



Our Ref A610586

Committee meetings Wednesday 3 May 2017

Following are the agendas for the Committee meetings to be held on Wednesday 3 May 2017, commencing at 9:00am.

The venue is the Council Chamber, 70 Stafford Street, Dunedin, and members of the public are welcome to attend.

Any full detailed reports referred to in the agendas are available on the Council website, or by contacting the Committee Secretary – see contact details below.

Committee agendas

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Lauren McDonald
COMMITTEE SECRETARY

Otago Regional Council
70 Stafford St
Private Bag 1954 Dunedin 9054
P (03) 470 7433 (DDI) or 0800 474 082

lauren.mcdonald@orc.govt.nz
www.orc.govt.nz

OTAGO REGIONAL COUNCIL

**Agenda for a meeting of the Finance and Corporate Committee
to be held in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 3 May 2017, commencing at 9:00am**

Membership:

- Cr Doug Brown (Chairperson)**
- Cr Andrew Noone (Deputy Chairperson)**
- Cr Graeme Bell**
- Cr Michael Deaker**
- Cr Carmen Hope**
- Cr Trevor Kempton**
- Cr Michael Laws**
- Cr Sam Neill**
- Cr Gretchen Robertson**
- Cr Bryan Scott**
- Cr Stephen Woodhead**

Apologies:

In attendance:

**Please note that there is an embargo on agenda items until 8.30 am on
Monday 1 May 2017**

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 22 March 2017, having been circulated, for adoption.

The minutes of the meeting of the Audit and Risk Subcommittee on 8 March 2017, having been circulated for adoption.

ACTIONS

Status report on the resolutions of Finance & Corporate Committee

Report No.	Meeting	Resolution	Status
2016/1136 Terms of Reference for the Finance and Corporate Committee	23/11/16	<i>That the Terms of Reference for the Technical Committee be considered a final version to be presented to the Council on 7 December 2016 for adoption</i>	Adopted by Council on 7/12/16
2016/1151 Passenger Transport Update	23/11/16	<i>endorse staff taking a collaborative approach with the Ministry of Education regarding School Services in the Wakatipu Basin.</i>	
2017/0686 2017-18 Draft Annual Plan and Consultation Document	22/3/17	<i>That a Hearing sub committee be appointed.</i>	Hearing Panel appointed at the 22 March 2017 meeting

PART A- RECOMMENDATIONS

Page Nos.

Item 1

2017/0778 **Passenger Transport Update – April 2017**. DCS, 24/04/17

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The report provides an update on tenders for Unit 1, Unit 2, and Part Unit 3 for the Dunedin Network, seeking delegated approval for the Chief Executive to award contracts in consultation with the Chairperson and Chair of the Finance and Corporate Committee.

The report also notes the public consultation process for the Wakatipu and Concord related amendments to the Regional Public Transport Plan, and the community engagement regarding the Belleknowes Arthur Street extension. There is also an update on the petition received at the Finance and Corporate Committee meeting of 22 March 2017, and the award of the replacement ticketing system contract, total mobility and patronage trends for the twelve months 1 April 2016 to 31 March 2017.

Item 2

2017/0769 **Director's report – April 2017**. DCS, 09/03/17

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The report provides an update on the draft Annual Plan, response to the public forum discussion on Port Otago Ltd's impact on the Port Chalmers community and environment, and account payments for endorsement.

PART C – FOR NOTING

Item 3

2017/0781 **Grants, Legal Cases and Personal Grievances** DES, 26/04/17 -

As requested at the Audit and Risk Subcommittee meeting of 8 March 2017, this report provides details on financial grants made by Council for the period 1 July 2012 through to March 2017 and their effectiveness. The report also provides information on personal grievances and legal cases

Item 4

2017/0772 **Financial Report to 31 March 2017**. DCS, 28/04/17 -

The report provides information in respect of the overall Council finances for the nine months ended 31 March 2017.

PART D- RESOLUTION TO EXCLUDE THE PUBLIC

I move that the public be excluded from the following parts of the proceedings of this meeting, namely:

Item 5 Confirmation of the Minutes of the public excluded portion of the Finance & Corporate Committee meeting of 22 March 2017

Item 6 Confirmation of the Minutes of the public excluded portion of the Audit & Risk Subcommittee meeting of 8 March 2017

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 5 – Confirmation of the Minutes of the public excluded portion of the Finance & Corporate Committee meeting of 22 March 2017	enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). <i>Section 7 (2)(i)</i>	Section 48 (1) (a) Section 7(2)(i)
Item 6 – Confirmation of the Minutes of the public excluded portion of the Audit & Risk Subcommittee meeting of	to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. <i>Section 7 (2) (h)</i>	Section 48(1)(a) Section 7(2)(h) Section 7 (2) (c) (i) Section S7(2)

8 March 2017	<p>to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied. <i>Section 7 (2) (c) (i)</i></p> <p>to protect information where the making available of the information - (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; <i>Section S7(2) (b) (ii)</i></p>	(b) (ii)
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This resolution is made in reliance on [section 48\(1\)\(a\)](#) of the Local Government Official Information and Meetings Act 1987 and the particular interest or interests protected by [section 6](#) or [section 7](#) of that Act or [section 6](#) or [section 7](#) or [section 9](#) of the Official Information Act 1982, as the case may require, which would be prejudiced by the holding of the whole or the relevant part of the proceedings of the meeting in public are as follows:

Item 6 enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). *Section 7 (2)(i)*

Item 7 to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities. *Section 7 (2) (h)*

to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied. *Section 7 (2) (c) (i)*

to protect information where the making available of the information - (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; *Section S7(2) (b) (ii)*

OTAGO REGIONAL COUNCIL

**Minutes of a meeting of the Finance and Corporate Committee
held in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 22 March 2017, commencing at 1:00pm**

Membership:

Cr Doug Brown (Chairperson)
Cr Andrew Noone (Deputy Chairperson)
Cr Graeme Bell
Cr Michael Deaker
Cr Carmen Hope
Cr Trevor Kempton
Cr Michael Laws
Cr Sam Neill
Cr Gretchen Robertson
Cr Bryan Scott
Cr Stephen Woodhead

Apologies: Nil

In attendance:

Peter Bodeker (CEO)
 Nick Donnelly
 Gavin Palmer
 Caroline Rowe
 Scott MacLean
 Lauren McDonald (Committee Secretary)
 Sean Geary
 Sharon Bodeker
 Michael Templeton
 Eleanor Ross

Cr Brown welcomed the public forum speakers and the Port Otago Ltd Chairman, Mr David Faulkner; Deputy Chairman Mr Paul Rea; current CEO, Mr Geoff Plunket; and CEO designate, Mr Kevin Winders.

CONFIRMATION OF AGENDA

Additional agenda item - Discussion of the By-Election for the Dunstan Ward to be held in public exclusion.

CONFLICT OF INTEREST

No conflicts of interest advised.

MINUTES

The minutes of the meeting held on 8 February 2017, having been circulated, were adopted on the motion of Crs Woodhead and Noone.

PUBLIC FORUM

Presentation of a petition to retain the Centre City New World bus stop for the Mosgiel bus services.

Mrs Lynne Hill read a prepared statement and outlined the concerns of a downgrade of the Mosgiel bus service due to the extra distance Mosgiel bus users would need to walk from the Bus Hub location (compared to the existing bus stop at Centre City New World) to the public hospital. She advised this would place additional stress on those with physical limitations to cover this extra distance from the bus hub location to the hospital. Mrs Hill presented the 180 signature petition from Mosgiel residents to the Chairperson seeking retention of the City Centre New World bus stop while the public hospital remains at the present site.

Mrs Hill responded to questions from Councillors and advised increased distance from the bus hub to the hospital to be approximately an additional 100 metres.

Cr Brown thanked Mrs Hill for taking the time to address the concerns of the petition to the Council and advised due consideration would be given to the petition request and a response would be sent to her.

Impact of the Port Otago Ltd operation on the Port Chalmers community and environment

Mary McFarlane, a Port Chalmers resident addressed Council on the impacts of the Port Otago Ltd operations on the harbour area. She acknowledged she had a constructive and continuing dialogue with Port Otago Ltd.

She questioned if the Council had given due consideration to the economic and lifestyle impact to the community and environment from the Port Otago Ltd operations. She advised the impacts included: operational noise; erosion of the Te Rauone and Back Beaches due to larger ships to the port, side channels silting up, heavy laden truck traffic impacting buildings in the heritage precinct due to road speed limits not being adhered to; cruise ship visitor numbers, and the visual impact of the port operations on local residents.

She advised she felt that the quality of life in the harbour area was being progressively eroded by the Port Otago Ltd commercial operations.

Ms McFarlane responded to questions from Councillors.

Cr Brown thanked Ms McFarlane for refreshing the issues with Council and confirmed a response would be sent to her in due course.

Public Forum concluded at 1:26pm

PART A – PRESENTATIONS

Item 1 Port Otago Ltd Interim Six Month report

In attendance Mr David Faulkner, Chairperson; Mr Kevin Winder, CEO designate; Deputy Chairperson, Paul Rea, and Geoff Plunket, outgoing CEO.

Mr Faulkner presented the Port Otago Ltd Six Month Interim Report, as tabled to the meeting.

