	<b>22,463</b>	<b>3,784</b>

Significant variances are commented upon in the notes below.

#### Note 1 – Flood Protection

The favourable variance in the Leith Flood Protection project of \$1,000,000 comprises the majority of this variance. The project has extended over several financial years, and the variance largely reflects a difference in the timing of work performed with the timing anticipated in the annual budgets.

Secondly, a favourable variance of \$245,000 in the Lower Clutha project is largely due to timing issues.

#### Note 2 - Land

This variance is largely due to external contract activity being \$360,000 less than budgeted due to a lower level of contract activity undertaken than was anticipated in the budget.

**Note 3 – Regulatory**

A significant component of this activity is demand driven, and is accordingly dependent on the level of activity, which to date is at a lower level than anticipated in the budget, with the resource consent processing project being down \$177,000, the compliance monitoring project down \$135,000, and the Dam Safety project down \$88,000.

**Note 4 - Transport**

The prime reason for this favourable variance is the lower than budgeted cost of the Dunedin bus service contracts, and lower costs associated with the provision of the Wakatipu transport service. Expenditure in the Public Transport Regional project is also down significantly, as is the Stock Truck Effluent Disposal sites expenditure, with work not proceeding as anticipated in the budget.

**Note 5 Water**

The 1C Water Plan Implementation project is showing a *favourable* variance of \$450,000 (57% of budget), partially due to resources being redirected to the 6A Water Plan Implementation project and also direct costs incurred to date being less than budgeted.

The Regional Plan: Water project is showing a *favourable* variance of \$138,000, primarily due to internal resources being redirected to the Regional Policy Statement project.

Conversely, the 6A Water Plan Implementation project is showing an *unfavourable* variance of \$153,000 (16% of budget), including additional time-costs of \$79,000, and additional vehicle and copying costs amounting to \$35,000.

The Water Quality & Quantity State of the Environment project has an *unfavourable* variance of \$234,000 primarily due to the costs of \$229,000 associated with the recent dry weather event.

**2. Income Statement and Balance Sheet**

An Income Statement for the eight months to 28 February 2015 and a Balance Sheet as at 28 February 2015 are attached.

**3. Recommendation**

That this report be received.

R W Scott  
**Director Corporate Services**



## Otago Regional Council

 Income Statement  
 For the eight months to 28 February 2015

	Annual Budget \$000's	Budget February \$000's	Actual February \$000's	Variance (unfav) \$000's
<b>Income:</b>				
Rate income	13,543	9,028	9,030	2
Grant and subsidy income	Note 1 6,030	3,870	3,439	(431)
Interest received	2,137	1,425	1,351	(74)
Other income	Note 2 4,682	3,121	2,260	(861)
Dividend income	Note 3 7,400	4,933	5,600	667
Rental income	Note 4 921	614	834	220
Gain in value of investment Property	Note 5 294	-	-	-
Other gains	Note 6 -	-	563	563
<b>Total Income</b>	<b>35,007</b>	<b>22,991</b>	<b>23,077</b>	<b>86</b>
<b>Less Expenditure:</b>				
Operating expenses	Note 7 30,177	20,186	19,437	749
Finance costs	1	-	-	-
Depreciation expense	1,515	1,011	1,083	(72)
<b>Total Expenditure</b>	<b>31,693</b>	<b>21,197</b>	<b>20,520</b>	<b>677</b>
<b>Surplus</b>	<b>3,314</b>	<b>1,794</b>	<b>2,557</b>	<b>763</b>

**Note 1 - Grant and Subsidy Income**

The majority of the variance in subsidy income is related to the Dunedin Passenger Transport project, and the Stock Truck Effluent Disposal project, resulting from lower levels of expenditure incurred to date than provided for in the budget, with the associated subsidy income being lower than budgeted.

**Note 2 – Other Income**

This unfavourable variance comprises unfavourable and favourable project variances. The significant unfavourable variances are primarily in the regulatory activity projects and the external contract activity, and are primarily associated with a lower level of expenditure and associated revenue. Partially offsetting those variances is a favourable variance in the Leith Flood Protection scheme with unbudgeted accrual recoveries amounting to of \$358,000.

