

## Otago Regional Council meeting 10 February 2016

Attached is the agenda for the next Council meeting of the Otago Regional Council, which is to be held on Wednesday 10 February commencing at 8.30 am. 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/>.



Janet Favel  
**Committee Secretary**

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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 10 February 2016 commencing at 8.30 am**

**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:**

**Leave of Absence:**

**In attendance:**

**Please note that there is an embargo on agenda items until 8.30 am on Monday 8 February.**

### CONFIRMATION OF AGENDA

### PUBLIC FORUM

### MINUTES

|  | <b>Page Nos.</b> |
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| (i) The minutes of the public portion of the Ordinary meeting of Council held on 9 December 2015, having been circulated, for adoption | 5 - 14           |
| (ii) The minutes of the Extraordinary meeting of Council held on 27 January 2016, having been circulated, for adoption                 | 15 - 17          |

**Matters arising from the minutes**

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

- Item 1 18  
2016/0605 **Chairperson’s report.** Chair, 1/2/16

Providing an overview of the Chairperson’s activities for the period to 1 February 2016.

- Item 2 19  
2016/0614 **Chief Executive’s Report.** CE, 3/2/16

Providing an overview of the Chief Executive’s activities for the period to 3 February 2016.

## PART B – RECOMMENDATIONS

- Item 3 20 - 45  
2015/1129 **Approval of Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water.** DPPRP, 17/12/15

The report notes that Proposed Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water for Otago may now be approved as all appeals have been resolved. Council’s seal needs to be affixed and a date set for making the change operative.

## PART C – ITEMS FOR NOTING

- Item 4 46 - 50  
2016/0613 **Financial Report.** DCS, 4/2/16

The report provides information in respect of the overall Council finances for the six months ended 31 December 2015.

- Item 5 51  
2016/0612 **Documents signed under Common Seal.** DCS, 2/2/16

Informing the Council of delegations which have been exercised.

- Item 6 52  
**Reports from Councillors**

**PART D – HEARING**

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| Item 7 | <b>Code of Conduct hearing</b> | 53 |
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**PART E – MINUTES OF MEETINGS**

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| Item 8  | <b>Recommendations of the Communications Committee meeting held on 27 January 2016, for adoption</b>                              | 54 - 56 |
| Item 9  | <b>Recommendations of the public portion of the Finance and Corporate Committee meeting held on 27 January 2016, for adoption</b> | 57 - 60 |
| Item 10 | <b>Recommendations of the Policy Committee meeting held on 27 January 2016, for adoption</b>                                      | 61 - 62 |
| Item 11 | <b>Recommendations of the Regulatory Committee meeting held on 27 January 2016, for adoption</b>                                  | 63 - 66 |
| Item 12 | <b>Recommendations of the Technical Committee meeting held on 27 January 2016, for adoption</b>                                   | 67 - 69 |

**PART F - EXCLUSION OF PUBLIC**

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:

|         | General subjects to be considered  | Reason under LGOIMA for passing this resolution   | Grounds under S.48 for the passing of this resolution |
|---------|--|---|---|
| Item 13 | Minutes of the In Committee portion of Council meeting held on 9 December 2015, for adoption | To enable any local authority holding the information to carry on negotiations, without prejudice or disadvantage. (S7(2)(h)) | S.48(1)(a)(i)   |

|         |  |  |               |
|---------|--|--|---------------|
| Item 14 | Recommendations of the In Committee portion of the Finance and Corporate Committee meeting held on 27 January 2016, for adoption | To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers or employees.<br>S7(2)(f)(i) | S.48(1)(a)(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.

**OTAGO REGIONAL COUNCIL****Minutes of an Ordinary meeting of the Council held in the  
Council Chamber, 70 Stafford Street, Dunedin on  
Wednesday 9 December 2015 commencing at 10.32 am**

- Present:**
- Cr Stephen Woodhead** (Chairperson)
  - Cr Gretchen Robertson** (Deputy Chairperson)
  - Cr Graeme Bell**
  - Cr Doug Brown** (from 10.38 am)
  - Cr Louise Croot MNZM**
  - Cr Michael Deaker**
  - Cr Gary Kelliher**
  - Cr Trevor Kempton**
  - Cr Sam Neill**
  - Cr David Shepherd**
- Apologies:**
- Cr Gerry Eckhoff**  
The apology was accepted on the motion of Crs Robertson and Kelliher.
- Leave of Absence:**
- Cr Bryan Scott**
- Request for Leave of Absence:**
- Cr Michael Deaker**  
The request for leave of absence was approved on the motion of Crs Woodhead and Neill.
- In attendance:**
- Peter Bodeker**
  - Nick Donnelly**
  - Fraser McRae**
  - Scott McLean**
  - Gavin Palmer**
  - Sharon Bodeker** (for Item 6)
  - Stuart Lanham** (for Items 6 and 7)
  - Janet Favel**

**CONFIRMATION OF AGENDA**

There were no changes to the agenda.

## MINUTES

The minutes of the Ordinary meeting of Council held on 28 October 2015 were noted. Cr Kelliher commented that Item 2 Chief Executive's report should be corrected to refer to the Manuhērikiā Catchment Board Strategy Group ~~Irrigation Company~~. With this change, the minutes were adopted on the motion of Crs Kelliher and Shepherd.

### Matters arising from the minutes

There were no matters arising from the minutes.

## PART A – CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

### Item 1

2015/1299 **Chairperson's report.** Chair, 2/12/15

The Chairperson reported on his activities for the period to 2 December 2015. Cr Woodhead commented further as follows:

- *Te Roopu Taiao meeting* – It was pleasing to note that Southland and Otago rūnanga had reached agreement about working together in the Queenstown Lakes District.
- *Super Gold Card* - Martin Mathews, CE of MoT, had said there was no intention of the costs of the SGC review and capping being passed on to ratepayers. A national staff group, of which Gerard Collings was a member, was working on this issue.
- *National Council* – the Productivity Commission had been requested by government to prepare an urban planning report identifying the most appropriate system for allocating land use in cities to achieve positive social, economic and cultural outcomes. The issues paper had been considered by Parliament on 8 December.

Cr Brown entered the meeting at 10.38 am.

- *Pomahaka Landcare Project* - the meeting with landholders in the Pomahaka catchment to receive and update on progress of the Pomahaka Landcare Project was useful and constructive.
- *Science Communicators Association* – Land and Water Aotearoa (LAWA) had received the award for Communicator of the Year.

It was suggested that Elizabeth Soal (Waitaki Irrigation Company) be invited to speak to a Council workshop about her Winston Churchill Fellowship visit to Canada to look at freshwater management.

## Item 2

2015/1306 **Chief Executive's Report.** CE, 3/12/15

The Chief Executive reported on his activities for the period to 3 December 2015. Mr Bodeker commented further as follows:

- *Councils' Performance Targets* – The Region CEs' group was to prepare a report on performance targets, which would be extended to include shared services. While the targets would mostly affect TLAs, some shared services including roading, 3 waters, and rating/collection of rates would be included.
- *Harbour and waterway safety* – the terms of reference for the review of the ORC's water safety role were noted. It was intended that this review be completed early in the new year and it would inform the Annual Plan process.
- *Regional growth strategy* – would be workshopped with both Council and the Mayoral Forum.
- *Health and Safety* – Mr Bodeker noted the positive review of the Silver Stream pump site by WorkSafe New Zealand, and also commended the staff initiative to install low cost but effective safety measures to enable staff to access rivers.
- *Public Transport Services* – Commercial services operated on the Dunedin network required transition into PTOM. Mr Bodeker explained that this was a mediated, not a tender, process.
- *Staff awards* – staff achievements were recognised at the recent end of year staff celebration.

In response to a question about public transport, Mr Bodeker explained that the purpose of moving commercial services into PTOM was to provide consistency across the NZTA funded network, and within PTOM requirements. Other providers could tender for PTOM units as they came up for renewal.

Councillors commended the staff awards, and the harbour and waterway safety review. The appointment of team leaders for 1C and 6A implementation work was also commended, and a question was raised about reporting on progress. Mr Bodeker explained that the governance group, comprising four directors and chaired by Fraser McRae, would report through the Regulatory Committee.

Cr Woodhead moved

Cr Bell seconded

*That the Chair's and Chief Executive's reports be received.*

**Motion carried**



## **PART B – RECOMMENDATIONS**

### Item 3

2015/1295 **Port Otago Ltd Shareholder’s Meeting.** DCS, 30/11/15

The report explained that the adoption of the Port Otago Limited Annual Report and Financial Statements, the appointment of Directors, and the appointment of Auditor, were required to be formalised by Council resolution.

Cr Woodhead noted that Director Ross Black was standing down from the Port Otago Ltd Board by rotation, and the Port Otago Liaison Committee had a process in hand to appoint a new director.

Cr Shepherd moved  
Cr Croot seconded

*That the resolution attached to the report be adopted and signed by the Chairperson and Chief Executive.*

**Motion carried**

### Item 4

2015/1300 **Submissions on DCC District Plan.** DPPRP, 2/12/15

The Council’s submissions on the DCC District Plan were presented for endorsement. Mr Bodeker explained that because of the timeframe, the submissions had to be forwarded to the DCC before they were approved by Council.

Councillors commended the submissions, which were very comprehensive. There was concern at the ‘soft approach’ by DCC to the ORC’s classification of hazards, and they were pleased to see that was addressed in the submissions.

In response to a question Mr McRae explained that designations gave Council consent for work on infrastructure it had direct control over. Designations were included in the District Plan and were part of the review. The ORC was seeking authority to operate community based schemes.

Cr Woodhead moved  
Cr Deaker seconded

*That Council endorse the appended submissions on Dunedin City Council’s proposed 2<sup>nd</sup> Generation District Plan.*

**Motion carried**

## Item 5

2015/1271 **Affixing of Common Seal and Delegation.** DCS, 25/11/15

The report explained that it was timely to review delegation for the affixing of the Council's Common Seal.

Mr Donnelly explained that this was a procedural matter and the delegations affected were last updated in 1999. With upcoming changes in legislation it was important to document delegations, including use of the Council's Common Seal.