Main points from the presentation included:

- Trade - Container volume up by 5%, log exports up 38%, a significant change. Vessel arrivals up from 213 to 226.
- Cruise vessels – 92 vessels booked for next year.
- Port development – extension to A shed, this is working well.
- New Generation work – looking to complete channel deepening to 14 metres by December 2017 - Wharf extension at Port Chalmers due for completion by December 2018.
- Chalmers Properties - Steel & Tube warehouse site fully occupied. Te Rapa site development proceeding well.

Mr Faulkner and Mr Plunket responded to questions from Councillors.

Port Otago Ltd members left the meeting at 1:54 pm.

PART B - RECOMMENDATIONS

Item 2

2017/0686 **2017-18 Draft Annual Plan and Consultation Document**. DCS, 06/03/17

The Draft Annual Plan (draft plan) was presented to the Finance and Corporate Committee for adoption and for it to be made available on the ORC website as supporting documentation to the consultation document.

The consultation document was also presented for consideration and adoption, so that it may be distributed to the Otago community, inviting comment on the Council proposed activities for the 2017/18 year.

The full *Draft Annual Plan 2017/18* and the *Draft Annual Plan 2017/18 consultation document* were circulated separately with the agenda. The full Castalia Ltd report entitled “*Economic Assessment of the Lower Waitaki River Control Scheme*” was circulated separately with the agenda.

Cr Brown advised the confirmed as Annual Plan hearing panel members as himself, Crs Woodhead Noone, Deaker, Kempton, Hope and Laws for the Draft Annual Plan for 2017/18. Cr Laws requested he be removed from membership of the hearing panel. Cr Bell was requested to replace Cr Laws, and accepted.

Moved Cr Laws

That \$100,000 is placed in the draft Annual Plan for the mitigation of lagarosiphon and management of lagarosiphon in the lakes in waterways of the Otago Regional Council.
No seconder, motion lapsed.

That the \$665,000 for the further development of the ORC Head Office building design be removed from the 2017/18 Annual Plan.
No seconder, motion lapsed.

That Port Otago Ltd dividend be increased from \$7.5million to \$10 million.
No seconder, motion lapsed.

Moved Cr Brown

Seconded Cr Woodhead

That the Draft Annual Plan be adopted as the information relied upon to support the consultation document, and that it be made available on council's web site.

1. *That the consultation document be adopted for consultation purposes, subject to any minor editorial amendments.*
2. *That changes to the Revenue Policy be adopted for consultation purposes.*
3. *That it is financially prudent to have an operating deficit in the 2017/18 year.*
4. *That submissions on the consultation document will close on 12 May 2017, and hearings will be held during the week commencing 22 May 2017.*
5. *That a Hearing sub-committee be appointed.*

Motion carried

Crs Brown, Woodhead, Noone, Deaker, Kempton, Hope and Bell confirmed as the Hearing Panel members for the Draft Annual Plan for 2017/18.

Item 3

2017/0682 **Leith Flood Protection Scheme, Union Street to Leith Footbridge Construction** DES, 15/03/17

The report provided an update on the Union Street to Leith Footbridge stage of the Leith Flood Protection Scheme. Council approval was sought to award the contract for the construction of this stage to Downer New Zealand Limited (Downer) for the sum of \$2,497,034.74 (excluding GST).

Moved Cr Noone

Seconded Cr Deaker

1. *This report is received;*
2. *The award of a construction contract to Downer New Zealand Limited for the sum of \$2,497,034.74 (excluding GST) for construction of the Union Street to Leith Footbridge stage of the Leith Flood Protection Scheme is noted.*

Motion carried

Item 4

2017/0700 **Director's report – March 2017**. DCS, 09/03/17

The report outlined the Irrigation Scheme Rates and account payments for endorsement.

Moved Cr Woodhead

Seconded Cr Noone

- a) *That this report be received.*
- b) *That the payments and investments summarised in the table above and detailed in the payment schedule, totalling \$11,074,041.44, be endorsed.*

Motion carried

PART C – FOR NOTING

Item 5

2017/0687 **Financial Report to 31 January 2017**. DCS, 06/03/17

The report provided information in respect of the overall Council finances for the seven months ended 31 January 2017.

Moved Cr Noone

Seconded Cr Hope

That the report be received.

Motion carried

PART D- RESOLUTION TO EXCLUDE THE PUBLIC

Moved Cr Woodhead

Seconded Cr Noone

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

Item 6

2017/0707 **Replacement Ticketing System – Update**, DCS, 10/03/17

Council's approval sought to participate in the implementation of the Regional Integrated Ticketing System (RITS) interim solution as part of the Transport Agency National

Ticketing Programme (NTP) with the preferred supplier identified through the collective procurement process, and to act as the lead agency for the implementation, and the operation of the new system.

Item 7

2017/0708 **Designation Notice of Requirement – Authority**, DCS 10/03/17

The report requested for Council to delegate to the Chief Executive authority to lodge a Notice of Requirement with the Dunedin City Council for the construction, implementation and ongoing operation of the Central City Bus Hub/Interchange in Great King Street between St Andrew Street and Moray Place.

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 6 – Replacement Ticketing System - Update	enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). <i>Section 7 (2)(i)</i>	Section 48 (1) (a) Section 7(2)(i)
Item 7 – Designation Notice of Requirement - Authority for the Central City Bus Hub	enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). <i>Section 7 (2)(i)</i>	Section 48(1)(a) Section 7(2)(i)

Also moved that staff be permitted to remain in this meeting, after the public has been excluded, because of their knowledge of the: Regional Integrated Ticketing System (RITS); Transport Agency National Ticketing Programme (NTP), and the Notice of Requirement with the Dunedin City Council.

Motion carried

At the conclusion of discussion of items 6 and 7, Crs Brown and Woodhead moved that the meeting resume in public session.

The meeting was declared closed at 2:48pm

Chairperson

OTAGO REGIONAL COUNCIL**Minutes meeting of the Audit and Risk Subcommittee
held in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 8 March 2017, commencing at 1:06pm**

Membership: **Mr David Benham** (Chair)
 Cr Stephen Woodhead (ORC Chairperson)
 Cr Gretchen Robertson (ORC Deputy Chairperson)
 Cr Doug Brown (Chair, Finance & Corporate Committee)
 Cr Trevor Kempton
 Cr Michael Laws

Apologies: Nil

In attendance: Peter Bodeker (CEO)
 Nick Donnelly (Director Corporate Services)
 Lauren McDonald (Committee Secretary)

Mr Benham thanked councillors for his reappointment as Chair of the Audit & Risk subcommittee and advised he was looking forward to next 3 year term.

CONFIRMATION OF AGENDA

Mr Benham confirmed the meeting would move into public exclusion for items 5, 6 and 7.

CONFLICT OF INTEREST

No conflicts of interest were advised.

PUBLIC FORUM

No public forum was held.

Members commented that the minutes from the last subcommittee meeting of the 2013-16 triennium would be useful to provide context to discussion.

Action minutes of the previous meeting (21 September 2016) to be circulated to members.

PART A - RECOMMENDATIONS

Item 1
2017/0680 **Health and Safety Report**. Human Resources Manager, 03/03/17-

The report summarised health and safety activities and incident statistics for the period September 2016 to February 2017.

It was suggested that the report could be reformatted to ensure line controls are better aligned with the identified hazards.

Cr Laws left the room at 1:14pm.

Mr Bodeker confirmed contractor accreditation was well underway and would be reported to the next meeting.

Cr Laws returned to the room at 1:16pm

Clarification was sought on the Health & Safety responsibilities and legislation in regard to elected members.

Mr Bodeker advised that councillors were independent contractors in regard to the Health & Safety legislation.

Action: Mr Bodeker to report back on the relevant Health & Safety legislation.

Moved Cr Woodhead
Seconded Cr Robertson

That the report be received.

Motion carried

Item 2

2017/0640 **Legislative Compliance**. Legal Counsel, 28/02/17

The report reviewed Council's performance in regard to the responsibilities, functions and duties of Council in relation to Acts, Regulations, Bylaws and other Government directives.

Agreed there is a requirement for a comprehensive review of all legislative compliance to ensure Council is meeting its legal obligations. Mr Donnelly advised legislative compliance software had been reviewed but was expensive and a spreadsheet based checklist was being investigated for implementation.

Moved Cr Robertson
Seconded Cr Brown

That the report be received.

Motion carried

Item 3

2017/0673 **Section 17A Reviews**. Manager Projects, 01/03/17

The report provided information on work completed to date, along with a programme of work for the Section 17A reviews for the Otago Regional Council.

A question arose regarding the relevance of this report to Audit and Risk and whether it should sit with another Committee, or Council itself.

Cr Woodhead confirmed that the recommendations of the Section 17A review work programme will be made to the Finance and Corporate Committee and then to Council for adoption.

Moved Cr Kempton
Seconded Cr Woodhead

That the report be noted.

Motion carried

Item 4

2017/0608 **Financial Report to 31 January 2017**. Finance Manager, 02/03/17

The report provided information in respect of the overall Council finances for the seven months ended 31 January 2017. Discussion was held on reasons for overspends in port and harbour safety and emergency management for the region.

Mr Bodeker advised the harbourmaster role has been re advertised. The role currently being covered by experienced contractors and this was the reason for the overspend.

A request was made for the report to include a forecast to the end of the financial year. Mr Donnelly advised that the forecast will be included in the upcoming 8 month review.

A question was raised on the monitoring of grants provided by Council. Mr Bodeker advised that information is provided through the CE's report.

A comment was for Council to have clear policy guidelines of the criteria for grant applications, and that monitoring and reporting requirements are in place, to ensure Council is able to verify the grants provided are meeting the criteria set.