**Note 3 – Dividend Income**

Dividend income reflected in the Income Statement is an accrual of the amount expected to be paid to the Council by Port Otago Limited during the current financial year.

The favourable variance is largely the result of a timing affect, reflecting a higher proportion of the expected June 2015 dividend, forecast to be received by the end of the financial year, compared to the timing of dividend payments anticipated in the budget.

**Note 4 – Rental Income**

The favourable variance in rental income reflects increases in rentals over that provided for in the budget and associated rental arrears charged during the reporting period. This relates mainly to the Lower Clutha and investment property leases.

**Note 5 – Gain in the value of Investment Property**

Investment Property is revalued annually at 30 June. Accordingly the year to date budget and actual gain are reported as nil amounts to 28 February 2015.

**Note 6 – Other Gains**

The gain recorded of \$563,000 reflects the increase in the value of the BNZ Managed Investment Portfolio for the eight months to 28 February 2015.

**Note 7 – Operating expenses**

The favourable variance in operating expenses is mainly attributable to net favourable project variances, excluding the impact of capital expenditure, reflected in the activity expenditure section above.

## Otago Regional Council

 Balance Sheet  
 As at 28 February 2015

	28 February 2015 \$000's	30 June 2014 \$000's
<b>Public Equity</b>		
Public equity	140,510	140,968
Available-for-sale revaluation reserve Note 1	350,535	350,535
Asset revaluation reserve	7,963	7,963
Asset replacement reserve	4,503	4,403
Building reserve Note 2	7,943	5,214
Emergency response reserve	3,679	3,571
Water management reserve	1,507	1,463
Kuriwao endowment reserve	6,117	6,020
	<b>522,757</b>	<b>520,137</b>
<b>Current Liabilities</b>		
Accounts payable and accruals	4,385	5,824
Revenue in advance Note 3	4,520	-
	<b>8,905</b>	<b>5,824</b>
<b>Total Equity and Liabilities</b>	<b>531,662</b>	<b>525,961</b>
<b>Non-Current Assets</b>		
Operating assets	85,845	83,810
Intangible assets	1,602	1,820
Investment Property	10,024	10,024
Deferred tax asset	163	98
Shares in Port Otago Ltd Note 1	370,535	370,535
	<b>468,169</b>	<b>466,287</b>
<b>Current Assets</b>		
Cash and cash equivalents Note 4	2,644	3,911
Other financial assets Note 4	56,250	52,053
Receivables	3,697	3,236
Other current assets	67	89
Inventories – stock and property held for sale	385	385
Dividends Receivable Note 5	450	-
	<b>63,493</b>	<b>59,674</b>
<b>Total Assets</b>	<b>531,662</b>	<b>525,961</b>

**Note 1 – Available-for-Sale Revaluation Reserve and Shares in Port Otago Ltd**

The Shares in Port Otago Ltd are included at the June 2014 valuation, and the available-for-sale revaluation reserve reflects the revaluation amount of the shares.

**Note 2 – Building Reserve**

The budgeted transfer to the reserve for the year of \$2,500,000 is fully reflected in the balance to 28 February 2015, along with interest earned on the reserve balance.

**Note 3 – Revenue in advance**

Revenue in advance reflects rate revenue which will be released to the income statement over the remainder of the year.

**Note 4 - Cash and Cash Equivalents and Other Financial Assets**

Funds surplus to the Council's immediate and short term requirements are managed on Council's behalf by the BNZ. An Investment Portfolio and term deposits with durations of 4-12 months are included in the classification Other Financial Assets. Current bank balances and term deposits with durations of less than 4 months are included in Cash and Cash Equivalents.

**Note 5 – Dividends Receivable**

Dividend income of \$5,600,000 for the 2014/2015 year has been provided for in the income statement. The dividend receivable balance reflects dividend income less the final 2014 dividend of \$1,900,000 received in September 2014 and the first 2015 interim dividend of \$3,250,000 received in February 2015.