Cr Croot moved

Cr Robertson seconded

*That the delegation of Council relating to the authority to affix the Council's Common Seal be amended to provide:*

- 1. Any two of the Chief Executive, Director Corporate Services, Manager Support Services, Chairperson or in the event of the absence or non-availability of the Chairperson, the Deputy Chairperson, the authority to affix the Common Seal, including the sealing of documents of a procedural nature between meetings subject to a schedule of such sealed documents being included on the order paper for confirmation at the subsequent Council meeting.*
- 2. Any two of the Chief Executive, Director Corporate Services, Chairperson or in the event of the absence or non-availability of the Chairperson, the Deputy Chairperson, the authority to affix the Common Seal in accord with the resolution of Council.*

*That the delegation to appoint authorised persons and the power to issue warrants for the purposes of exercising functions, powers and duties under the:*

- Local Government Act 2002;*
- Building Act 2004;*
- Otago Regional Council Bylaws;*
- Soil Conservation and Rivers Control Act 1941; and*
- The Land Drainage Act 1908*

*be delegated to the Chief Executive.*

**Motion carried**

## PART C – ITEMS FOR NOTING

### Item 6

2015/1301 **Four month review to 31 October 2015.** DCS, 2/12/15

Projects Manager Sharon Bodeker and Finance Manager Stuart Lanham were present for this item.

The report summarised project progress for the four months to 31 October 2015. The full review was circulated separately with the agenda. Mr Donnelly noted that graphical ‘traffic light’ symbols were provided to make the review document easier to read and understand. Favourable comment was made on the new layout. It was suggested that the covering report provided an executive summary for the review.

In response to a question Dr Palmer explained that orange lights against projects indicated work in progress, and he saw no reason why these projects would not be completed on time.

Cr Shepherd moved  
Cr Croot seconded

*That the report be received.*

**Motion carried**

### Item 7

2015/1305 **Financial Report.** DCS, 3/12/15

The report provided information in respect of the overall Council finances for the four months ended 31 October 2015.

Mr Donnelly commented that the previous report commented on expenditure against activities, and this formal finance report concentrated on Profit and Loss and the Balance Sheet. The numbers were the same as in the 4 month review.

In response to a question Mr Donnelly confirmed that there had been no change in accounting policies.

Cr Kelliher moved  
Cr Robertson seconded

*That the report be received.*

**Motion carried**

Item 8 **Reports from Councillors**
*Cr Croot – Otago Museum Planetarium opening*

Cr Croot, with Crs Woodhead, Bell and Neill, attended the opening of the planetarium at Otago Museum. The function was well organised and well attended. Mention was made of the contribution by Otago councils to the facility, which was seen as a great asset for Otago.

*Cr Bell*

*Transport update* - Cr Bell chaired the combined Otago/Southland RTCs meeting held in Balclutha on 10 November. Matters discussed included:

- Visiting drivers – people applying for a visa to come to New Zealand will now have to do an on-line road code test before they can hire a rental car. To remind drivers to keep left: arrows painted on roads, information handed out by rental car companies, and reminder on GPS systems.
- Road safety – combined road safety committee, a subcommittee of RTC, to be established comprising Otago/Southland regional councils and TLAs with the exception of DCC.
- STEDs – Southland was concerned that three STEDs proposed for Otago had not been constructed, and the RTC meeting supported this work being carried out.
- Kawarau Falls Bridge – Cr Bell attended the function to mark the commencement of construction work. The growth of vehicle movements in Wakatipu basin was predicted to compound at 7% pa, and for this reason a second bridge over the Kawarau River would be investigated in five years.
- Bridges – Mr Harland suggested that the combined committee continue to press NZTA for widening work on the Beaumont and Lindis bridges.

*Rabbit control* – Investigation was under way by MPI and Landcare Research to release the Korean virus to control rabbit numbers, and ORC was contributing funding for the research. The virus was being trialled in Australia, and release in New Zealand was expected in Autumn 2017. Cr Bell considered that the research should be publicised, and Mr Bodeker and Mr MacLean were to follow up.

*Cr Deaker – Ngai Tahu Hui-a-Iwi*

Cr Deaker attended the discussion on water at the recent Ngai Tahu Hui-a-Iwi. Mark Solomon, Chair of Te Rūnanga o Ngai Tahu, emphasised that the top priority of iwi was not money but mana te wai, and iwi input on potable water supply was also very important. He was confident that at Waitangi Day next year the Prime Minister would make an announcement on shared management of water. Cr Deaker recommended to Councillors the opinion piece by journalist Audrey Young in the Otago Daily Times of 28 November in relation to water. Gail Tipa and Terry Broad, iwi representatives on ORC's 2010-13 Natural Resources Committee, and Edward Ellison, had commented positively on Ngai Tahu involvement with ORC in preparation of the Water Plan.

*Cr Kempton – opening of Caversham Valley 4 laning*

Cr Kempton had attended the opening of the Caversham Valley 4 laning and the Lookout Point Bridge. Environmental actions including the relocation of the native worm *peripatus*, and substantial native planting, were noted. The completion of the work improved the southern approach to the city, and freed vehicle movement into/out of the city.

Cr Kempton noted that RTC was satisfied that the Kawarau Falls bridge was in the right location, and forecast development in the Upper Clutha would be serviced by the second bridge.

## **PART D – MINUTES OF MEETINGS**

- Item 9      **Recommendations of the Communications Committee meeting** held on 25 November 2015, for adoption

Cr Kempton moved  
Cr Bell seconded

*That the recommendations of the Communications Committee meeting held on 25 November 2015 be adopted.*

**Motion carried**

- Item 10     **Recommendations of the Finance and Corporate Committee meeting** held on 25 November 2015, for adoption

Cr Shepherd moved  
Cr Kelliher seconded

*That the recommendations of the Finance and Corporate Committee meeting held on 25 November 2015 be adopted.*

**Motion carried**

- Item 11     **Recommendations of the Policy Committee meeting** held on 25 November 2015, for adoption

Cr Robertson moved  
Cr Deaker seconded

*That the recommendations of the Policy Committee meeting held on 25 November 2015 be adopted.*

**Motion carried**

Item 12 **Recommendations of the Regulatory Committee meeting** held on 25 November 2015, for adoption

Cr Neill moved  
Cr Croot seconded

*That the recommendations of the Regulatory Committee meeting held on 25 November 2015 be adopted.*

**Motion carried**

Item 13 **Recommendations of the Technical Committee meeting** held on 25 November 2015, for adoption

Cr Brown moved  
Cr Robertson seconded

*That the recommendations of the Technical Committee meeting held on 25 November 2015 be adopted.*

**Motion carried**

Item 13a **Recommendations of the meeting of the Combined Regional Transport Committees of the Southland and Otago Regional Councils** held on 10 November 2015, for adoption

Cr Bell moved  
Cr Robertson seconded

*That the recommendations of the meeting of the Combined Regional Transport Committees of the Southland and Otago Regional Councils held on 10 November 2015 be adopted.*

**Motion carried**

## **PART E - EXCLUSION OF PUBLIC**

Cr Woodhead moved  
Cr Croot 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>Tenders received, Leith Flood Protection Scheme, Dundas Street to St David Street works.</i>  | <i>To enable any local authority holding the information to carry on negotiations, without prejudice or disadvantage. (S7(2)(h))</i> | <i>S.48(1)(a)(i)</i>   |
| <i>Item 15 – Councillors only</i> | <i>Recommendations of the Employment Committee meeting held on 28 October 2015, for adoption</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 Items 14 and 15,

Cr Woodhead moved

Cr Kelliher seconded

*That the meeting resume in open session.*

**Motion carried**

The meeting closed at 12.09 pm

**Chairperson**

**OTAGO REGIONAL COUNCIL****Minutes of an Extraordinary meeting of Council meeting held in the  
Council Chamber, 70 Stafford Street, Dunedin on Wednesday  
27 January 2016 commencing at 8.30 am**

**Present:**

**Cr Gretchen Robertson (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**  
**Cr Stephen Woodhead**

**In attendance:**

**Peter Bodeker**  
**Nick Donnelly**  
**Caroline Rowe**  
**Janet Favel**

**CONFIRMATION OF AGENDA**

There were no changes to the agenda.

**PART A - RECOMMENDATIONS**

**2016/0603 Code of Conduct hearing process. DCS, 26/1/16**  
Ref. A877277

Cr Robertson took the chair.

The Chief Executive formally advised that he had received a Code of conduct complaint from Cr Gerry Eckhoff. The complaint had been circulated to Councillors, both electronically and in hard copy. Report 2016/0603 circulated with the agenda made a recommendation to Council as to the process for hearing the complaint.



Cr Kelliher moved  
Cr Kempton seconded

*That the complaint be received.*

**Motion carried**

Cr Robertson noted that subsequent to the agenda being circulated, in consultation with legal counsel Alastair Logan the report was amended to provide more details about the sections of Standing Orders to be suspended, and the speaking rights when the complaint was heard. The amended report had been circulated.

Cr Croot moved  
Cr Kelliher seconded

*That the report be received and that the process be endorsed by Council for the meeting on 10 February and for any further Code of Conduct hearing until the next triennium.*

The Chief Executive advised that at the start of the next triennium the process to hear Code of Conduct complaints would be discussed for inclusion in Standing Orders.

Cr Eckhoff commented that the Code of Conduct did not state that a complaint must be formally received by Council, noting that it had been received and accepted by the Chief Executive. Cr Robertson considered that the correct process had been followed, as advised by Mr Logan.

Cr Eckhoff discussed the provision by the respondent of a statement of defence, and considered that clause (d)(i) should be clarified to make it mandatory when a complaint was received for a statement of defence to be filed to enable the complainant and Council to understand both sides of the complaint. If a statement of defence was not filed, there was significant disadvantage to the complainant that new evidence could be presented that the complainant had no knowledge of. Cr Eckhoff indicated that he would move an amendment to this effect.

Comment was made that the process set out in the report was specific to the upcoming hearing, and it was queried whether it was appropriate to move that this become standard procedure.

Cr Croot amended the motion  
Cr Kelliher seconded

*That this report be received and the process outlined be endorsed for the meeting on 10 February.*

Cr Eckhoff moved an amendment to the motionm,  
Cr Bell seconded

*That the report be received and that clause (d)(i) be amended to read “~~If he wishes,~~—Councillor Woodhead must ~~may~~, through the CEO, provide a written reply to the complaint for pre circulation to all Councillors prior to the meeting on 10 February 2016.*

There was discussion over whether this proposed wording was an amendment to the original motion.

Cr Robertson ruled that it was an acceptable amendment, and the amendment was put.

**Amendment lost**

The motion was then put by division.