Mr Donnelly confirmed that both the Environmental Enhancement Fund and the Water Management Reserve (Bulk Rural Water Fund) were covered in the CE's Council report when the grants were made and also in the 4 and 12 month activity reporting.

Mr Benham agreed that a report be provided to the Audit & Risk subcommittee of grants made, with an assessment of the effectiveness of the grants.

Moved Cr Woodhead
Seconded Cr Robertson

That the report be received.

Motion carried

A question was raised as to how legal risks to Council were reported. Mr Donnelly advised that that should occur under risk reporting which was included in Item 7, the In Committee director's report covering risk management strategy framework and an update on risk reporting development.

Mr Donnelly confirmed he would provide a copy of risk management framework adopted at the 21 September 2016 Audit and Risk subcommittee meeting to the elected members.

PART C - RESOLUTION TO EXCLUDE THE PUBLIC

Moved Cr Woodhead
Seconded Cr Robertson

That the public be excluded from the following parts of the proceedings of this meeting (pursuant to the provisions of the Local Government Official Information and Meetings Act 1987), namely:

Item 5 BNZ Managed Fund Report to 31 December 2016. DCS, 03/03/17

Item 6 Audit Management Letter Report, Finance Manager, 03/03/17

Item 7 Director's Report, DCS, 03/03/2017

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
Item 5 – BNZ Managed Fund Report to 31 December 2016	Section 7 (2) (h) to enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities.	Section 48 (1) (a) Section 7 (2)(h)
Item 6 – Audit Management Letter – June 2016	Section 7 (2) (c) (i) to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.	Section 48(1) (a) Section 7 (2) (c) (i)
Item 7 – Director's Report including: BNZ Controls Report; Statement of Investment Policies and Objectives; Audit contract; Risk Reporting.	Section S7(2) (b) (ii) to protect information where the making available of the information - (ii) would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information; and Section 7 (2) (c) (i) to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information— (i) would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied.	Section 48 (1) (a) Section S7(2) (b) (ii) Section 7 (2) (c) (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 follows:

That staff be permitted to remain in this meeting, after the public has been excluded, because of their knowledge of the BNZ Managed Fund, Audit Management letter and BNZ Controls Report and SIPO.

Vote: For 5, Against 1 (Cr Laws)

Motion carried

Cr Robertson left the meeting at 2:34pm

At the conclusion of discussions of items 5, 6 and 7 it was moved by Cr Woodhead and Mr Benham

To resume in public session.

Motion carried

The meeting was declared closed at 3:16pm

Chairperson

REPORT

Document Id: A996974
Report No: 2017/0778
Prepared For: Finance and Corporate Committee
Prepared By: Manager Support Services
Date: 24 April 2017

Subject: Passenger Transport Update – April 2017

1 Précis

This report provides an update on tenders for Unit 1, Unit 2, and Part Unit 3 for the Dunedin Network seeking delegated approval for the CE to award contracts in consultation with the Chairperson and Chair of the Finance and Corporate Committee.

The report also notes the public consultation process currently in hand for the Wakatipu and Concord related amendments to the Regional Public Transport Plan, and the community engagement regarding the Belleknowes Arthur Street extension.

There are updates on the petition received at the 22 March Finance and Corporate Committee meeting, the award of the replacement ticketing system contract, total mobility and patronage trends for the twelve months 1 April 2016 to 31 March 2017 which show a slight improvement in patronage for the Dunedin network, but a continuing decline for the Wakatipu network.

2 Dunedin Bus Tenders

The next round of tenders for services within the Dunedin Network are currently in the market. The tenders represent the services defined in the Regional Public Transport Plan for Units 1 and 2.

A tender for the trial of the Ridge Runner (part Unit 3) service is also being tendered. The term of the trial is aligned with the final commencement of Unit 3 which is scheduled for 1 July 2019.

The tendered services are scheduled to commence on 18 September 2017 which aligns with the expiry of the existing contracts for the affected services.

The services being tendered are as follows:

Unit 1

Balaclava – Logan Park (Stadium)
Port Chalmers
Peninsula
Northern (Palmerston) and
Concord (from 1 July 2017)

Unit 2

Normanby – St Clair
Corstorphine – Wakari
St Clair Park – Helensburgh

Unit 3

Ridge Runner (Cargill's Corner – Mornington – Roslyn – Highgate – University)
(note Pine Hill – Lookout Point and Opoho – Shiel Hill are not being tendered until 2018).

The new contracts will continue the alignment of the weekday, evenings, weekends and public holiday services onto the same routes (without multiple variations), along with consistent frequencies and coordinated timetables as prescribed in the RPTP.

Funding for the revised services is contained within Council's Long Term Plan.

Due to the timing of the tenders and the need to ensure a timely award to allow the implementation of the services, it will not be possible to bring the tender results back to Council prior to contract award. It is therefore recommended that Council delegate the authority to award the contracts for these services to the Chief Executive, in consultation with the Chairperson and the Chair of the Finance and Corporate Committee.

3 Regional Public Transport Plan (RPTP) Amendments

Wakatipu

The public submission period for consultation on the proposed amendments to the RPTP for the new Wakatipu Public Transport Network closed on 21 April. Staff are now collating the 411 submissions received. A hearing will be held in Queenstown on 8 May by a joint panel consisting of two ORC councillors and one QLDC councillor. Once the hearing is complete the submissions will be considered and the panel will make a recommendation on the proposed addendum.

Concord

The public submission period for consultation on the proposed amendments to the RPTP for the inclusion of a new link between Green Island and Concord into Unit 5 close on 28 April. A hearing is being arranged for the week commencing 8 May 2017. Once the hearing is complete the submissions will be considered and the panel will make a recommendation on the proposed addendum.

4 Belleknowes (Arthur Street – Canongate Extension)

A mail box survey of residents and ratepayers in the immediate vicinity of Arthur Street, Russell Street and Canongate is scheduled for mail-out on 28 April 2017.

The survey will seek to gain an understanding of the level of support for a reintroduction of the Arthur Street / Russell Street and Canongate extension of the Belleknowes Service. Those receiving the survey have been asked to respond by 19 May 2017. Staff hope to have the

results of the survey available along with any recommendation to the next Finance and Corporate Committee meeting.

5 Petition – Mosgiel Bus Service Stop at Centre City New World

A petition (with 180 signatures) on behalf of Mosgiel residents, was presented to the 22 March Finance and Corporate Committee meeting. The petition seeks to retain the Centre City New World stop for the Mosgiel service, once the bus hub becomes operational, and while the hospital remains in its current location.

The individual presenting the petition expressed the view that the need to transfer buses at the interchange and/or the additional walk required, would place additional stress on those with physical impairments.

Under the current arrangement it is approximately a 270m walk from the Centre City New World stop to the Cumberland Street entrance of the Hospital, and a 380m walk to the Great King Street entrance.

Once the hub becomes operational, the Mosgiel service will turn down St Andrew Street and enter the Great King Street entrance of the hub from the north.

If the hub is implemented as planned, there will be two options available to those wishing to access the hospital:

- a) Transfer from the Mosgiel Service to the Balaclava – Logan Park (Stadium) Service which will be operating on a 15 minute weekday frequency, (noting stops are to be placed in the hospital block of Great King Street in consultation with the DCC); or
- b) Walk from the hub to the hospital entrance, being approximately 420m to the Great King Street entrance and approximately 500m to the Cumberland Street entrance.

Staff have considered the matter further and still remain of the view that, even with a transfer, access to the hospital is improved for all bus users as a result of the changes. Therefore it is recommended that the service change be implemented as planned.

6 Ticketing System Replacement

A contract for the replacement of Council's ageing ticketing system has been awarded to INIT, an international transport technology provider with more than 30 years experience in ticketing and transport solutions worldwide. The contract with INIT is a joint agreement between the supplier and nine Councils being:

- Northland Regional Council
- Waikato Regional Council
- Bay of Plenty Regional Council
- Horizons Regional Council
- Hawke's Bay Regional Council
- Taranaki Regional Council

- Nelson City Council
- Otago Regional Council, and
- Invercargill City Council.

Work has commenced on the system definition and development with the implementation targeted for early in 2018.

7 Total Mobility

The new Total Mobility system, which includes the new personalised photo identification cards, is scheduled to become operational on 18 May 2017.