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**REPORT**

Document Id: A750121

Report Number: 2015/0827  
Prepared For: Council  
Prepared By: Director Corporate Services  
Date: 18 March 2015

Subject: **Documents signed under Council's Seal**

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**1. Précis**

To inform the Council of delegations which have been exercised.

**2. Documents signed under the Council's Seal**

- Deed of Guarantee for lease of land West Taieri – CJ and AA Edgecombe

**3. Recommendation**

That the report be noted.

Wayne Scott  
**Director Corporate Services**

## **Report back from Councillors**

## OTAGO REGIONAL COUNCIL

### Minutes of a meeting of the Communications Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 11 March 2015 commencing at 12.22 pm

**Present:**

**Cr Trevor Kempton** (Chairperson)  
**Cr Graeme Bell** (Deputy Chairperson)  
**Cr Doug Brown**  
**Cr Louise Croot MNZM**  
**Cr Michael Deaker**  
**Cr Gary Kelliher**  
**Cr Sam Neill**  
**Cr Gretchen Robertson**  
**Cr Bryan Scott**  
**Cr David Shepherd**  
**Cr Stephen Woodhead**

**Apologies:**

**Cr Gerrard Eckhoff**  
 The apology was accepted on the motion of Crs Shepherd and Woodhead.

**In attendance:**

**Peter Bodeker**  
**Wayne Scott**  
**Jane Leahy**  
**Fraser McRae**  
**Gavin Palmer**  
**Janet Favel**

#### CONFIRMATION OF AGENDA

There were no changes to the agenda.

#### MINUTES

The minutes of the meeting held on 28 January 2015, having been circulated, were adopted on the motion of Crs Deaker and Bell.

#### Matters arising from minutes

There were no matters arising from the minutes.

**FOR NOTING**

## Item 1

2015/0781 **Stakeholder Engagement Report.** DSE, 19/2/15

The report described community, stakeholder and staff engagement activities carried out by Stakeholder Engagement directorate staff since the last meeting.

It was noted that a recent survey showed that 78% of rural landholders were aware of water quality rule changes, and there was concern that 20% did not have this awareness. Mrs Leahy commented that the 78% was higher than expected, given that farm visits had not yet been carried out, and she noted the information provided in other media including Water Lines. The survey also showed how people have got their information.

The packs distributed at the recent forestry wokshop were commended and it was suggested these be circulated to Councillors.

Cr Shepherd moved  
Cr Deaker seconded

*That the report be noted.*

The meeting closed at 12.33 pm.

**Chairperson**



**OTAGO REGIONAL COUNCIL**

**Minutes of a meeting of the Finance and Corporate Committee  
held in the Council Chamber, 70 Stafford Street, Dunedin  
on Wednesday 11 March 2015 commencing at 10.00 am**

**Present:**

**Cr David Shepherd** (Chairperson)  
**Cr Gary Kelliher** (Deputy Chairperson)  
**Cr Graeme Bell**  
**Cr Doug Brown**  
**Cr Louise Croot MNZM**  
**Cr Michael Deaker**  
**Cr Trevor Kempton**  
**Cr Sam Neill**  
**Cr Gretchen Robertson**  
**Cr Bryan Scott**  
**Cr Stephen Woodhead**

**Apologies:**

**Cr Gerrard Eckhoff**  
 The apology was accepted on the motion of Crs Kelliher and Bell.

**In attendance:**

**Peter Bodeker**  
**Wayne Scott**  
**Jeff Donaldson** (to end Item 5)  
**Jane Leahy**  
**Fraser McRae**  
**Gavin Palmer**  
**Janet Favel**

**CONFIRMATION OF AGENDA**

There were no changes to the agenda.

**MINUTES**

The minutes of the meeting held on 26 November 2014, having been circulated, were adopted on the motion of Crs Croot and Deaker.

It was suggested that the Chair write to ORC's former ODT reporter Rebecca Fox thanking her for her thoroughness, accuracy, and professional approach. Cr Woodhead undertook to write accordingly.

**Matters arising from minutes**

There were no matters arising from the minutes.