For: Crs Brown, Croot, Deaker, Kelliher, Kempton, Neill, Robertson,  
Scott, Shepherd, Woodhead

Against: Crs Bell, Eckhoff

**Motion carried**

The meeting closed at 9.08 am.

**Chairperson**

**REPORT**

Document Id: A878750

Report Number: 2016/0605  
Prepared For: Council  
Prepared By: Cr Woodhead - Chairperson  
Date: 1 February 2016

Subject: **Chair's Report - January 2016**

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**1. Murihiku Te Roopu Taiao**

A Murihiku Te Roopu Taiao meeting was held on the 7<sup>th</sup> of December. An agenda item included an update from Maree Baker on behalf of the South East Marine Protection Forum. The Forum has gathered a lot of information and had numerous meetings. It is now deliberating and is aiming at notifying a proposal mid-2016.

A review of the Charter of Understanding has been underway since the start of the triennium. The final version approved by councils and Rununga was circulated and will be signed at the next meeting on the 7<sup>th</sup> of March.

Updates from all councils on Annual Plan and RMA matters were received.

**2. Other**

- I note the passing of former Councillor Miles Singe. Miles was a Councillor for three terms from 1992 to 2001. A card was sent to the family.
- I met with Whilem Jan, a visiting geography lecturer from Germany who is studying the Harbourside area looking at the history and development opportunity. Whilem has met with many stakeholders and interested parties and is planning a community workshop on the 11/12th of March to develop a vision for the area.

Stephen Woodhead  
Chairperson

**REPORT**

Document Id: A879430

Report Number: 2016/0614

Prepared For: Council

Prepared By: Chief Executive

Date: 3 February 2016

Subject: **Chief Executive's Report - February 2016**

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**1. Section 17A Reports**

Under Section 17A of the Local Government Act, councils must, prior to August 2017, evaluate all aspects of their service delivery and identify if there are efficiencies which could be made. Prior to Christmas I circulated to councillors a press release on that subject released on behalf of Otago's local government CEOs. In that release it was noted that where possible Otago local government will collaborate in the preparation of the Section 17A reviews.

At the Otago CEOs meeting in January, discussion with our finance staff agreed on a template which will be used by all councils in the region. ORC is planning to review our service delivery along the categories used in our Annual Plan, so ORC will review at the Air, Land, and Water etc. level.

As agreed, where a service is common across regional and territorial boundaries, it will be done collaboratively. For example, the review of CDEM is a regional activity and will be undertaken with territorial authority input. However, port and waterway safety is a regional council responsibility and will be undertaken by ORC.

The reviews when undertaken will be presented to the Finance and Corporate Committee.

**2. Regional Council Special Interest Groups**

Within the regional council network are a series of special interest groups (SIGs). The SIGs are formed along topics such as compliance, air, water, transport, and communications. Each has a regional council CEO as sponsor. Currently the transport SIG is leading regional councils' discussion with central government on SuperGold and School Bus concessions.

I was part of a three person review panel which evaluated the SIGs during 2015, and a number of refinements were made. They included a CEO sponsor, the preparation of a business plan, and better reporting into the CEO group, and an annual forum where all SIGs would present their reports to the Regional CEO meeting. This plenary was held on 2 February and the depth and coverage of important issues to all regional councils was evident in the reporting.

**3. Port, Harbour and Waterways Safety Review**

The contract to review the port, harbour and waterways safety has been let.

Peter Bodeker  
**Chief Executive**

## REPORT

Document Id: A830288

Report Number: 2015/1129

Prepared For: Council

Prepared By: Richard Pettinger, Senior Policy Analyst

Date: 17 December 2015

Subject: **Approval of Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water**

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### 1. Précis

Proposed Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water for Otago (Water Plan) may now be approved as all appeals have been resolved. Council's seal needs to be affixed and a date set for making the change operative.

### 2. Background

Proposed Plan Change 3C (Waiwera catchment minimum flow) establishes minimum flows, allocation limits, and a monitoring site for the Waiwera River.

Proposed Plan Change 3C was publicly notified on Saturday, 13 December 2014 and submissions closed on Monday, 16 February 2015. A total of six submissions were received. The *Summary of Decisions Requested* was notified on Saturday, 28 February 2015, calling for further submissions closing on Friday 13 March 2015. Two further submissions were received.

The *Officer's Report on Decisions Requested*, which evaluated decisions requested by submitters and further submitters and made recommendations to the Hearing Committee was released on Friday, 27 March 2015.

Submissions on the proposed plan change were heard on Tuesday 21 April 2015 in Dunedin. Five submitters presented evidence to the Hearing Committee, with one submitter having evidence read out.

On 5 August 2015, Council made its decision on Proposed Plan Change 3C. This decision was publicly notified on Saturday, 8 August 2015.

### 3. Appeals:

Two appeals were received. The first, by PJ & AM Neame Ltd, related to the primary minimum flow, while the second, from Otago Fish & Game, related to the supplementary minimum flow. These were resolved through mediation held on Tuesday 1 December 2015, and resulted in adjustments to the minimum flow figures.

The primary minimum flow of 300 l/s had been decided by Council, but was amended to 280 l/s as a result of the Neame appeal, with a provision that, if taking causes the flow to drop below 280 l/s, flow must recover to 310 l/s before taking can recommence.

In reaching that position, the supplementary minimum flow (first block), which Council had decided to be 500 l/s was amended to 600 l/s, in response to Fish & Game's appeal.

On 17 December 2015, the Environment Court applied its seal to the Consent Order. This is Attachment 1.

#### **4. Approval of plan change and next steps**

The Council must now approve the plan change, in accordance with clause 17(1), Schedule 1 of the RMA. This is given effect by affixing Council's seal to the plan (clause 17(3)).

The Council must set a date from which the plan change becomes operative and publicly notify the operative plan at least five working days before this date (clause 20(2)).

It is proposed to make the plan change operative from Monday 1 March 2016, and to publicly notify the operative date on Saturday 20 February 2016.

The Plan Change is Attachment 2.

#### **5. Recommendations**

That the Council:

- (i) Approve Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water for Otago appended to this report; and
- (ii) Affix Council's seal to Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water for Otago; and
- (iii) Make Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water for Otago operative on Monday 1 March 2016 and publicly notify that date on Saturday 20 February 2016.

**Fraser McRae**  
**Director Policy and Resource Planning**

BEFORE THE ENVIRONMENT COURT

IN THE MATTER of the Resource Management Act 1991

AND of appeals under clause 14 of the First Schedule of the Act

BETWEEN P J & A M NEAME LIMITED  
(ENV-2015-CHC-86)  
OTAGO FISH AND GAME COUNCIL  
(ENV-2015-CHC-89)  
Appellants

AND OTAGO REGIONAL COUNCIL  
Respondent

Environment Judge J R Jackson sitting alone pursuant to section 279 of the Act

In Chambers at Christchurch

---

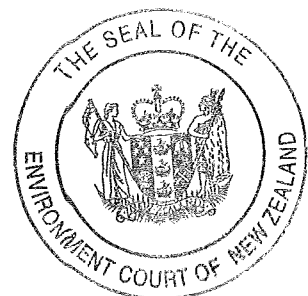
**CONSENT ORDER**

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[A] Under section 279(1)(b) of the Resource Management Act 1991, the Environment Court, by consent, orders that:

- (1) the appeals are allowed to the extent that the Otago Regional Council is directed to amend proposed Plan Change 3C as shown in Appendix 1, attached to and forming part of this order ;
- (2) the appeals are otherwise dismissed.

[B] Under section 285 of the Resource Management Act 1991, there is no order as to costs.



## REASONS

### **Introduction**

[1] These two appeals are against the Otago Regional Council's decision on proposed Plan Change 3C (Waiwera Catchment Minimum Flow) to the Regional Plan: Water for Otago.

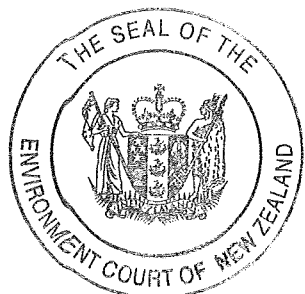
[2] Proposed Plan Change 3C ("PC 3C") introduces a primary and supplementary allocation and minimum flow regime. As notified, PC 3C had a primary allocation volume of 150 litres per second, subject to a minimum flow of 260 litres per second. PC 3C also included a supplementary allocation block of 100 litres per second, subject to a minimum flow of 500 litres per second.

[3] P J and A M Neame Limited, which had made a submission, lodged an appeal seeking to reinstate a minimum flow of 260 litres per second for the primary allocation takes.

[4] The Otago Fish and Game Council, which had also made a submission, lodged an appeal seeking to increase the minimum flow for the secondary allocation block from 500 litres per second to 800 litres per second.

[5] Following mediation, the parties agreed that the minimum flow for the primary allocation for the period 1 October to 30 April be 280 litres per second, with a further condition that if the 280 litres per second minimum flow is breached by abstraction, flow must return to 310 litres per second before taking can re-commence. It is agreed that the minimum flow for the first supplementary allocation block be 600 litres per second, not 500 litres per second.

[6] The court has now read and considered the consent memorandum of the parties dated 9 December 2015 which proposes to resolve these appeals.





**Other relevant matters**

[7] Tony Anderson, Otago Fish and Game Council, Ken Telford and the Waiwera Catchment Group have given notice of an intention to become a party to the Neame appeal under section 274 of the Resource Management Act 1991 (“the RMA”) and have signed the memorandum setting out the relief sought.

[8] P J and A M Neame Limited have given notice of an intention to become a party to the Otago Fish and Games Council appeal under section 274 of the RMA and have signed the memorandum setting out the relief sought.

[9] I record that the statement that the statement: “...all matters proposed for the court’s endorsement fall within the court’s jurisdiction, and conform to the relevant requirements and objectives of the Resource Management Act, including in particular Part 2” is not in the consent memorandum lodged with the court. While it is included in the draft consent order it is good practice to include the statement in the consent memorandum since that is the agreement signed by all parties. Further, the court is always reassured to know and record that the agreed solution is a more efficient (i.e. better) use of the resources involved than the original Council decision.

**Orders**

[10] The court is making this order under section 279(1)(b) of the RMA, that is the order is made by consent and is not a decision or determination on the merits pursuant to section 290.