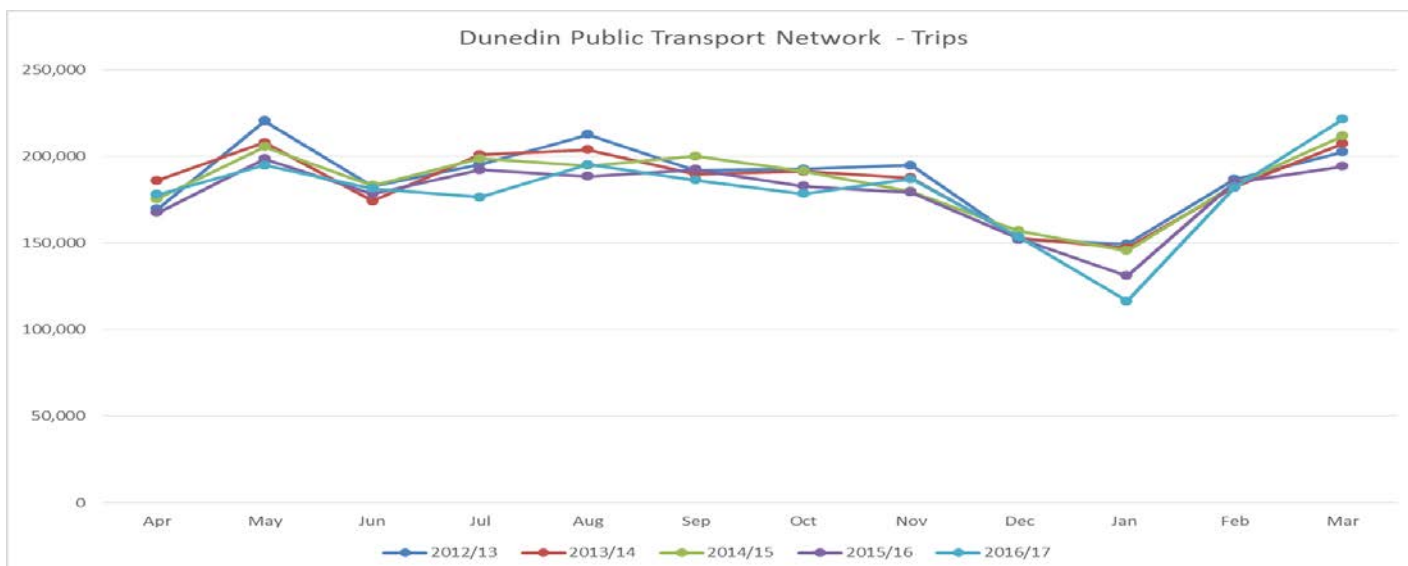
There will be a short period where both the existing voucher scheme and the new cards scheme will run concurrently.

From 9 June 2017 all Total Mobility clients will be required to use their ID cards as vouchers will no longer be accepted.

The new cards will be able to be used in Auckland, Wellington and Christchurch to access the scheme.

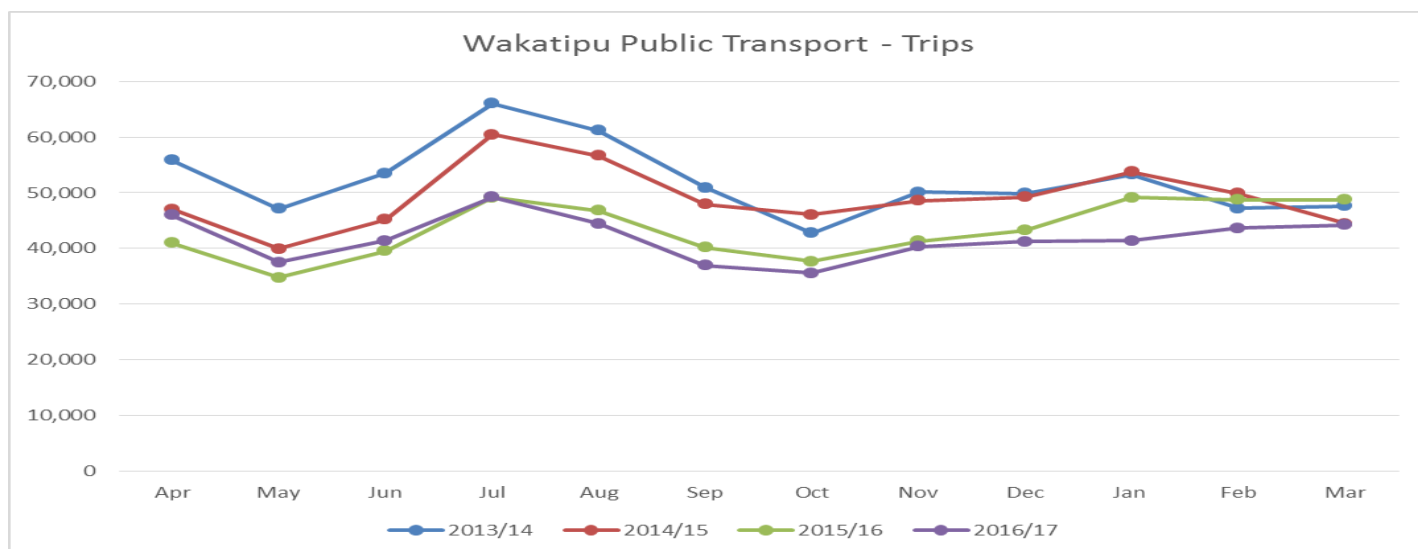
8 Patronage Dunedin and Wakatipu Networks

The following graphs provide a representation of the patronage trends over the last five years for the Dunedin network, and four years for the Wakatipu network.



Dunedin Network patronage April to March 2012-2017

The twelve months 1 April 2016 to 31 March 2017 results in a 0.04% gain in patronage against the corresponding period 1 April 2015 to 31 March 2016.



Wakatipu Network patronage April to March 2013 -2017

The twelve months 1 April 2016 to 31 March 2017 results in a 3.5% loss in patronage against the corresponding period 1 April 2015 to 31 March 2016.

9 Recommendations

That:

- a. *This report is received.*
- b. *The request to retain the Centre City New World Stop for Mosgiel Services once the hub becomes operational be declined.*
- c. *The Chief Executive, in consultation with the Chairperson and the Chair of the Finance and Corporate Committee, be delegated authority to award contracts for Unit 1, Unit 2, and Part Unit 3.*

Nick Donnelly
 Director Corporate Services

REPORT

Document Id: A995902

Report Number: 2017/0769
Prepared For: Finance and Corporate
Prepared By: Director Corporate Services
Date: 20 April 2017

Subject: **Director Report - April 2017**

1. Annual Plan Update

Following the adoption of our consultation document at the Finance and Corporate Committee meeting on 22 March, submissions on our draft annual plan opened on 3 April. We have had a very positive response to date, with over 500 submissions having been received already. Submissions will close on 12 May 2017.

A summary of submissions is being prepared. Once closed, the summary and copies of all submissions will be made available to councillors. Hearings are scheduled for the week beginning 22 May. Details of when and where the hearings will be held will be based on the number of submitters who wish to be heard. This will be determined as soon as possible after submissions close on 12 May.

2. Response to the 22 March Public Forum – Port Otago Limited’s impact on the Port Chalmers community and environment

At the Finance and Corporate Committee meeting on 22 March 2017 Mary McFarlane presented to the Public Forum regarding the impact of Port Otago Limited’s operation on the Port Chalmers community and environment.

Ms McFarlane, a Port Chalmers resident, advised the impacts included operational noise pollution, erosion of Te Rauone and Back Beaches, heavy truck traffic, cruise ship visitor numbers. She advised she felt that the quality of life in the harbour area was being eroded by Port Otago Limited’s operations. She suggested that there were aesthetic improvements Port Otago Limited could make to their operations which would benefit those residents overlooking the port.

Staff have reviewed the issues raised and consider there is no specific action required by Council. These issues have been raised in the past and form the main focus of community liaison initiatives undertaken by Port Otago Limited as part of its ongoing commitment to the local community and the environment.

Port Otago Limited has established a Port Environment Liaison Committee which provides a vital link to the community and is an important forum to monitor the company's environmental performance. The Committee, which comprises representatives from Port Otago, the Otago Regional Council, the Port Chalmers community and Port users, meets six-weekly to discuss a range of issues including noise, landscaping and lighting within the port area.

A Port Environment Plan has been developed to ensure a long-term commitment by Port Otago Limited to the environment in which the Port operates. Port Otago has also successfully completed a significant number of acoustic treatment works on properties neighbouring the Port over the last eight years.

A Statement of Corporate Intent (SCI) is presented to Council annually. The next update of this document will occur in July 2017 and provides Council with the opportunity to comment on the objectives of Port Otago Limited. Current objectives include:

- To recognise in all aspects of the Group's activities the environmental sensitivity of the Otago Harbour and the impact on local communities.
- To conduct itself as a good corporate citizen consulting on matters of public interest.

Inclusion of these objectives ensures that the concerns raised by Ms McFarlane are considered by Port Otago Limited and they will continue to work closely with the local community regarding the issues she has raised.

It is recommended that staff respond to Ms McFarlane outlining the above points and thank her for taking the time to present her concerns to Council.

3. Account Payments

Schedules of payments made are referred to the Finance and Corporate Committee for endorsement. The financial commitments and payment authorisation are made in accordance with Council's financial delegations and internal control procedures.

Payment Category	March 2017
Trade payments	2,780,817.18
Payroll	733,219.95
Investments	0.00
Total	3,514,037.13

4. Recommendations

- a) That this report be received.
- b) That a response be made to Mary McFarlane as outlined above.
- c) That the payments and investments summarised in the table above and detailed in the payment schedule, totalling \$3,514,037.13, be endorsed.

Nick Donnelly
Director Corporate Services

REPORT

Document Id: A997394

Report Number: 2017/0781

Prepared For: Finance and Corporate

Prepared By: Director Corporate Services

Date: 26 April 2017

Subject: **Grants, Legal Cases and Personal Grievances**

1. Précis

At the Audit and Risk Committee meeting on 8 March 2017 a report was requested on grants made by Council and their effectiveness. There was also enquiry about legal and personal grievance cases although no report was requested on these matters. This information was subsequently requested on 9 March 2017 under the Local Government Official Information and Meetings Act 1987 (LGOIMA). Part of the LGOIMA request was refused under section 17(d) of LGOIMA as the information would soon be publically available at a forthcoming meeting. Staff considered it appropriate to respond as directed by the Committee and extend this to cover the information requested on the personal grievance cases. As the information was requested via the Audit and Risk Committee it had been intended to report back through that Committee. Given the next Audit and Risk Committee meeting isn't scheduled until June the report is being presented to this meeting of Finance and Corporate.