## PART A - PRESENTATION

### Item 1 **Port Otago Limited Interim Report for the six months ended 31 December 2014.**

Port Otago Ltd Chairman Dave Faulkner and Chief Executive Geoff Plunket presented the group's interim report for the six months to 31 December 2014. The report was circulated to Councillors. Mr Faulkner further explained the six months' activities:

- Group tax paid profit of \$22m.
- Underlying operating profit up 27% to \$8.2m.
- After tax profit of \$13.8m from the sale of LPC.
- Equity ratio increased to 80%.
- Interim dividend of \$3.25m paid February 2015.
- H&S – 1 LTI, increase in MTI frequency rate. LTI freq rate is trending down.
- Revenue up 11%, operating profit up 7%, EBITDA increase 4%, profit from sale of LPC shares \$14.2m, profit for period 286%.
- Trade – export/import similar to previous year; container volume -4%; conventional cargo increase 8%; log exports up 6%, vessel arrivals up by 2 to 235.
- Cruise ships – 30 vessels to 31 December (25 last year). 80 cruise vessels booked for season. Same number of vessels next season, increase of 15% in passenger numbers.
- Staff – 296 permanent staff, 3 year collective agreement signed, continued high level of staff engagement to improve H&S and higher productivity.
- Port development – capex \$3.2m – final tug payment, paving of Fryatt Street log storage yard. Two older tugs (40 years old) sold.
- Channel deepening – final decision expected shortly; range of channel deepening associated projects, including berth deepening and extension of the multi-purpose wharf.
- Chalmers Properties – 96% occupancy rate across Auckland and Dunedin portfolio.
  - Dunedin - CHEP industrial development (\$3.5m) completed at Sturdee Street, Dunedin. New building in an old area, may encourage more development in the area.
  - Auckland - property near Manukau Mall, and a café in the mall carpark. Sale of Dalgety Drive, Auckland – didn't fit investment profile.
  - Hamilton – completed partition agreement with JV partner in Hamilton to consolidate land holdings; CPL has control of the industrial land east of the motorway; obtaining consents for the full development.
- Group financial position – total assets \$455m and debt reduced, both affected by sale of LPC shares.
- Outlook – continued good performance from diverse Port Otago Group; key decisions on channel deepening to be made over next month (important to have deep port to service needs of shipping lines); focus on progressing Hamilton land development.

Councillors commended the Board on very good financial results, a human approach to management, and a good relationship with the Port community. In response to a question about investment subsequent to the completion of the Hamilton land development, Mr Faulkner advised that the Board was constantly on the lookout for the right opportunity for investment.

Comment was made on the value to the Port and Otago of strategic development. Mr Faulkner commented that currently the company's main focus was on the channel deepening work, which was of importance to the Region. There would be consideration of further development once that work was nearing completion.

In response to a question Mr Faulkner advised that there had not been a significant impact from the Kotahi Maersk deal, and he confirmed that Port Otago was still transporting freight by train from South Canterbury.

Mr Faulkner explained in response to a question that the overall debt reduction strategy would be discussed at the Board's next meeting. The completing of the consenting work for the Hamilton land would provide a better cash flow.

Mr Faulkner and Mr Plunket left the meeting.

## **PART B - RECOMMENDATIONS**

### Item 2

2015/0798 **Report of the Audit and Risk Subcommittee.** DCS, 2/3/15

The report summarised the 25 February meeting of the Audit and Risk Subcommittee and submitted the Subcommittee's recommendations for endorsement. The full Health and Safety Review was circulated separately with the agenda.

Mr Scott explained that the draft risk management strategy discussed at the Subcommittee meeting would formalise the Council's risk management. Once the strategy was endorsed, it would be populated in terms of Council's risk. Comment was made that the biggest single risk was losing the revenue stream from Port Otago Ltd. Mr Scott advised that that issue had been discussed at the meeting, and he noted the Port had in its favour diversification of risk, and a strong balance sheet.

The role of the Audit and Risk Subcommittee in recommending the adoption of strategies was queried. Mr Scott advised that the Subcommittee Chair had noted the recommendation that the strategy be endorsed, but considered that this should be strengthened to 'recommend for adoption'. Attention was drawn to the agreed Terms of Reference for the Subcommittee, and it was noted that any Councillors could attend meetings of the Audit and Risk Subcommittee.