DATED at Christchurch 17 December 2015

  
\_\_\_\_\_  
**J R Jackson**  
**Environment Judge**



Issued: **17 DEC 2015**

# Appendix 1

## Proposed Plan Change 3C (Waiwera catchment minimum flow)

# Regional Plan: Water for Otago

**Incorporating Decisions of Council  
AND RESOLUTION OF APPEALS**

*MODIFIED FROM ISBN 978-0-908324-16-3*



**1 DECEMBER 2015**

**Introduction**

The Otago Regional Council has prepared Proposed Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water for Otago. It proposes to establish minimum flows, allocation limits, and monitoring sites for the Waiwera River.

This document should be read in conjunction with:

- Section 32 Evaluation Report; and
- Section 32AA Further Evaluation Report
- The Regional Plan: Water for Otago operative as at 1 September 2015.

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**Table of Contents**

**Policy 6.4.5 (page 6-21 of Plan\*) .....2**

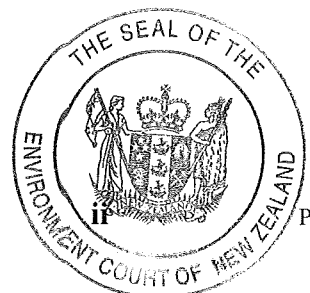
**Rule 12.1.4.2 (page 12-7 of Plan).....4**

**Schedule 2: Schedule of specified restrictions on the exercise of permits to take surface water (page 20-58 of Plan) .....6**

**Minor and consequential changes.....7**

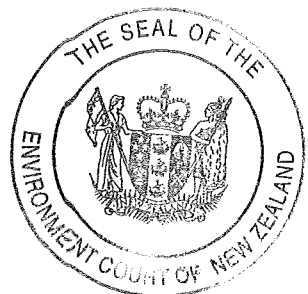
**Maps: (Maps B13, B15 for) Waiwera River.....8**

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# 6

## Water Quantity



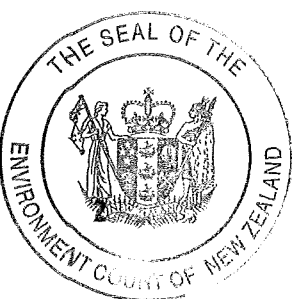
...

## 6.4 Policies applying to the management of the taking of water

*[Index... – Policy 6.4.4 unchanged]*

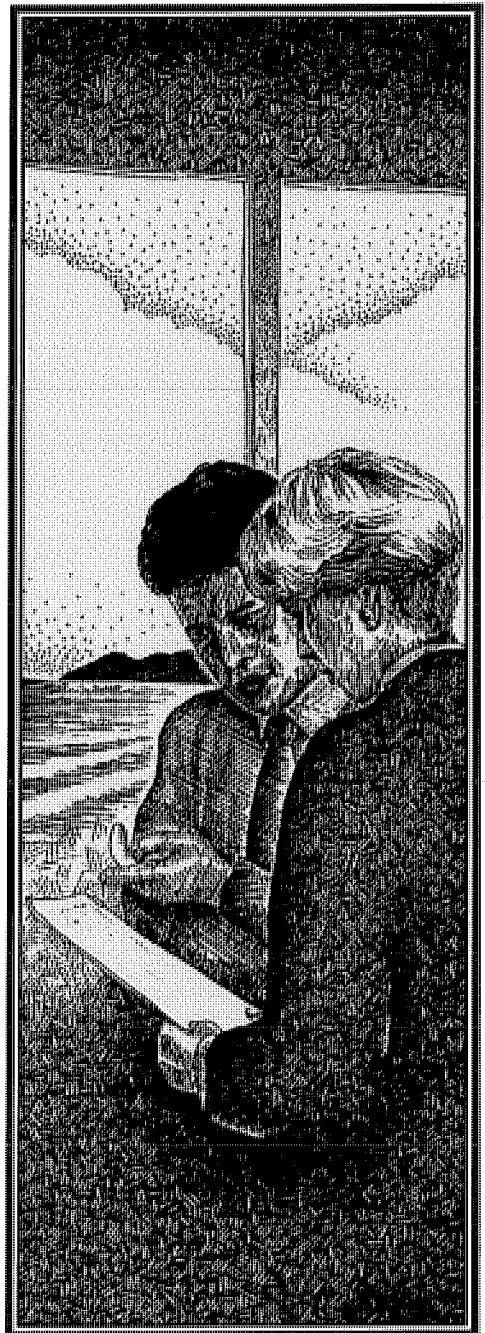
**6.4.5 The minimum flows established by Policies 6.4.3, 6.4.4, 6.4.6, 6.4.9 and 6.4.10 will apply to resource consents for the taking of water, as follows:**

- (a) **In the case of new takes applied for after 28 February 1998, upon granting of the consent; and**
- (b) **In the case of any resource consent to take water from within the Taieri above Paerau and between Sutton and Outram, Welcome Creek, Shag, Kakanui, Water of Leith, Lake Hayes, Waitahuna, Trotters, Waianakarua, Pomahaka, Waiwera and Lake Tuakitoto catchment areas as defined in Schedule 2A, subject to the review of consent conditions under Sections 128 to 132 of the Resource Management Act; and**
- (c) ...



# 12

## Rules: Water Take, Use and Management



...

## 12.1 The taking and use of surface water

*[12.1.1 - 12.1.4.1 unchanged]*

12.1.4.2 Taking and use of surface water as primary allocation in the following Schedule 2A catchment areas, shown on the B-series maps:

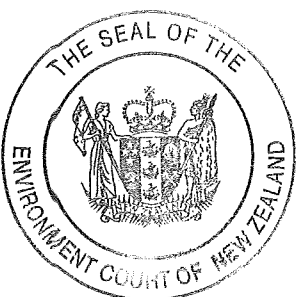
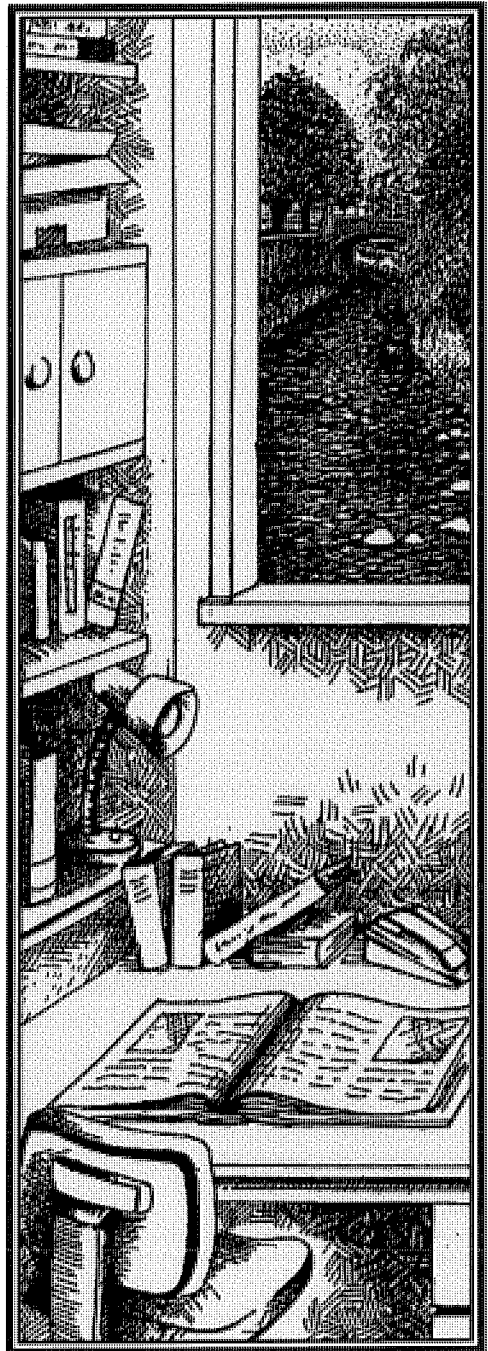
Kakanui,  
Lake Hayes,  
Lake Tuakitoto,  
Pomahaka,  
Shag,  
Taieri Catchment upstream of Paerau,  
Taieri Catchment Sutton to Outram,  
Trotters,  
Waianakarua,  
Waitahuna,  
Waiwera,  
Water of Leith, and  
Welcome Creek:

...



# 20

## Schedules





SCHEDULE 2: SPECIFIED RESTRICTIONS ON THE EXERCISE OF PERMITS TO TAKE WATER

...

**2 Schedule of specified restrictions on the exercise of permits to take surface water**

...

**2A Schedule of specific minimum flows for primary allocation takes in accordance with Policy 6.4.3, and primary allocation limits in accordance with Policies 6.4.2(a) and 6.4.1A**

The following schedule:

...

| Catchment<br>See the B-series<br>maps | Monitoring Site<br>(with MS number)<br>See the B-series<br>maps | Minimum flow<br>(litres per second –<br>instantaneous<br>flow)  | Primary Allocation<br>Limits in accord with<br>Policy 6.4.2(a)<br>(litres per second –<br>instantaneous flow) |
|---------------------------------------|---|---|---|
| Waiwera catchment                     | Maws Farm (MS 16)   | 280 (1 October to 30 April)<br><br>If 280 is breached by taking, flow must return to 310 before taking can recommence.<br><br>400 (1 May to 30 September) | 150<br><i>Waiwera catchment from confluence with Clutha/Mata-Au to headwaters</i>                             |

...

**2B Schedule of supplementary allocation blocks and specific minimum flows in accordance with Policy 6.4.9(c)**

| Catchment<br>(See the B-series maps)<br>& Supplementary Block<br>Number | Minimum Flow<br>(litres per second – instantaneous<br>flow) at the monitoring site(s)<br>(See the B-series maps) | Supplementary<br>Allocation Block<br>(litres per second –<br>instantaneous flow) |
|---|--|--|
| Waiwera catchment<br>(first supplementary<br>allocation block)          | 600<br>At Maws Farm (MS 16)  | 100  |

...