2. Grants

A list of all financial grants is appended to this report. It details grants made from 1 July 2012 being the beginning of the 2012/13 financial year through to March 2017 in the current financial year.

The summary is grouped into the various activities that grants are applied from. It lists who the grant has been paid to and the total amount paid to that payee for each financial year. The approval for each activity / grant is also detailed. In general the activity at a project level was approved by Council as part of the Long Term Plan or Annual Plan process and individual grants were then allocated under the CE's delegation. In the case of the Environmental Enhancement Fund the CE has delegation for amounts up to \$50,000 with requests for amounts over that requiring Council approval i.e. the Halo project. Environmental Enhancement Fund grants made through the CE's delegation have been reported to Council via the CE's report following the provision of the grant. Payments made under other activities have been regularly reported to Council as part of the 4, 8 and 12 month service delivery reviews.

Reports on the effectiveness of the grants and/or comment on the status of the work being undertaken is also included in the report. In the case of the Manuherikia Water Strategy Group a reference to their website is provided. There are numerous reports available and it is not prudent to print and append the individual documents. The CE represents Council on this group and attends meetings when timing permits. Grants made under the Environmental Enhancement Fund include a requirement for the recipients to report back annually. The first of these reports is due in June 2017.

3. Personal Grievances

Payments in relation to personal grievances have been reported in the annual report. The notes to the Financial Statements includes details of severance payments as part of the Remuneration note (Note 20, pages 86 and 87 of the Annual Report 2015/16). This disclosure details the number of severance payments made and the amount of each payment. The payments that have been reported and relate to personal grievance claims are as follows:

Year	2013	2014	2015	2016	2017 to date
Number	0	1	0	4	0
Amounts	\$0	\$56,250	\$0	\$55,000 \$50,000 \$45,500 \$30,000	\$0

Only one claim resulted in legal expenses incurred by Council being \$1,150.

These settlement amounts are audited by Council's auditors annually as sensitive expenditure and related party transactions are a specific area of focus under the AOG auditing standards. The details of these payments including who and what they relate to are confidential and cannot be disclosed.

4. Legal Cases

The LGOIMA request for "A list of **all legal cases** in which the Otago Regional Council is currently involved in, with whom, and the legal expenses paid for and/or liable or due for each of those legal cases. These legal cases including cases in which the Otago Regional Council is listed as a party and are yet to be formally heard or are currently in mediation" was granted. However some of the information requested under this point will require specific additional work from our external solicitor and staff which we have advised the requester that we would charge for. Council has not received a response indicating whether the requestor wishes to proceed.

5. Recommendations

That this report be received.

Nick Donnelly
Director Corporate Services

Activity	Payee	12/13	13/14	14/15	15/16	16/17	Total	Approval
Bulk Rural Water Manuherikia	CENTRAL OTAGO DISTRICT COUNCIL	83,063	175,000	95,000	142,500	49,000	544,563	LTP then CE
Bulk Rural Water Strath Taieri	AQUALINC RESEARCH LTD				1,433		1,433	
	DAVID HAMILTON & ASSOCIATES				9,540		9,540	
	RAINEFFECTS LTD				6,600		6,600	
Bulk Rural Water Strath Taieri		-	-	-	17,573	-	17,573	LTP then CE
Falcon Study	PARKER CONSERVATION				10,000		10,000	CE
Otago Peninsula Biodiversity	OTAGO PENINSULA BIODIVERSITY GROUP				27,000		27,000	CE
HALO Project	LANDSCAPE CONNECTIONS TRUST					132,030	132,030	Council
Wakatipu Island Reforestation Trust	WAKATIPU ISLANDS REFOREST					3,817	3,817	CE
Forest & Bird - Makaroa Project	FOREST & BIRD PROTECTION					23,395	23,395	CE
Kakaho Creek Wetland	WAITAKI DISTRICT COUNCIL					4,348	4,348	CE
Lindis Pass Conservation Group	LINDIS PASS CONSERVATION					4,232	4,232	CE
Environment Enhancement Fund		-	-	-	37,000	167,821	204,821	LTP then CE/Council
	CENTRAL OTAGO WILDING CONIFER GROUP	-	-	10,000	-	34,783	44,783	
	WAKATIPU WILDING CONIFER GROUP					40,000	40,000	
Wilding Pines		-	-	10,000	-	74,783	84,783	Annual Plan
Biodiversity - Penguins	YELLOW-EYED PENGUIN TRUST	-	-	-	29,167	52,500	81,667	Annual Plan
Rural Landscape Study	LINCOLN UNIVERSITY	36,876	38,072	13,100	-	-	88,048	
Lakes Water Quality	UNIVERSITY OF OTAGO	37,322	28,091	-	-	-	65,414	
Graduate Research Contributions		74,198	66,163	13,100	-	-	153,461	LTP then CE
TOTAL		157,262	241,163	118,100	226,240	344,104	1,086,868	

reports available on mcwater.co.nz, CE represents ORC on this group

CE is in regular contact with this group and has requested a formal report back
annual report back due in Jun 2017
annual report back due in Jun 2017
annual report back due in Sep 2017
annual report back due in Aug 2017
annual report back due in Sep 2017
annual report back due in Mar 2018
annual report back due in Mar 2018

ORC has a staff representative on this group

DEHS meets with the trust for progress updates and they are presenting to Council on 17 May

\$150k pa (\$50k per project) was allocated prior to the current 2015/25 LTP

REPORT

Document Id: A995993

Report Number: 2017/0772

Prepared For: Finance and Corporate Committee

Prepared By: Finance Manager

Date: 28 April 2017

Subject: **Financial Report to 31 March 2017**

The following information is provided in respect of the overall Council finances for the nine months ended 31 March 2017.

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

**Otago Regional Council
Statement of Comprehensive Revenue and Expense
For the nine months to 31 March 2017**

	Note Ref.	\$000s			
		Annual Budget	Year to date to 31 March 2017		
			Budget	Actual	Variance Note *
Revenue:					
Rate revenue		15,940	11,958	11,967	9
Government subsidies	Note 1	9,575	6,377	4,885	(1,492)
Other revenue	Note 2	3,892	2,982	4,129	1,147
Dividend income from Port Otago Ltd	Note 3	7,400	5,550	5,550	-
Interest and investment income	Note 4	2,150	1,613	1,643	30
Rental income	Note 5	1,111	834	764	(70)
Gain in value of investment Property	Note 6	313	-	-	-
Total Revenue		40,381	29,314	28,938	(376)
Less Expenses:					
Operating expenses		27,734	19,341	17,791	1,550
Employee benefits expense		12,133	9,100	9,351	(251)
Depreciation/Amortization charge	Note 7	1,761	1,321	1,418	(97)
Total Expenses		41,628	29,762	28,560	1,202
Surplus/(deficit)		(1,247)	(448)	378	826
Income tax benefit		115	73	73	-
Surplus/(deficit) after tax		(1,132)	(375)	451	826
Revaluation gain – shares in subsidiary	Note 8	10,000	-	-	-
Net comprehensive revenue		8,868	(375)	451	826

Note *

In the above statement, bracketed variances indicate revenue less than the budgeted level, and expenditure in excess of the budgeted level.

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.

Subsidy income from the Public Passenger Transport project is down \$1,349,000 on the budget of \$6,090,000.

Within this project, some individual variances are the result of lower than budgeted expenditure levels in respect of developmental work of a capital nature, resulting in a lower level of claimable subsidy at this time.

These subsidy variances are the Electronic Ticketing System Replacement project with a variance of \$684,000, the Real-time Information Dunedin project with a variance of \$176,000 and the Bus Hub project with a variance of \$165,000.

The Dunedin Bus Contracts activity also has a lower level of subsidy of \$402,000 against a budget of \$2,721,000 – reflecting a change from the budgeted basis and level of contract activity.

The net variance on the remaining sub-projects within the Public Passenger Transport activity amounts to \$78,000 in excess of the budgeted subsidy level.

Subsidy income related to the Stock Truck Effluent Disposal Site capital expenditure in Central Otago is budgeted at \$189,000. The project is currently in the initial planning phase with the consequential effect that the budgeted subsidy income is not yet claimable.

Note 2 – Other Revenue

The amount of other revenue earned of \$4,129,000 exceeds the budgeted amount of \$2,982,000 by \$1,147,000.

The major reason for revenue exceeding budget is the receipt of unbudgeted gross contract bus fare revenue of \$1,061,000. Bus contracts were fully budgeted on a net contract basis where the Council makes payments to operators net of fare revenue. Some contractual arrangements are now on a gross basis, where Council pays the gross amount to operators and receives fare revenue from the operators. This change in arrangement results in higher than budgeted expenditure and revenue, in respect of the gross contracts.

Note 3 – Dividend Income from Port Otago Limited

Dividend income is accrued during the year based on the budgeted dividend level set in the Annual Plan.

An interim dividend of \$3,500,000 was received on 16th February 2017 and a further interim dividend is expected to be received in June 2017. A final dividend is expected to be declared and paid in September 2017.

Note 4 – Interest and Investment Income

This revenue line comprises interest earned on term deposits and bank accounts of \$1,018,000 and an increase in fair value of the managed fund portfolio of \$625,000.