The full report on the Health and Safety Review was noted and the Council's procedures to ensure safety of staff were commended. A question was raised as to whether Council had H&S responsibilities for bus service employees. Mr Scott advised that bus companies were being contacted to ensure access to toilet facilities was available for drivers, and noted that the proposed new bus hub planning included toilet facilities.

It was noted that the consultant who had carried out the review considered that the ORC had a good H&S culture. It was pointed out that the Council needed to be conscious of pressures that would come on the CE in terms of his exposure to H&S through the new legislation. It was important that Council had documentation relating to H&S procedures and equipment.

The point was made that Council's first priority should be safety, followed by cost and legislative compliance. It was considered that the Audit and Risk Subcommittee should demonstrate that there were high levels of compliance, rather than counting accidents. Near misses and the trend of near misses should also be reported. A query was raised about personal responsibility, and it was pointed out that this should be covered in individual conditions of employment.

It was noted that a significant amount of work was needed to be able to show that the H&S plan was being implemented and that procedures were in place to ensure the safety of staff. The Chief Executive advised that there was provision in the LTP for a part-time H&S staff member, who would be responsible for training, monitoring and reporting. He also noted that under the new legislation, elected members had no liability.

A concern was expressed about the physical environment for staff, including lighting, air conditioning, heating and space.

Mr Bodeker advised in response to a question that staff were investigating procedures for double teaming for field work.

It was suggested that the minutes of Audit and Risk Subcommittee meetings be presented to the Finance and Corporate Committee for noting. Mr Scott explained that timing constraints meant this had not been possible on this occasion.

Cr Woodhead moved  
Cr Kempton seconded

- (1) *That the report of the Audit and Risk Subcommittee be received.*
- (2) *That the Draft Financial Strategy be adopted.*
- (3) *That the Draft Infrastructure Strategy be adopted.*

**Motion carried**

## Item 3

2015/0802 **Financial and Infrastructure Strategies.** DCS, 3/3/15

The report explained that the Local Government Act required Council to prepare and adopt, as part of its Long Term Plan, a Financial Strategy and an Infrastructure Strategy, and both strategies were presented for adoption. The strategies were circulated with the agenda.

The funding sources were noted (reserves, investment income, fees and charges, grants, targeted rates, and general rates), and it was felt this mix was fair and reasonable. It was felt that the proposed increases in targeted and general rates were appropriate.

Mr Scott pointed out that in some cases reserves that had been accumulated for specific purposes were to be used for those purposes. He also noted that the ten year strategy had to be inflation adjusted, so a lot of movement was inflation, not changes in activity levels.

It was suggested that the targeted rate be split to show new and existing activities.

It was suggested that ratepayers should be made aware that the general rate supported only 15% of the Council's activities, and that there were risks as well as benefits in the ownership of Port Otago Ltd. Attention was drawn to the fact that 59% of revenue came from sources other than rates, and the Port's strong balance sheet and diversification were noted.

Comment was made that while the ORC was exposed to risk from POL, the POL Board and staff worked very well, and the operation was a relatively low risk compared to other industries.

Cr Brown moved  
Cr Kempton seconded

- 1. That the Financial Strategy be adopted for consultation purposes.*
- 2. That the Infrastructure Strategy be adopted for consultation purposes.*

**Motion carried**

## Item 4

2015/0797 **2015-25 Long Term Plan Consultation Document.** DCS, 2/3/15

The report explained that changes to the Local Government Act meant that Council no longer prepared a draft Long Term Plan (LTP) for consultation purposes, but instead prepared a consultation document. Following the consultation process, an LTP would be presented to council for adoption in June. A consultation document had been prepared and was circulated with the report, for consideration and approval by the Finance and Corporate Committee.

Mr Scott circulated two documents: a list of key changes to the consultation document since it was distributed to Councillors, including a map showing a new proposal for dairy monitoring targeted rates; and the draft layout of the consultation document. He advised that audit clearance had been given for the consultation document. Mr Scott acknowledged the work by Sharon de Vries, corporate Analyst, in preparing the consultation document and the report to the Committee.