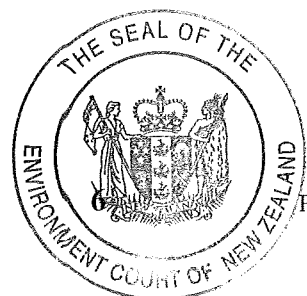


Table of minor and consequential changes

| Plan Provision  | Detail of proposed change   |                         |                       |                         |                |   |                  |               |                       |
|---|---|-------------------------|-----------------------|-------------------------|----------------|---|------------------|---------------|-----------------------|
| Page numbers  | Update page numbers.  |                         |                       |                         |                |   |                  |               |                       |
| Footers   | Change footer to read “Regional Plan: Water for Otago (Updated to <date to be inserted>)”.  |                         |                       |                         |                |   |                  |               |                       |
| Title page  | Change the date to read “Updated to <date to be inserted>”.   |                         |                       |                         |                |   |                  |               |                       |
| ISBN number   | Obtain new ISBN numbers for Regional Plan: Water for Otago, if necessary.   |                         |                       |                         |                |   |                  |               |                       |
| Chronicle of key events   | <p>Add the following to the end of the table:</p> <table border="1"> <thead> <tr> <th>Key event</th> <th>Date notified</th> <th>Date decisions released</th> <th>Date operative</th> </tr> </thead> <tbody> <tr> <td>Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water</td> <td>13 December 2014</td> <td>8 August 2015</td> <td>&lt;Date to be inserted&gt;</td> </tr> </tbody> </table>   | Key event               | Date notified         | Date decisions released | Date operative | Plan Change 3C (Waiwera catchment minimum flow) to the Regional Plan: Water | 13 December 2014 | 8 August 2015 | <Date to be inserted> |
| Key event   | Date notified   | Date decisions released | Date operative        |                         |                |   |                  |               |                       |
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| section 1.4   | <p>...</p> <p>Proposed Plan Change 6A...</p> <p>Proposed Plan Change 3C (Waiwera catchment minimum flow) was notified on 13 December 2014 to introduce a minimum flow and allocation regime with monitoring site for the Waiwera catchment. A total of six submissions and two further submissions were received. Following the hearing, decisions on submissions received were released on 8 August 2015. Following appeal resolution, Plan Change 3C was made operative on ... .</p> <p>...</p> |                         |                       |                         |                |   |                  |               |                       |
| Tables of contents [on pages viii and 20-2]                                 | Update page numbers, if necessary.  |                         |                       |                         |                |   |                  |               |                       |
| Map Index (section B)   | Update section B maps and Index, as a consequence of the plan change.   |                         |                       |                         |                |   |                  |               |                       |



## M A P S

**Maps: Maps B13 and B15 showing Waiwera catchment and proposed minimum flow site at Maws Farm (MS 16)**

*Maps, which use the numbering introduced by Plan Change 3B (Pomahaka catchment minimum flow), are attached as follows:*

Map B - Index: Minimum Flow Catchment Boundaries and Monitoring Sites  
**B13**  
**B15**



# **Plan Change 3C (Waiwera catchment minimum flow)**

## **Regional Plan: Water for Otago**

**ISBN 978-0-908324-25-5**

## Table of Contents

|   |          |
|---|----------|
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| <b>Rule 12.1.4.2 (page 12-7 of Plan) .....</b>  | <b>4</b> |
| <b>Schedule 2: Schedule of specified restrictions on the exercise of<br/>permits to take surface water (page 20-58 of Plan) .....</b> | <b>6</b> |
| <b>Minor and consequential changes.....</b>   | <b>7</b> |
| <b>Maps: (Maps B13, B15 for) Waiwera River.....</b>   | <b>8</b> |

-----

# 6

## Water Quantity



...

## **6.4 Policies applying to the management of the taking of water**

*[Index... – Policy 6.4.4 unchanged]*

**6.4.5 The minimum flows established by Policies 6.4.3, 6.4.4, 6.4.6, 6.4.9 and 6.4.10 will apply to resource consents for the taking of water, as follows:**

- (a) In the case of new takes applied for after 28 February 1998, upon granting of the consent; and**
- (b) In the case of any resource consent to take water from within the Taieri above Paerau and between Sutton and Outram, Welcome Creek, Shag, Kakanui, Water of Leith, Lake Hayes, Waitahuna, Trotters, Waianakarua, Pomahaka, Waiwera and Lake Tuakitoto catchment areas as defined in Schedule 2A, subject to the review of consent conditions under Sections 128 to 132 of the Resource Management Act; and**
- (c) ...**

# 12

## Rules: Water Take, Use and Management





...

## **12.1 The taking and use of surface water**

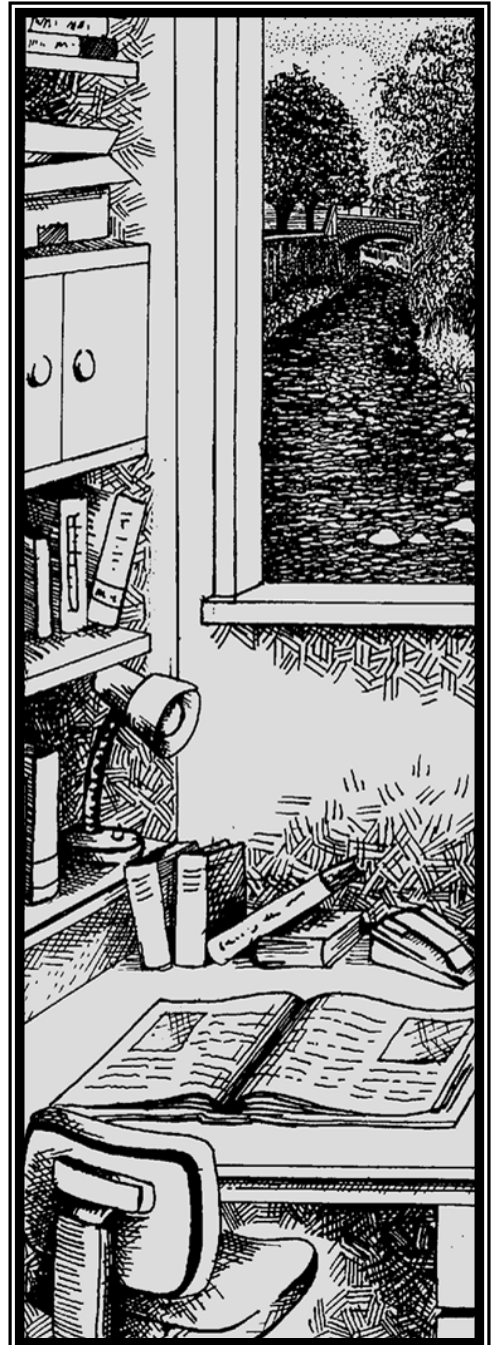
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  - Pomahaka,
  - Shag,
  - Taieri Catchment upstream of Paerau,
  - Taieri Catchment Sutton to Outram,
  - Trotters,
  - Waianakarua,
  - Waitahuna,
  - Waiwera,
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...

# 20

## Schedules



SCHEDULE 2: SPECIFIED RESTRICTIONS ON THE EXERCISE OF PERMITS TO TAKE WATER

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|------------------------------------|--|---|--|
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**2B Schedule of supplementary allocation blocks and specific minimum flows in accordance with Policy 6.4.9(c)**

| Catchment<br>(See the B-series maps) & Supplementary Block Number | Minimum Flow<br>(litres per second – instantaneous flow) at the monitoring site(s)<br>(See the B-series maps) | Supplementary Allocation Block<br>(litres per second – instantaneous flow) |
|---|---|--|
| Waiwera catchment<br>(first supplementary allocation block)       | 600<br>At Maws Farm (MS 16)   | 100  |

...

### Table of minor and consequential changes

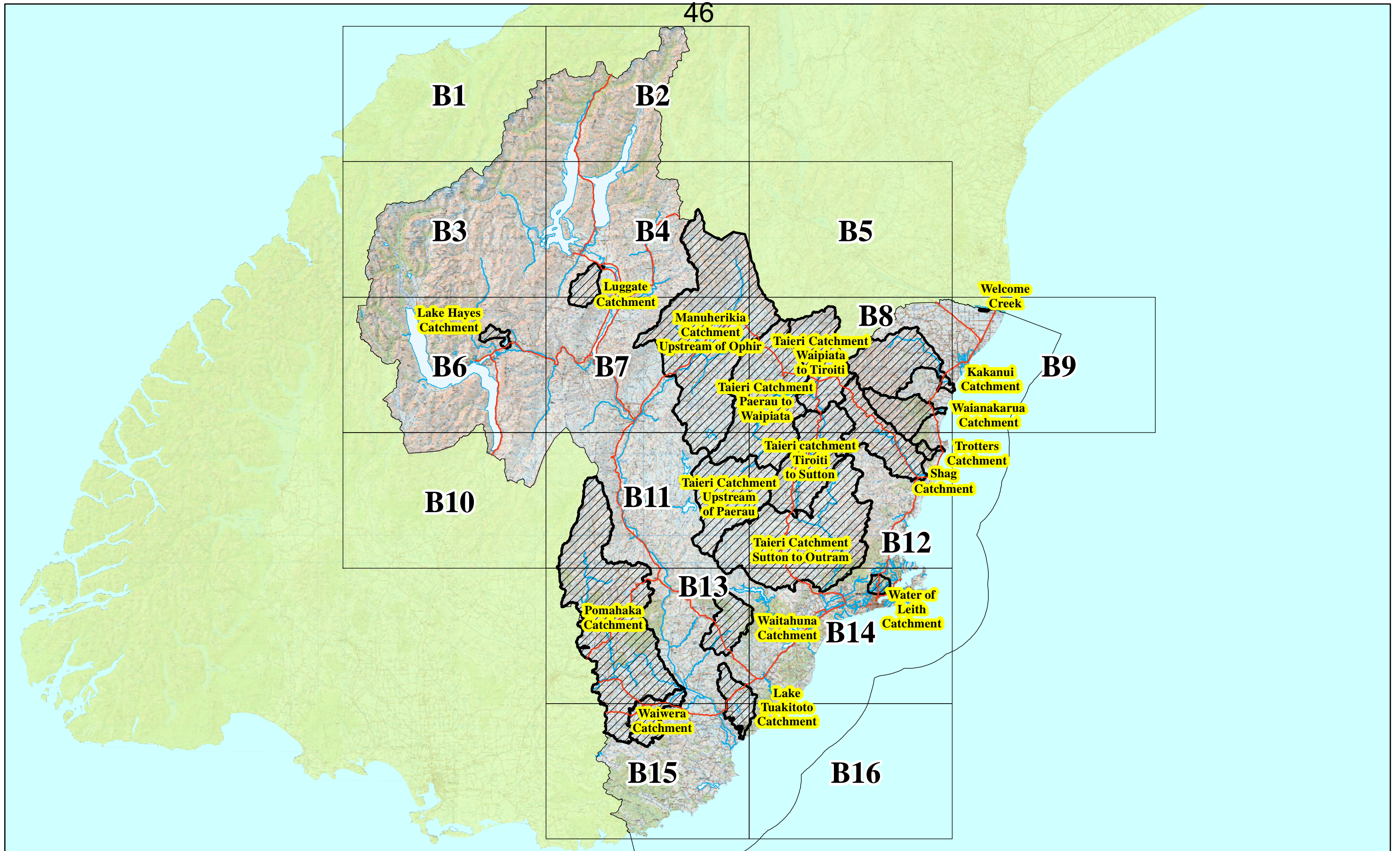
| Plan Provision  | Detail of proposed change  |                         |                |                         |                |   |                  |               |              |
|---|--|-------------------------|----------------|-------------------------|----------------|---|------------------|---------------|--------------|
| Page numbers  | Update page numbers.   |                         |                |                         |                |   |                  |               |              |
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| section 1.4   | <p>...</p> <p>Proposed Plan Change 6A...</p> <p>Proposed Plan Change 3C (Waiwera catchment minimum flow) was notified on 13 December 2014 to introduce a minimum flow and allocation regime with monitoring site for the Waiwera catchment. A total of six submissions and two further submissions were received. Following the hearing, decisions on submissions received were released on 8 August 2015. Plan Change 3C was made operative on 1 March 2016.</p> <p>...</p> |                         |                |                         |                |   |                  |               |              |
| Tables of contents [on pages viii and 20-2]                                 | Update page numbers, where necessary.  |                         |                |                         |                |   |                  |               |              |
| Map Index (section B)   | Update section B maps and Index, as a consequence of the plan change.  |                         |                |                         |                |   |                  |               |              |