Interest earned on the term deposit portfolio for the nine months to 31 March 2017, amounts to a weighted average interest rate of 3.51%.

The increase in fair value of the managed fund incorporates income received and changes in the market value of investments due to price changes, and foreign exchange rates where applicable. The overall change in fair value is subject to monthly fluctuations due to movements in the market valuation factors.

Note 5 – Rental Income

The prime reason for rental income being less than budget is that the budget provided for income on property that has been disposed of subsequent to formulation of the budget. This includes properties formerly held for the Leith Flood Protection Scheme and sub-lease income on the former Queenstown office.

Note 6 – Gain in Value of Investment Property

Investment Property is revalued annually, with the next revaluation date being 30 June 2017. Accordingly the year to date budget and actual amounts reflect nil values.

Note 7 – Depreciation and Amortization

The total of the depreciation and amortization charge of \$1,418,000 exceeds the budgeted amount by \$97,000.

A significant factor in this variance is additional depreciation on flood protection and drainage scheme assets – with the Leith scheme accounting for \$44,000 of the overall variance, and the Lower Clutha Scheme \$16,000. Additional depreciation charges on computer hardware, and amortization charges on consents and compliance and general software systems, accounts for a further \$25,000 of the variance.

Depreciation and amortization charges are a non-cash charge, and may vary from budget due to several factors including cost and timing of acquisition.

Note 8 – Revaluation Gain – Shares in Subsidiary

The annual budget makes provision for an increase in the valuation of the Council's 100% shareholding in Port Otago Limited. The shares are valued annually, with the next revaluation date being 30 June 2017. Accordingly, the year to date budget and actual amounts reflect nil values.

Otago Regional Council
Statement of Financial Position as at 31 March 2017

		31 March 2017 \$000's	30 June 2016 \$000's
Current Assets			
Cash and cash equivalents	Note 1	3,682	2,540
Other financial assets	Note 1	57,767	56,198
Trade and other receivables	Note 2	3,792	3,298
Other current assets		223	207
Property held for sale and inventory		1,284	1,284
Dividends Receivable	Note 3	1,250	-
		67,998	63,527
Non-Current Assets			
Property plant and equipment		85,031	84,138
Intangible assets (computer software)		1,877	1,800
Investment Property	Note 4	10,785	10,785
Deferred tax asset		70	98
Shares in subsidiary Port Otago Ltd	Note 5	418,239	418,239
		516,002	515,060
Total Assets		584,000	578,587
Current Liabilities			
Trade and other payables		3,894	4,134
Employee entitlements		1,419	1,483
Revenue in advance	Note 2	5,268	-
		10,581	5,617
Non-current Liabilities			
		-	-
Total Liabilities		10,581	5,617
Net Assets		573,419	572,970
Total Equity and Reserves			
Public equity		134,821	137,205
Reserves			
Available-for-sale revaluation reserve	Note 5	398,239	398,239
Asset revaluation reserve	Note 4	8,724	8,724
Building reserve	Note 6	13,858	10,997
Asset replacement reserve		5,888	5,987
Emergency response reserve		3,996	3,891
Water management reserve		1,423	1,433
Kuriwao endowment reserve		6,336	6,271
Environmental Enhancement Reserve	Note 7	134	223
		438,598	435,765
Total Equity and Reserves		573,419	572,970

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 – Trade and other Receivables and Revenue in Advance

The Trade and Other Receivables amount of \$3,792,000 includes rates outstanding of \$603,000. This is the remaining balance outstanding following issue of the Council's rate assessments of \$18,385,000 in September 2016 and subsequent payments.

The Revenue in Advance amount of \$5,268,000 includes rate revenue of \$3,997,000, being the portion of rate revenue that will be earned and released to the Statement of Revenue and Expenses in the months of April to June 2017.

The Revenue in Advance amount also includes Ministry of Primary Industries (MPI) funding of \$1,171,000 (excl GST) related to Wilding Conifer Control work in the Otago region.

The MPI funding held in advance will be transferred to revenue when work is performed and the parties participating in the arrangement become eligible to receive the funding. At that time, Council will include both the funding received and the payments for control work performed in the Statement of Revenue and Expenditure.

Note 3 – Dividends Receivable

The dividend receivable amount reflects the accrual of expected dividends from Port Otago Limited for the period of this report, less the final dividend for the June 2016 year of \$800,000 received in September 2016, and an interim dividend of \$3,500,000 received in February 2017.

Note 4 – Investment Property and Asset Revaluation Reserve

Investment property is revalued annually and is included at the 30 June 2016 valuation. The asset revaluation reserve reflects the revaluation amount of the investment property at 30 June 2016.

Note 5 – Shares in Port Otago Ltd and Available-for-Sale Revaluation Reserve

The shares in Port Otago Ltd are included at the 30 June 2016 valuation, and the Available-for-Sale Revaluation Reserve reflects the revaluation amount of the shares. The shares will next be revalued as at 30 June 2017.

Note 6 – Building Reserve

The 2016/17 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 March 2017, along with interest earned to date.

Note 7 – Environmental Enhancement Reserve

Note is made that in the nine months to 31 March 2017, five grants amounting to \$168,000 have been made to organisations in support of community projects contributing to the enhancement of the local environment, the purpose for which the reserve was established.

The reserve has been increased by the appropriation of monies received from an enforcement matter in the sum of \$75,000.

2. Activity Expenditure

The table below summarises activity operating and capital expenditure to 31 March 2017, and the notes following identify the projects that have significantly contributed to the major overall activity variances.

Activity Expenditure Summary

		Annual Budget 30 June 2017 \$000's	Budget March 2017 \$000's	Actual March 2017 \$000's	Variance * Actual vs Budget \$000's
Environment	Note 1				
Air		451	329	284	45
Environmental Incident Response		1,263	977	900	77
Land		1,982	1,484	1,503	(19)
Rivers and Waterway Management		1,822	1,303	1,101	202
Water		7,654	5,729	5,358	371
		13,172	9,822	9,146	676
Community	Note 2				
Public Information and Awareness		1,937	1,450	1,743	(293)
Democracy		1,548	1,121	1,178	(57)
Financial Contributions		350	263	263	-
Regional Economic Development		100	75	6	69
		3,935	2,909	3,190	(281)
Regulatory	Note 3				
Policy Development		176	133	349	(216)
Consents and Compliance		2,712	2,028	2,034	(6)
Harbour Management		273	176	485	(309)
		3,161	2,337	2,868	(531)
Flood Protection & Control Works	Note 4				
Leith Scheme		5,020	2,416	1,356	1,060
Taieri Schemes		2,034	1,524	1,000	524
Clutha Schemes		1,810	1,354	801	553
Other projects		267	201	236	(35)
		9,131	5,495	3,393	2,102
Safety and Hazards	Note 5				
Natural Hazards		1,261	945	956	(11)
Emergency Management		702	528	1,039	(511)
		1,963	1,473	1,995	(522)
Transport	Note 6				
Regional Land Transport Planning		167	126	256	(130)
Public Passenger Transport		16,320	10,881	9,534	1,347
Stock Truck Effluent Disposal Sites		495	371	27	344
		16,982	11,378	9,817	1,561
		48,344	33,414	30,409	3,005

* Variances – bracketed variances denote expenditure in excess of budget.

Note 1 – Environment

The Environment activity is under-expended by \$676,000 in total, against a budget of \$9,822,000. The project groups contributing significantly to this overall variance are the Rivers and Waterway Management and the Water related project groups.

The Rivers and Waterway Management projects are under-expended by \$202,000 against a budget of \$1,303,000.

The Dunedin district is over-expended by \$28,000 against a budget of \$211,000 whereas the other districts currently record under-expenditure as the budgets set for natural hazards work was over estimated.

Water related projects with expenditure of \$5,358,000 are \$371,000 under budget with significant project variances as follows:

Rural Water Quality Implementation (6A)

This project is under-expended by \$238,000 against the budget of \$1,624,000. Science work for Kakanui, Ettrick and Glendu has been carried forward into the 2017/18 Annual Plan and capital expenditure of \$75,000, funded from reserves, will not be required.

Implementation of Regional Plan Water (1C)

This project is under-expended by \$247,000 against the budget of \$561,000, mainly due to the re-organisation of staff groupings that has resulted in fewer staff performing this work than was provided for in the budget. The variance is also due in part to the development of a data portal which enables the public to get flow information and historic water use data etc., and which has reduced staff time required to provide this information

Coastal Strategy

This project is under-expended by \$265,000 against the budget of \$345,000 mainly due to the diversion of policy staff to higher priority project work, primarily the RPS.

Bulk Rural Water Fund

The budget provided for applications amounting to \$184,000 to be paid by 31 March 2017 however one application only of \$49,000 has been received and paid in this reporting period.

Minimum Flows and Allocation Units project

Additional expenditure of \$331,000 against the budget of \$895,000 was recorded arising mainly from accelerated work programmes (timing) and an increase in monitoring requirements, resulting in increased work.

Water Quality and Quantity SOE project

This project is over-expended by \$272,000 against a budget of \$1,568,000. The over-expenditure is primarily due to undertaking unbudgeted work such as trophic lake monitoring and lake snow related work.

Note 2 - Community

The Public Information and Awareness group of projects shows net over-expenditure of \$293,000 against a budget of \$1,450,000.

The primary cause of the variance is a change in the way the LAWA project is administered and accounted for, with expenditure of \$319,000 being recorded against the budget of \$11,000.