Cr Deaker moved

Cr Croot seconded

*1. That the significant changes to the Revenue Policy be adopted for consultation purposes.*

**Motion carried**

In response to a question about the dairy farm inspection targeted rate, Mr Scott explained that there were legislative difficulties in applying the initial proposal so a different model had been applied. It was possible that a rebate system could be introduced in the future.

In response to a further question about the dairy farm inspection targeted rate, the Chief Executive confirmed that the implementation programme was based on mediation outcomes. He explained that mediation did not discuss how the outcomes were to be implemented, this was based on decisions of Council.

A concern was raised at the statement in the document that mining privileges allowed landholders “to take unlimited water”, and comment was made that this statement was misleading and farmers took accurately measured volumes of water. Mr Scott explained that the statement meant their right, not their practice, and the item would be amended for clarity. This change could be made without requiring further discussion with auditors.

It was noted that there was concern among farmers about working with industry stakeholders to meet the 6A requirements.

In response to a question Mr Bodeker advised that a consultation plan had been drawn up, and there would be a microsite on the ORC website relating to the consultation document only. This would include a facility for people to find out their proposed rates.

The use of the word ‘contamination’ in relation to air was noted, and it was suggested that the term ‘pollution’ (as used by the ORC) or ‘air quality’ (as in the PCE’s report) be used.

It was noted that the submission form should refer to the LTP consultation document.

Mr Woodhead moved  
Cr Deaker seconded

2. *That the consultation document be adopted for consultation purposes, subject to any minor editorial amendments.*
3. *That it is financially prudent to have operating deficits for the first two years of the LTP.*
4. *That submissions on the consultation document close on 4 May 2015, and that hearings will be held during the week commencing 11 May 2015.*

**Motion carried**

A hearing subcommittee comprising Crs Woodhead, Shepherd, Croot, Kempton, Neill, Bell and Brown was suggested, with Crs Deaker and Scott as reserves. Cr Neill advised that he was not available the week of 11 May, and considered that LTP hearings should be included in the schedule of meetings for the year. Cr Deaker was nominated in his place.

Cr Woodhead moved  
Cr Shepherd seconded

5. *That a hearing subcommittee be appointed comprising Crs Woodhead, Shepherd, Croot, Kempton, Deaker, Bell and Brown, with Cr Scott as reserve.*

**Motion carried**

**PART C – ITEMS FOR NOTING**

Item 5  
2015/0800 **Public Transport.** DCS, 2/3/15

The report provided an update on various work streams being undertaken in relation to the public transport networks in Dunedin and the Wakatipu Basin.

Comment was made that the route number and destination on some of the older buses was hard to read.

There was favourable comment on progress on the central city bus hub, and it was hoped consideration would also be given to an Intercity service component.

Cr Kempton moved  
Cr Deaker seconded

*That this report be received.*

**Motion carried**

Item 6  
2015/0799 **Director's report.** DCS, 2/3/15

The report described significant activities carried out by the Finance and Corporate sections since the last meeting of the Committee.

Cr Croot moved  
Cr Neill seconded

(1) *That this report be received.*

(2) *That the payments and investments summarised in the table above and detailed in the tabled schedule totalling \$17,529,316.13 be endorsed.*

**Motion carried**

Cr Shepherd acknowledged the work of Mr Scott and staff on the LTP and the strategies presented to this meeting.

The meeting closed at 12.02 pm.

**Chairperson**



## OTAGO REGIONAL COUNCIL

### Minutes of a meeting of the Policy Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 11 March 2015 commencing at 12.05 pm

**Present:**

- Cr Gretchen Robertson (Chairperson)
- Cr Michael Deaker (Deputy Chairperson)
- Cr Graeme Bell
- Cr Doug Brown
- Cr Louise Croot MNZM
- Cr Gary Kelliher
- Cr Trevor Kempton
- Cr Sam Neill
- Cr Bryan Scott
- Cr David Shepherd
- Cr Stephen Woodhead

**Apologies:**

- Cr Gerrard Eckhoff

The apology was accepted on the motion of Crs Robertson and Croot.