## M A P S

**Maps: Maps B13 and B15 showing Waiwera catchment and proposed minimum flow site at Maws Farm (MS 16)**

Map B - Index: Minimum Flow Catchment Boundaries and Monitoring Sites  
**B13**  
**B15**





**Key**

- State Highway
- Regional Boundary
- Minimum Flow Catchment

20 10 0 20 40  
 Kilometres

Sourced from LINZ data, Crown Copyright reserved.

## Map B - Index Minimum Flow Catchments and Monitoring Sites

Basemap: Land Information New Zealand Topo50 Maps  
1 March 2016





## REPORT

Document Id: A879423  
 Report Number: 2016/0613  
 Prepared For: Council  
 Prepared By: Manager Finance  
 Date: 5 February 2016

Subject: **Financial Report for six months to 31 December 2015**

The following information is provided in respect of the overall Council finances for the six months ended 31 December 2015.

### 1. Statement of Comprehensive Revenue and Expense and Statement of Financial Position

A Statement of Comprehensive Revenue and Expense for the six months to 31 December 2015 and a Statement of Financial Position as at 31 December 2015 are set out below.

#### Otago Regional Council Statement of Comprehensive Revenue and Expenses For the six months to 31 December 2015

|  | Annual<br>Budget<br>30 June 2016<br>\$000's | Budget<br>December<br>2015<br>\$000's | Actual<br>December<br>2015<br>\$000's | Variance<br>December<br>(unfav)<br>\$000's |
|--|---|---------------------------------------|---------------------------------------|--|
| <b>Revenue:</b>                                |   |                                       |                                       |  |
| Rate revenue                                   | 14,446                                      | 7,223                                 | 7,196                                 | (27)                                       |
| Government subsidies Note 1                    | 8,259                                       | 3,015                                 | 2,432                                 | (583)                                      |
| Other revenue                                  | 4,598                                       | 2,265                                 | 2,100                                 | (165)                                      |
| Dividend income from Port Otago Ltd            | 7,300                                       | 3,650                                 | 3,650                                 | -  |
| Interest revenue Note 2                        | 2,086                                       | 1,043                                 | 834                                   | (209)                                      |
| Rental income                                  | 1,101                                       | 550                                   | 553                                   | 3  |
| Gain in value of investment<br>Property Note 3 | 310   | -                                     | -                                     | -  |
| Other gains/(losses) Note 4                    | -   | -                                     | 490                                   | 490  |
| <b>Total Revenue</b>                           | <b>38,100</b>                               | <b>17,746</b>                         | <b>17,255</b>                         | <b>(491)</b>                               |
| <b>Less Expenses:</b>                          |   |                                       |                                       |  |
| Operating expenses Note 5                      | 26,690                                      | 10,767                                | 9,220                                 | 1,547                                      |
| Employee benefits expense Note 6               | 12,041                                      | 6,021                                 | 5,794                                 | 227  |
| Finance costs                                  | 1   | -                                     | 11                                    | (11)                                       |
| Depreciation expense                           | 1,751                                       | 876                                   | 835                                   | 41   |
| <b>Total Expenses</b>                          | <b>40,483</b>                               | <b>17,664</b>                         | <b>15,860</b>                         | <b>1,804</b>                               |
| <b>Surplus/(deficit)</b>                       | <b>(2,383)</b>                              | <b>82</b>                             | <b>1,395</b>                          | <b>1,313</b>                               |
| Income tax benefit                             | -   | -                                     | 49                                    | 49   |
| <b>Surplus/(deficit) after tax</b>             | <b>(2,383)</b>                              | <b>82</b>                             | <b>1,444</b>                          | <b>1,362</b>                               |

**Note 1 - Government Subsidies**

The Council receives subsidies from Government agencies on eligible expenditure. The level of subsidy income is therefore directly related to the level of eligible expenditure.

The major source of subsidy income is from the NZ Transport Agency for the transport activity. Of the variance of \$583,000, the amount related to the transport activity is \$578,000, arising from the level of eligible expenditure being less than budget in the Public Passenger Transport project.

**Note 2 - Interest Revenue**

Interest revenue shows an unfavourable variance of \$209,000 against the budgeted amount. The interest revenue budget is based on an estimated level of investments expected to be held and an assumed interest rate. During the six months to 31 December 2015, the average level of investments held was down on the estimate, and the average interest rate earned on investments was lower than budgeted.

**Note 3 - 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 31 December 2015.

**Note 4 - Other Gains/(losses)**

The gain of \$490,000 includes an increase in the fair value of the BNZ Managed Investment Portfolio for the period from 1 July to 31 December 2015 of \$361,000. Also included is a net \$129,000 gain on the disposal of surplus Council assets.

**Note 5 - Operating expenses**

Operating expenses are down \$1,226,000 on the budgeted amount of \$10,767,000, a variance of 11.4%.

This variance primarily relates to activity project costs, a summary of which is appended to this report.

**Note 6 – Employee Benefits expense**

The major factor contributing to this favourable variance is the reduction in overall remuneration resulting from staffing changes, particularly in the operational directorates.

During periods of change, there is often a considerable delay between a staff member's resignation and a replacement commencing employment, resulting in a reduction in overall remuneration.



## Otago Regional Council

 Statement of Financial Position  
 As at 31 December 2015

|  |        | 31 December<br>2015<br>\$000's | 30 June<br>2015<br>\$000's |
|--|--------|--------------------------------|----------------------------|
| <b>Current Assets</b>                          |        |                                |                            |
| Cash and cash equivalents                      | Note 1 | 7,085                          | 4,228                      |
| Other financial assets                         | Note 1 | 59,105                         | 52,560                     |
| Receivables                                    | Note 2 | 3,533                          | 3,461                      |
| Other current assets                           |        | 166                            | 162                        |
| Inventories – stock and property held for sale |        | 1,228                          | 2,430                      |
| Dividends Receivable                           |        | 2,900                          | -                          |
|  |        | <b>74,017</b>                  | <b>62,841</b>              |
| <b>Non-Current Assets</b>                      |        |                                |                            |
| Operating assets                               |        | 83,432                         | 83,850                     |
| Intangible assets                              |        | 1,582                          | 1,553                      |
| Investment Property                            | Note 3 | 10,124                         | 10,124                     |
| Deferred tax asset                             |        | 150                            | 98                         |
| Shares in Port Otago Ltd                       | Note 4 | 407,293                        | 407,293                    |
|  |        | <b>502,581</b>                 | <b>502,918</b>             |
| <b>Total Assets</b>                            |        | <b>576,598</b>                 | <b>565,759</b>             |
| <b>Current Liabilities</b>                     |        |                                |                            |
| Trade payables and accrued charges             |        | 6,604                          | 4,252                      |
| Employee entitlements                          |        | 1,069                          | 1,352                      |
| Revenue in advance                             | Note 5 | 7,327                          | -                          |
|  |        | <b>15,000</b>                  | <b>5,604</b>               |
| <b>Non-current Liabilities</b>                 |        |                                |                            |
|  |        | -                              | -                          |
| <b>Total Liabilities</b>                       |        | <b>15,000</b>                  | <b>5,604</b>               |
| <b>Net Assets</b>                              |        | <b>561,598</b>                 | <b>560,155</b>             |
| <b>Total Equity and Reserves</b>               |        |                                |                            |
| Public equity                                  |        | <b>139,288</b>                 | <b>140,424</b>             |
| <b>Reserves</b>                                |        |                                |                            |
| Available-for-sale revaluation reserve         | Note 4 | 387,293                        | 387,293                    |
| Asset revaluation reserve                      | Note 3 | 8,063                          | 8,063                      |
| Asset replacement reserve                      |        | 4,545                          | 4,865                      |
| Building reserve                               | Note 6 | 10,794                         | 8,072                      |
| Emergency response reserve                     |        | 3,819                          | 3,739                      |
| Water management reserve                       |        | 1,565                          | 1,532                      |
| Kuriwao endowment reserve                      |        | 6,231                          | 6,167                      |
|  |        | <b>422,310</b>                 | <b>419,731</b>             |
| <b>Total Equity and Reserves</b>               |        | <b>561,598</b>                 | <b>560,155</b>             |

**Note 1 - 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 2 – Receivables**

The Receivables amount of \$3,533,000 includes rates debtor balances of \$1,243,000 at 31 December 2015.

Rates assessments totalling \$16,634,000 were issued in August 2015 with a due date of 31 October 2015.

**Note 3 – Investment Property and Asset Revaluation Reserve**

Investment property is revalued annually and is included at the June 2015 valuation. The asset revaluation reserve reflects the revaluation amount of the investment property at 30 June 2015.