The Regional Economic Development project is under-expended by \$69,000 against the budget of \$75,000. A consultant has been engaged and is underway with the initial phase of this project, however some initial costs incurred have yet to come to hand.

Note 3 – Regulatory

The Regional Policy Statement project was budgeted to be completed prior to this financial year, however, completion took longer than anticipated and the RPS was released in late September 2016.

The current year budget provides for annual expenditure of \$176,000 with \$133,000 anticipated to have been spent to 31 March. Actual expenditure incurred in the nine months to 31 March has amounted to \$349,000 resulting in over-expenditure of \$216,000.

The Harbour Management project is over-expended by \$309,000 against a budget of \$176,000. Harbourmaster services are currently being contracted out while permanent resourcing is recruited. External harbourmaster resourcing comes at a higher cost than the budgeted internal resource basis of operation.

Note 4 – Flood Protection and Control Works

The Flood Protection and Control activity overall is under-expended by \$2,102,000 against the budget of \$5,495,000.

The Leith Scheme is under-expended by \$1,060,000 against the budget of \$2,416,000, largely resulting from work in respect of the ITS Bend section of the scheme progressing at a different rate than that provided for in the budget phasing.

The Taieri and Clutha schemes are under-expended by \$524,000 (budget \$1,524,000) and \$553,000 (budget \$1,354,000) respectively.

These variances comprise both timing in terms of work phasing and permanent savings on budget.

In respect of permanent savings, at the time of budget preparation there was uncertainty regarding the nature and extent of water quality improvement work necessary for the consenting of pump stations. The budgets allowed for infrastructure improvement work – however it has transpired that changes to operational procedures at minimal cost will be sufficient.

The infrastructural improvement work allowed for in the year to date budgets amounts to \$151,000 in the Lower Clutha scheme, \$91,000 in the West Taieri scheme and \$95,000 in the East Taieri scheme.

Note 5 – Safety and Hazards

The Emergency Management project is over-expended by \$511,000 against the budget of \$528,000. The additional expenditure relates to the establishment of Emergency Management Otago, creation of a new EMO website and additional costs over that budgeted with the transition to an integrated staff structure, and other associated costs.

Note 6 – Transport

The Public Passenger Transport project is under-expended by \$1,347,000 against the budget of \$10,881,000.

There are some significant individual sub-project variances within this project however most of these are in respect of developmental work of a capital nature, and result from work progressing through different stages at a different rate than anticipated in the budget.

The significant areas of under-expenditure were in respect of the National Electronic Ticketing System replacement with a variance of \$1,074,000 (budget of \$1,801,000), the Dunedin Real-time Information System with a variance of \$348,000 (budget of \$355,000), the Bus Hub facility with a variance of \$332,000 (budget of \$558,000) and the New Infrastructure project with a variance of \$130,000 (budget of \$200,000).

The most significant areas of additional expenditure are in respect of the Bus Contracts activity where costs are \$237,000 in excess of the budgeted amount of \$5,371,000 and expenditure related to the replacement Total Mobility System with expenditure of \$199,000 carried over from the 2015/16 budget.

The Regional Land Transport Planning project is over-expended by \$130,000 against the budget of \$126,000, largely reflecting the fact that the work entailed in this project is significantly more comprehensive and costly than was provided for in the budget.

The Stock Truck Effluent Disposal Sites project is under-expended by \$344,000 against the budget of \$371,000. The project is tracking through the initial planning phases including site selection whereas the budgeted timing anticipated a greater level of progression and therefore cost through to this point.

3. Recommendation

That this report be received.

Nick Donnelly
Director Corporate Services

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Communications Committee to be held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 3 May 2017, following the Finance and Corporate Committee**

Membership:

Cr Michael Deaker (Chairperson)
Cr Carmen Hope (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Trevor Kempton
Cr Michael Laws
Cr Sam Neill
Cr Andrew Noone
Cr Gretchen Robertson
Cr Bryan Scott
Cr Stephen Woodhead

Apologies:

In attendance:

Please note that there is an embargo on agenda items until 8.30am on Monday 1 May 2017

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 22 March 2017, having been circulated, for adoption.

ACTIONS

Status report on the resolutions of the Communications Committee.

Report No.	Meeting	Resolution	Status
2016/1107 Director report	23/11/16	<i>That the report be noted and that a schedule of activities be provided and indicate where councillors have an open invitation to attend, and include the details of venue and time</i>	
Notice of Motion	23/1/16	<ol style="list-style-type: none"> 1. <i>That all Otago Regional Council controlled or generated public meetings, within the wards of elected member be advised to those members, as both a courtesy and to improve ORC's communication strategy.</i> 2. <i>That, prior to announcement, all elected members be informed of any decisions or pronouncements by the Chairman, Deputy Chairman or Chief Executive, especially those elected members within the ward to which the announcements/decisions directly apply.</i> 	
2017/0664 Director's report	22/3/17	<i>That ORC construct a simple explanation of water issues and how they interact, for water quality and water quantity.</i>	

PART A – ITEMS FOR NOTING

Item 1

2017/0742 **Stakeholder Engagement Report.** DSE, 13/04/2017

Reporting on the community, stakeholder and staff engagement activities carried out by Stakeholder Engagement directorate staff for the period 4 March to 13 April 2017

The report includes a list of upcoming events the Stakeholder Engagement directorate are involved in, as at April 2017.

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Communications Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 22 March 2017, commencing 2:57 pm

Membership: Cr Michael Deaker (Chairperson)
 Cr Carmen Hope (Deputy Chairperson)
 Cr Graeme Bell
 Cr Doug Brown
 Cr Trevor Kempton
 Cr Michael Laws
 Cr Sam Neill
 Cr Andrew Noone
 Cr Gretchen Robertson
 Cr Bryan Scott
 Cr Stephen Woodhead

Apologies: No apologies recorded.

Leave of absence: No leave of absence recorded.

In attendance: Peter Bodeker
 Nick Donnelly
 Gavin Palmer
 Caroline Rowe
 Scott MacLean
 Lauren McDonald (Committee Secretary)
 Emma van der Merwe (Minute Taker)
 Suzanne Watt
 Penny Farrell

CONFIRMATION OF AGENDA

The agenda was confirmed.

CONFLICT OF INTEREST

No conflicts of interest were advised.

PUBLIC FORUM

No public forum held.

MINUTES

The minutes of the meeting held on 8 February 2017, having been circulated, were adopted on the motion of Crs Hope & Bell.

PART A – ITEMS FOR NOTING

Item 1

2017/0664 **Stakeholder Engagement Report.** DSE, 03/03/2017

The report provided an update on community, stakeholder and staff engagement activities carried out by Stakeholder Engagement directorate staff for the period 21 January to 3 March 2017, including a calendar of events for this period.

Moved Cr Laws
Seconded Cr Hope

That ORC construct a simple explanation of water issues and how they interact, for water quality and water quantity.

Motion Carried

Moved Cr Deaker
Seconded Cr Kempton

That the report be noted.

Motion Carried

The meeting was declared closed at 3:12 pm.

Chairperson

REPORT

Document ID: A991795
Report Number: 2017/0742
Prepared For: Communications Committee
Prepared By: Stakeholder Engagement Directorate
Date: 13 April 2017

Subject: Communications Committee – Report April 2017

This report records stakeholder engagement activity between 4 March and 13 April 2017.

1. WATER QUALITY

Engagement activities and events under the council's rural water quality programme (W3) have been undertaken during this period with a range of stakeholders. The specific objective for stakeholder engagement activity, as outlined in the 2016-17 Annual Plan, is to achieve landholder awareness of the rules at 90%. This is measured using a stakeholder survey (underway at present).

1.1. Field days, workshops, and presentations

1.1.1. Industry-led activities

i. Ara Institute of Canterbury – 13 March

ORC Liaison staff presented to 10 students at an Ara Institute of Canterbury Primary Industry course, with an emphasis on sustainability and farming. The course is run through both the Timaru and Oamaru Ara Institute campuses. This was the third time staff had presented at this course and the feedback from staff and students was positive. Particular interest was shown in the Otago effects-based Water Plan and minimum flow regimes.

ii. Beef and Lamb LEP1 workshop – 21 March

Approximately 11 landowners or land managers attended this workshop held in Clinton. Liaison staff presented on the Regional Plan Water and made clear the ways farmers could contact us for assistance. Throughout the afternoon, discussion centred on activity in waterways, overseer requirements and willow maintenance.

iii. South Otago Dairy Working Group – 21 & 29 March

A meeting was held for the South Otago Dairy Working Group with environmental monitoring and liaison staff in attendance. The group discussed how to promote and educate around the management of effluent during the autumn. Messaging around having the pond empty and the end of the season was also promoted.

The group had also facilitated a field session. On 29 March, Nick Tait (Dairy NZ) and Brian Goodger (Fonterra) held the session at a property in the

Crookston where discussion included the methods and techniques of effluent application and effluent fail safe systems.

iv. Beef and Lamb hill country development day – 31 March

In Millers Flat, ORC liaison specialists presented to approximately 80 people on the prohibited activity rules of the Regional Plan: Water. The field day focused on the economics of hill country development, and turning tussock to pasture. The day included a farm tour of three places near Lake Onslow.

v. Integrity Soils Master Class – 6 & 7 April

ORC liaison staff attended a soil health event in Balclutha which was sponsored by Beef and Lamb, BioAg and Southern Humates. There were about 20 farmers from Otago with others from Southland and Canterbury. The main questions were around using a regenerative farming system while meeting the rules of the Water Plan for Otago.