**In attendance:**

- Peter Bodeker
- Wayne Scott
- Jeff Donaldson
- Jane Leahy
- Fraser McRae
- Gavin Palmer
- Janet Favel

#### CONFIRMATION OF AGENDA

There were no changes to the agenda.

#### MINUTES

The minutes of the meeting held on 28 January 2015, having been circulated, were adopted on the motion of Crs Deaker and Croot.

#### Matters arising from minutes

There were no matters arising from the minutes.

**FOR NOTING**

Item 1

2015/0784 **Director's Report on Progress.** DPPRM, 27/2/15

The report gave an overview of significant activities undertaken by the Policy section.

Cr Croot moved  
Cr Scott seconded

*That the report be noted.*

**Motion carried**

The meeting closed at 12.07 pm.

**Chairperson**

## OTAGO REGIONAL COUNCIL

### Minutes of a meeting of the Regulatory Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 11 March 2015 commencing at 12.07 pm.

**Present:**

- Cr Sam Neill (Chairperson)
- Cr Graeme Bell
- Cr Doug Brown
- Cr Louise Croot MNZM
- Cr Michael Deaker
- Cr Gary Kelliher
- Cr Trevor Kempton
- Cr Gretchen Robertson
- Cr Bryan Scott
- Cr David Shepherd
- Cr Stephen Woodhead

**Apologies:**

- Cr Gerrard Eckhoff

The apology was accepted on the motion of Crs Neill and Bell.

**In attendance:**

- Peter Bodeker
- Wayne Scott
- Jeff Donaldson
- Jane Leahy
- Fraser McRae
- Gavin Palmer

#### CONFIRMATION OF AGENDA

There were no changes to the agenda.

#### MINUTES

The minutes of the meeting held on 28 January 2015, having been circulated, were adopted on the motion of Crs Robertson and Bell.

#### Matters arising from minutes

There were no matters arising from the minutes.

## ITEMS FOR NOTING

Item 1

2015/0787 **Biosecurity and RMA Monitoring Report.** DEMO, 23/2/15

The report detailed water, air, pest, and contaminated site environmental monitoring and incidents for the period 1 January to 6 February 2015.

Cr Scott moved  
Cr Kempton seconded

*That the report be noted.*

**Motion carried**

Item 2

2015/0795 **Consent processing, consent administration and Building Control Authority update.** DPPRM, 27/2/15

The report detailed consent processing, consent administration and building control authority activity for the period 12 January to 27 February 2015.

In response to a question Mr McRae explained that consent applications could be put on hold where more information was required. Sometimes the applications could be on hold for a long time, although the timeframes were not affected. Work was under way to finalise these applications.

Cr Kelliher moved  
Cr Bell seconded

*That the report be noted.*

**Motion carried**

Item 3

2015/0778 **RMA, Biosecurity Act and Building Act Enforcement Activities.** DPPRM, 19/2/15

The report detailed Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council for the period 9 January to 19 February 2015.

It was noted that six infringement notices had been issued, mostly relating to dairy infrastructure. Mr Bodeker explained that the initial responsibility was with the operator of the farm, not the owner, and the operator had to work with the infrastructure supplied.

Cr Croot moved  
Cr Shepherd seconded

*That the report be noted.*

**Motion carried**

Item 4  
2015/0794

**Appointment of Plan Change Hearing Commissioners.**  
DPPRM, 27/2/15

The report noted that the Commissioner Appointment Subcommittee had recommended commissioners for upcoming plan change hearings, and Council's endorsement of the appointments was sought.

It was noted that provision had been made in the Councillor salary pool for payment for plan change hearing commissioners, but no policy had been drawn up. Mr Scott was to check whether the policy employed for payment of the PC6A commissioners was for 6A only or all plan change hearings.

Cr Croot moved  
Cr Deaker seconded

- 1. That the plan change hearing commissioners as proposed by the Commissioner Appointment Subcommittee meeting of 5 February 2015 be confirmed.*
- 2. That the Chief Executive discuss with the Director Corporate Services a policy for payment for Councillors acting as commissioners for plan change hearings, as distinct from consent hearings.*

**Motion carried**

The meeting closed at 12.21 pm

**Chairperson**