**Note 4 – Shares in Port Otago Ltd and Available-for-Sale Revaluation Reserve**

The Shares in Port Otago Ltd are included at the June 2015 valuation, and the available-for-sale revaluation reserve reflects the revaluation amount of the shares.

**Note 5 – Revenue in advance**

Revenue in advance of \$7,327,000 includes rates revenue of \$7,241,000. The annual rates assessments were issued in August 2015, and the revenue in advance amount reflects the portion of revenue attributable to the January to June 2016 period. This revenue will be released to the income statement over the remainder of the year.

**Note 6 – Building Reserve**

The 2015/16 Annual Plan provides for the transfer to the reserve of \$2,500,000 from public equity. The transfer is fully reflected in the reserve balance to 31 December 2015.

**2. Activity Expenditure Summary**

The following table reports the Activity Expenditure for the six months to 31 December 2015. Activity expenditure includes capital expenditure and internal charges.

The notes to the table identify the individual and/or groups of projects that significantly contribute to the overall variances in the activities.

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### Activity Expenditure Summary

|                                    |        | Annual<br>Budget<br>30 June 2016<br>\$000's | Budget<br>December<br>2015<br>\$000's | Actual<br>December<br>2015<br>\$000's | Variance<br>December<br>(unfav)<br>\$000's |
|------------------------------------|--------|---|---------------------------------------|---------------------------------------|--|
| Environment                        | Note 1 | 12,564                                      | 5,821                                 | 4,802                                 | 1,019                                      |
| Community                          |        | 4,043                                       | 1,938                                 | 2,046                                 | (109)                                      |
| Regulatory                         | Note 2 | 4,114                                       | 2,245                                 | 1,826                                 | 419  |
| Flood Protection and Control Works |        |   |                                       |                                       |  |
|                                    | Note 3 | 8,908                                       | 2,109                                 | 1,664                                 | 445  |
| Safety and Hazards                 |        | 2,051                                       | 858                                   | 761                                   | 98   |
| Transport                          | Note 4 | 14,163                                      | 5,267                                 | 4,235                                 | 1,032                                      |
|                                    |        | <b>45,843</b>                               | <b>18,239</b>                         | <b>15,334</b>                         | <b>2,904</b>                               |

#### Note 1 - Environment

Within the environmental activity the following groups of projects are currently under-budget.

The Water related projects with expenditure of \$2,570,000 are \$689,000 under-budget. The Regional Plan: Water and 1C plan implementation projects comprise the majority of the variance.

The Water SOE Monitoring project with expenditure of \$1,148,695 is \$176,000 over-budget.

The Rivers and Waterway Management projects are down \$338,000 on the budget of \$909,000 and the Land projects are down \$142,000 on the budget of \$963,000.

The Environmental Incident Response projects show a net over-expenditure of \$168,000 against a budget of \$492,000, with \$158,000 of the variance recorded in the Incident Prosecutions project. It is noted that income from the project is also up on the budgeted level, by \$57,000.

#### Note 2 - Regulatory

The Resource Consent Application processing project and the Compliance Monitoring project both show favourable variances of \$215,000 and \$212,000 respectively, reflecting a lower level of activity from that budgeted.

An unfavourable variance of \$102,000 against a budget of \$346,000 in the Regional Policy Statement partially offsets favourable variances in the other projects within the activity.

#### Note 3 – Flood Protection and Control Works

The major single project in this activity, the Leith Scheme, shows a favourable variance of \$153,000 against the budget of \$565,000. The three Taieri scheme projects show a total favourable variance of \$214,000 against a budget of \$775,000

#### Note 4 - Transport

Within the Transport activity, the major project/project groups contributing to the overall favourable variance are the Total Mobility jobs with a variance of \$153,000 against a budget of \$566,000, the Dunedin Bus Contracts jobs with a variance of \$270,000 against a budget of \$2,889,000, and the other Dunedin Passenger Transport jobs with a combined net favourable variance of \$511,000 against a budget of \$1,133,000. Included in the other Dunedin Passenger Transport jobs is a favourable variance of \$168,000 against a budget of \$206,000 in respect of the Dunedin Bus Hub.

**3. Recommendation**

That this report be received.

Nick Donnelly  
**Director Corporate Services**

**REPORT**

Document Id: A879418

Report Number: 2016/0612

Prepared For: Council

Prepared By: Director Corporate Services

Date: 2 February 2016

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***Inspection Warrants:*

Appointment an enforcement officer under S177 Local Government Act for the purposes of exercising the functions, powers and duties pursuant to the Local Government Act and the Otago Regional Council Flood Protection Management Bylaws:

- David Duane Calvert

Appointment an enforcement officer under S177 Local Government Act for the purposes of exercising the functions, powers and duties pursuant to the Local Government Act and the Land Drainage Act 1908:

- David Duane Calvert

Appointment an authorised officer under S174 Local Government Act for the purposes of exercising the functions, powers and duties pursuant to the Local Government Act and the Building Act 2004:

- Stephen Andrew Smith
- Richard Gray Lord
- Peter Gavin Kelliher
- Martin Hamish King
- Gavin Noel Palmer

*Certificate under S417 of the Resource Management Act*

- Knapdale Farms Ltd, 1/69 Tarbert Street, Alexandra, for Water Race No. 271, 178 Blacks Registry.

**3. Recommendation**

That the report be noted.

Nick Donnelly  
**Director Corporate Services**

## **Report back from Councillors**

**Item 7**

**Code of Conduct hearing**

**OTAGO REGIONAL COUNCIL****Minutes of a meeting of the Communications Committee held in the  
Council Chamber, 70 Stafford Street, Dunedin on  
Wednesday 27 January 2016 commencing at 9.09 am**

**Present:**

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

**In attendance:**

**Peter Bodeker**  
**Nick Donnelly**  
**Fraser McRae**  
**Scott McLean**  
**Gavin Palmer**  
**Caroline Rowe**  
**Janet Favel**

**CONFIRMATION OF AGENDA**

There were no changes to the agenda.

**MINUTES**

The minutes of the meeting held on 25 November 2015, having been circulated, were adopted on the motion of Crs Bell and Croot.

**Matters arising from minutes**

There were no matters arising from the minutes.



**FOR NOTING**

## Item 1

2015/1303 **Stakeholder Engagement Report.** Manager Communications/ Manager Community Liaison and Education. DSE, 8/1/16

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

Councillors commended the information circulated on the recent low flow period. In response to a question Mrs Rowe advised that the CLEO team had contacted irrigation groups regularly in relation to the dry conditions.

The recent meeting of the Otago Overseer group was noted, and the progress of the group was queried. Mrs Rowe was to follow up and report back to the next committee meeting.

With students returning for the 2016 year, a question was raised about communication with the University in relation to the Leith Flood Protection Scheme works through the campus. Mrs Rowe advised that current contact with the University focused on protection of the life in the stream, and the University was interested in doing a clean up of the Leith through the campus. Explanation of the Flood Protection Scheme works could be incorporated into these communications should they proceed.

In response to a question about the presentation of World War One books to schools, Cr Woodhead advised that several schools had contacted him to express their thanks for the books. Mrs Rowe was to check on other responses received and advise Councillors.

Concern was expressed about those invited to attend meetings of the low flow stakeholder group, more appropriately termed 'agency briefings'. It was noted that Federated Farmers did not represent all farmers, and that irrigators were not invited to the meetings. Mrs Rowe advised that Irrigation NZ had been invited to the next agency briefing. She noted that while this organisation did not represent all irrigators, it was the best agency to represent the Region's irrigators at this point. It was likely that irrigator representation would be discussed at the upcoming Irrigators Conference.

It was suggested that a report be prepared for Councillors on a communications strategy for 6A, covering groupings and irrigation collectives, and clarifying the 6A message.

Cr Brown advised that the Kakanui River Management Strategy was launched on 10 December. The meeting was well attended, with reasonable consensus, and he had received positive feedback on the strategy. He considered this would be a good template for other river management strategies.

Cr Croot moved  
Cr Robertson seconded

*That the report be noted.*

**Motion carried**

The meeting closed at 9.28 am.

**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 27 January 2016 commencing at 11.06 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 Gerrard Eckhoff**  
**Cr Trevor Kempton**  
**Cr Sam Neill**  
**Cr Gretchen Robertson**  
**Cr Bryan Scott**  
**Cr Stephen Woodhead**

**In attendance:**

**Peter Bodeker**  
**Nick Donnelly**  
**Fraser McRae**  
**Scott McLean**  
**Gavin Palmer**  
**Caroline Rowe**  
**Janet Favel**

**CONFIRMATION OF AGENDA**

There were no changes to the agenda.

**MINUTES**

Minutes of the public portion of the meeting held on 25 November 2015, having been circulated, were adopted on the motion of Crs Kelliher and Bell.

**Matters arising from minutes**

There were no matters arising from the minutes.

## PART A - RECOMMENDATIONS

### Item 1

2016/0581 **Executive report.** DCS, 15/1/16

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

Councillors were pleased to see the increased use of direct debit payments for rates, noting that this was one of the reasons for the drop in the number of penalty notices sent out. Mr Donnelly noted that ratepayers had six to eight weeks to pay their rates before the due date of 31 October.

In response to a question he advised that when property details were updated in the rates database, any direct debit arrangements by the previous owner were automatically removed.

Cr Croot moved  
Cr Kelliher seconded

*(1) That this report be received.*

*(2) That the payments and investments summarised in the report and detailed in the tabled schedule, totalling \$10,974,543.49, be endorsed.*

**Motion carried**

## PART B - ITEMS FOR NOTING

### Item 2

2016/0587 **Public Transport Update.** DCS, 19/1/16

The report provided an update on: various matters including Unit 4 contract negotiations, SuperGold card bulk funding proposal, Dunedin city bus hub, and Wakatipu network review.

In response to a question Mr Donnelly explained that the purpose of current contract negotiations was to agree contract terms to bring the Brockville/Halfway Bush – St Kilda and Normanby - St Clair services within PTOM. He confirmed that commercial services would be absorbed into the PTOM model, as required under the Land Transport Management Act.

It was noted that there was no patronage update in this report, and Mr Donnelly confirmed that this would be provided in future reports.

Proposals had been received and considered by the assessment panel (ORC, DCC and NZTA) for the design of the bus hub and super stops. Details were being finalised with the preferred provider, and there would be a subsequent report to Council once this was completed.

The Wakatipu Network Review and business case development was noted. Cr Woodhead noted that the review had been pulled forward because of the changes in the area with extra flights and increased growth. Roads and bridges were also part of the review.

In response to a question about the SuperGold card funding model review, Cr Woodhead noted that there was still discomfort in the local government sector, and the matter would be discussed at the Regional Sector group meeting on 12 February. MoT and NZTA representatives would be in attendance. There had been reasonable assurances that no ratepayer funds would be required, and councils were budgeting on that basis. Cr Woodhead commented that government had yet to decide whether to retain the current SuperGold card subsidy or reduce it, noting that the current subsidy was 65% of the full fare. He also commented that the government's drive was to push for efficiencies in incorporating the Gold card subsidy into the PTOM model. Any changes should not impact on ratepayers as the subsidy was a national government scheme, not a local scheme.

Cr Shepherd moved  
Cr Robertson seconded

*That the report be received.*

**Motion carried**

**PART C - EXCLUSION OF PUBLIC**

Cr Shepherd moved  
Cr Woodhead 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 3</i> | <i>Minutes of the In Committee portion of the Finance and Corporate Committee meeting held on 25 November 2015</i> | <i>To maintain the effective conduct of public affairs through the free and frank expression of opinions by or between or to members or officers or employees.<br/>S7(2)(f)(i)</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.*

Following discussion of Item 3,

Cr Shepherd moved  
Cr Kelliher seconded

*That the meeting resume in open session.*

**Motion carried**

The meeting closed at 11.46 am

**Chairperson**

**OTAGO REGIONAL COUNCIL****Minutes of a meeting of the Policy Committee held in the  
Council Chamber, 70 Stafford Street, Dunedin on  
Wednesday 27 January 2016 commencing at 9.29 am**

**Present:**

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

**In attendance:**

**Peter Bodeker**  
**Nick Donnelly**  
**Fraser McRae**  
**Scott McLean**  
**Gavin Palmer**  
**Caroline Rowe**  
**Janet Favel**

**CONFIRMATION OF AGENDA**

There were no changes to the agenda.

**MINUTES**

The minutes of the meeting held on 25 November 2015, having been circulated, were adopted on the motion of Crs Deaker and Kelliher.

**Matters arising from minutes**

There were no matters arising from the minutes.

**FOR NOTING**

Item 1

2016/077 **Director's Report on Progress.** DPPRM, 15/1/16

The report gave an overview of significant activities undertaken by the Policy section since the last meeting of the Policy Committee.

Mr McRae noted that a lot of material had been received from government departments before Christmas, and staff were working on responses.

A question was raised as to the stakeholder requests which had delayed the hearing of Proposed Plan Change 5A (Lindis: Integrated water management). Mr McRae advised that the primary request for the delay came from the farming community, who cited a clash with on farm work, and availability of consultants and counsel.

In response to a question about marine protected areas consultation, Mr McRae noted that he had been nominated by Council for membership of the local group, but this had not been taken up. Government was considering banning commercial fishing in the Marlborough Sounds and Hauraki Gulf. Mr Bodeker advised that this had been raised with the local DoC representative, and recommendations would be made soon to the Otago/Southland community.

Cr Croot moved  
Cr Neill seconded

*That the report be noted.*

**Motion carried**

The meeting closed at 9.35 am.

**Chairperson**



## OTAGO REGIONAL COUNCIL

### Minutes of a meeting of the Regulatory Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 27 January 2016 commencing at 9.36 am

**Present:**

- Cr Sam Neill (Chairperson)
- Cr Gerrard Eckhoff (Deputy 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 Kempton (from 9.45 am))

**In attendance:**

- Peter Bodeker
- Nick Donnelly
- Fraser McRae
- Scott MacLean
- Gavin Palmer
- Caroline Rowe
- Janet Favel

#### CONFIRMATION OF AGENDA

There were no changes to the agenda.

#### MINUTES

The minutes of the meeting held on 25 November 2015, having been circulated, were adopted on the motion of Crs Bell and Shepherd.

#### Matters arising from minutes

Item 1, Principles for low flow event management:

- A question was raised as to how often targeted flow gauging was carried out, and how long gaugings stayed in place before they were

reaudited. Mr MacLean explained that some were done on an as required basis, to verify that the current information was accurate; others were carried out to ensure that water use was justified.

- The principles did not encompass orcharding, and Mr McRae was requested to check the Water Plan to determine how the needs of this sector of the community could be met.
- It was noted that most orchards had their own water storage, predominantly for use for frost fighting and irrigation. The difficulty arose when water was needed for both at the same time. An irrigation company supported orchards where it could if the orchards had their own irrigation, but there could be requests to an irrigation company from orchards where replenishment was needed.

## **PART A – ITEMS FOR NOTING**

### Item 1

2015/1314 **Biosecurity and RMA Monitoring Report. DEMO, 11/1/16**

The report detailed water, air, pest, and contaminated site environmental monitoring and incidents for the period 6 November to 18 December 2015.

Cr Kempton left the meeting at 9.45 am.

Concern was raised about 29% of significant non compliance in water quality and quantity audit and inspection monitoring. Mr McLean explained that this figure related to 15 inspections (one-third of the total). A number of non compliances related to water metering data during the low flow event. There were still problems with the supply, installation and verification of water meters. Some consents had been surrendered or cancelled, and some consent holders were yet to advise Council of their progress in this regard.

Comment was made on the increase in the number of rabbits, and Councillors were pleased to note that aerial surveillance of gorse and broom free areas would incorporate surveillance for rabbits. Mr McLean advised that rabbit audits were concentrating on the Wanaka/Criffel/Mt Barker/Wanaka airfield areas, and farm plans had been requested from land owners. Some properties were non compliant following the winter programme.

Cr Deaker expressed concern at the ongoing difficulty in locating and installing water meters.

Cr Deaker moved  
Cr Bell seconded

*That the Chief Executive report as soon as possible on ways of catching up on the water meter supply/installation backlog to ensure farmers source and install the equipment.*

**Motion carried**

It was noted that a workshop on rabbit control, compliance and related matters was scheduled for March.

Cr Croot moved  
Cr Robertson seconded

*That the report be noted.*

**Motion carried**

Item 2  
2016/0582

**Consent processing, consent administration and Building Control Authority update. DPPRM, 14/1/16**

The report detailed consent processing, consent administration and building control authority activity for the period 9 November 2015 to 8 January 2016.

Matters raised included:

- Mt Campbell Station Ltd hearing - in response to a question Mr McRae advised that the report had been provided to the commissioners, and once they had given it their final approval, it would be distributed.
- Borst Holdings Ltd – comment was made that there were two, not three commissioners, and the timing of the hearing was queried. Mr McRae explained that the Water Plan was in place, and the applicant had applied for a consent, which had to be processed. He advised in response to a question that the Council as regulatory agent had not submitted on the application.

Cr Eckhoff moved  
Cr Robertson seconded

*That the report be noted.*

**Motion carried**

Item 3  
2016/0567 **RMA, Biosecurity Act and Building Act Enforcement Activities.**  
DPPRM, 8/1/16

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 November 2015 to 8 January 2016.

Cr Kelliher moved  
Cr Croot seconded

*That the report be noted.*

**Motion carried**

Item 4  
2016/0580 **Appointments by Commissioner Appointment Subcommittee.**  
DPPRM, 14/1/16

The report listed hearing commissioners appointed for the period to 21 January 2016.

Cr Croot moved  
Cr Woodhead seconded

*That the report be noted.*

**Motion carried**

The meeting closed at 10.11 am.

**Chairperson**

**OTAGO REGIONAL COUNCIL****Minutes of a meeting of the Technical Committee held  
in the Council Chamber, 70 Stafford Street, Dunedin  
on Wednesday 27 January 2016 commencing at 10.35 am**

**Present:**

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

**Apologies:** **Cr Trevor Kempton** (entered the meeting at 10.39 am)

**In attendance:**

**Peter Bodeker**  
**Nick Donnelly**  
**Fraser McRae**  
**Scott McLean**  
**Gavin Palmer**  
**Caroline Rowe**  
**Janet Favel**

**CONFIRMATION OF AGENDA**

There were no changes to the agenda.

**MINUTES**

The minutes of the meeting held on 25 November 2015, having been circulated, were adopted on the motion of Crs Brown and Kelliher.

**Matters arising from minutes**

There were no matters arising from the minutes.

**ITEMS FOR NOTING**

Item 1

2015/1304 **Director's Report on Progress.** DEHS, 24/12/15

Topics covered in the Director's report included: Clutha Bioenergetic Modelling, Leith Flood Protection Scheme, and Dunedin District Plan and Natural Hazards.

Comment was made that bioenergetic modelling could have big implications for the setting of minimum flows, particularly in unreliable low flow rivers. Dr Palmer explained that IFIM (Instream Flow Incremental Methodology) was sufficient on most occasions, and this bioenergetic modelling of the Upper Clutha was an exception. He did not see it as setting a precedent for a method to be applied automatically to other rivers.

Support was noted for minimum flows on water short tributaries of the Clutha, but it was queried when the decision was made to apply a minimum flow to the Clutha main stem. There was a concern that a minimum flow on the Clutha would be to the detriment of people in Central Otago.

It was noted that the schedule of minimum flow work had been set some time ago. Bioenergetic modelling was part of the information required for informing a minimum flow process, and in this instance replaced IFIM. The minimum flow process for the Clutha would be different because of the size of the river, with a good deal of it being rooted in the economic potential for the region from Clutha water. The river was important environmentally and economically, including for hydro.

Dr Palmer explained that the bioenergetics modelling was best done now to get it off the critical path of the project, and he noted that it was determined as part of LTP progress. Mr McRae commented that there was nothing in the Water Plan around the values of the Clutha. He also noted that there was a default minimum flow on the river through the hydro consents, and Lake Dunstan provided limited storage in the upper Clutha. There was possible tension between irrigation and hydro power needs.

The amount of work needed on the Clutha minimum flow process was noted, and it was queried whether the work needed to be reordered to fit in with next year's Annual Plan process. A workshop was needed soon, and there needed to be clear engagement with the community.

Mr McRae commented that the information already presented to Council on the potential for irrigation throughout Central Otago would be useful for this project.

Cr Kempton returned to the meeting at 10.39 am

Cr Croot moved  
Cr Woodhead seconded

*That the report be noted.*

**Motion carried**

The meeting closed at 11.05 am.

**Chairperson**