1.1.2. Community-led activity

i. Pathways for the Pomahaka – 23 March

In conjunction with DairyNZ a field day was held on farm in Crookston with an emphasis on effluent management, including the technology available to help with this. The event was attended by farmers, rural professionals and sales representatives.

ii. North Otago Sustainable Land Management Society (NOSLaM) – 6 & 10 April

The North Otago Sustainable Land Management Society (NOSLaM) are working towards creating fit-for-purpose water testing and farmer extension model in North Otago which delivers on the objectives of the Otago Water Plan.

Over this reporting period, Liaison staff have been collaborating with NOSLaM to get the project up and running. A joint media release will soon be issued to promote the project, and ORC's funding contribution to a part-time position to help coordinate the project.

NOSLaM presented the project to ORC Councillors on 6 April.

On 10 April liaison staff attended a meeting of all the wider stakeholders (industry, community and statutory organisations) who were previously involved in the Kakanui Community Catchment Project and who will now support the NOSLaM project. At least 3 meetings of this group will be held each year, with an emphasis on collaboration.

1.1.3. Council-led activity

i. Environmental Extension Group meeting

This group met on 27 March to discuss progress with the overall rural water quality project. Representatives from stakeholder industry groups discussed their projects relating to water quality, and ORC staff gave an update on communications relating to the water quality project, discussed relevant water

projects in the annual plan, and held a workshop on environmental risk assessments to get input from those present. The group meets twice a year.

ii. Blueskin A & P show – 9 April

ORC Liaison staff and Councillor Noone attended the Blueskin A&P show on Sunday 9 April. There were approximately a dozen enquiries on the day which centred on the annual plan and septic tanks. Positive feedback on the annual plan brochure design and content was received.

iii. Environment Canterbury Visit – 10 April

Four staff on the Environmental Risk Assessment project development team visited Environment Canterbury to learn about the various on-farm activities undertaken by the Southern Zone Team. It also focused on what land users get out of ECAN visits, as well as how they established their project from the outset.

The learnings taken from their initial project development and pilot programme, as well as feedback from land users is being taken on board to shape the development of the Environmental Risk Assessment project.

iv. Water quality survey

Versus Research, on behalf of ORC, is conducting a telephone survey of 300 rural Otago residents between 3-28 April to measure understanding of the water plan rules, and action people are taking to comply with them. Results will be received mid-May.

v. Urban Water Quality Strategic Workshop

A water quality strategic workshop is being organised with key stakeholders from throughout the region. Held at the Dunedin Art Gallery from 26 to 27 April, around 50 people are expected to attend.

The workshop will focus on:

- objectives of discharge and water quality management
- guiding principles in developing Otago's overall discharge management framework
- what a proposed framework to achieve integrated management and the management of cumulative effects could look like

vi. Ballance Farm Environment Awards

ORC sponsors the Quality Water Management Award at this event, which was held on 7 April at the Glenroy Auditorium in Dunedin. Around 200 people attended and ORC's new water quality video was shown. The winners of the award (Ben and Tanya Davie from Clydevale) will be profiled in the winter edition of Waterlines. A field day at the supreme award winner's farm (Simon and Kirstin Engelbrecht from Palmerston) will be held on 19 May (councillors are welcome to attend).

vii. Farm visits

In response to numerous enquiries, liaison staff has visited 6 farms to talk about the Water Plan for Otago rules.

1.2. Media and promotion for rural water programmes

1.2.1. Irrigation NZ Magazine

Communications staff are currently working on articles for the next issue of IrrigationNZ News, which is due out mid-June. Articles will include a case study of a farmer embracing irrigation technology, providing an update on the minimum flow setting process, giving feedback on the water consent (deemed permit) forum held in late March, outlining what North Otago farmers are doing to achieve good water quality, and reminding irrigators of off-season maintenance they should be doing.

1.2.2. Waterlines

The winter edition of Waterlines newsletter will be distributed in May and includes write-ups about: an estuary study, a wetland restoration project, 2016/17 dairy inspection results, North Otago farmers working together to improve water quality, tips for winter grazing, a day in the life of an environmental officer (lake testing), a case study about a farmer using technology to help with irrigation, a profile of Fish and Game, information about deemed permit transitions, and an update on the Manuherikia minimum flow.

We'll also include a diagram showing how all the different activities the ORC undertakes are connected.

1.2.3. 'Good Water in Otago – ORC' Facebook page

There are currently 594 'likes', and we post approximately twice a week. Total reach from 13 March to 9 April was 8784, which is a 903% increase on the last reporting period.

1.2.4. On-Stream

The fourth issue of this e-newsletter was sent on 27 March to 276 subscribers. It included a feature on State of Environment reports and why they are useful for landholders, updates from the liaison specialists, and promoted the Fish & Flow web portal.

2. WATER QUANTITY

Engagement activities and events under the council's Water and Deemed Permit renewal project (W4) have been undertaken during this period with a range of stakeholders. The objective for stakeholder engagement activity is to support permit holders to form groups to manage water availability at a local level.

2.1. Water and deemed permit renewal project

i. Water user group meetings

The following meetings with priority groups are now scheduled:

Upcoming meetings – round 1	
Lowburn District	3 May
Crown Terrace	TBC May
Coal Creek (Teviot)	TBC May

Upcoming meeting – round 2	
Strath Taieri	4 May

Round 2 meetings

Round 2 meetings comprise ORC staff facilitating water users groups connecting with affected parties such as iwi, DoC, and the Otago Fish and Game Council. The meetings allow water users groups to gain a good understanding of the fish and river flow information for the catchment and the associated values, prior to formal discussions with the affected parties. These meetings help assist water user groups to seek written approval, as part of the application to replace their deemed permits.

At the meetings, science staff present fish and flow data (which can now be accessed on the ORC website – see the Fish and Flow portal later in this section). The three affected parties then outline the worth and importance of the data. The catchment groups who have a thorough appreciation of river behaviours within their properties are a valuable source of local ‘knowledge feedback’ feedback to the statutory group as part of the final determination of the agreed residual flows.

ii. Other water quantity activity

a) Deemed permit forum – 29 March

ORC hosted the Deemed permit forum in Alexandra on 29 March. Over 140 people attended from a variety of backgrounds, i.e. permit holders, lawyers, consultants and interested parties.



Attendees at the forum – 29 March

b) HortNZ Field Trip – 9 & 10 March

ORC Staff and Councillors attended a Central Otago field trip organised by HortNZ. The purpose of the trip was to gain an appreciation of the importance of the horticulture industry in Central Otago with respect to

climatic condition, soil types and availability of water. Aspects of the deemed permit replacement process were raised during the day among other issues the horticulture sector is currently facing.

2.2. Policy-based water quantity projects

i. Flow requirements for water takes drop-in sessions.

Drop-in sessions were held from 20-27 February in Oamaru, Ranfurly, Cromwell, Arrowtown, Balclutha, and Dunedin, with around 160 people attending the sessions.

ii. Manuherikia minimum flow

Drop-in sessions were held in Otarehua, Omakau, and Alexandra from 21 to 23 March. Those sessions discussed the options available for managing low flows, and review the latest science report on the Manuherikia catchment.

2.3. Media and promotion for the water quantity programmes

i. Consents fees and charges flyers

Updated consents fees and charges flyers were added to the website to reflect the costs experienced by consent applicants, new flyers are currently in the process of being printed.

3. ENVIROSCHOOLS

As set out in the Annual Plan 2016-17, ORC provides the regional coordination of the Enviroschools programme in Otago.

i. Senior Secondary School Student hui

A one-day hui for Dunedin senior secondary school students, who are members of their schools' Enviro-groups, was held at Sinclair Wetlands / Te Nohoaka o Tukiauau on 2 April. The focus was on sharing ideas and identifying strategies for overcoming barriers they encounter as they implement sustainability practices in their schools. We had time to get involved in some hands-on restoration work at the wetlands.



Students learning about restoration work at the Sinclair Wetlands / Te Nohoaka o Tukiauau.

ii. Biodiversity workshop

Enviroschools teachers from QLDC and CODC areas attended a one-day workshop on biodiversity and eco-sourcing seeds run by Bill Nagle from the Clyde Railhead Community Eco-nursery. A number of the Enviroschools in the CODC area are involved in a project to create lizard habitats at their schools, which requires sourcing local plants. The teachers took away lots of ideas for involving students in plant propagation.



Teachers discovering the finer details of propagating from eco-sourced seeds with Bill Nagle.

iii. Enviroschools hui

Three of the Otago Enviroschools facilitators and Dr Zink attended a three day training hui run by the Toimata Foundation, the National body for Enviroschools. The focus was on a series of new resources for schools. Having three days together as a team was invaluable to developing a shared understanding of future direction for Enviroschools in Otago.

iv. New Schools joining Enviroschools in Dunedin

Three new schools have signed up as Enviroschools in Dunedin. Dr Zink fields regular requests from Early Childhood Centres and Schools across Otago to join Enviroschools. Currently Dunedin is the only district with additional capacity to take on new schools.

4. GENERAL PUBLIC AWARENESS ACTIVITY

As set out in the 2016/17 annual plan, we are committed to promoting community knowledge and awareness of the council's activities, and encouraging community participation in both decision-making processes and projects that promote sustainable use of resources. The following outlines a range of activity – both general and project-specific – that has been undertaken to support this target.

4.1. Media

Over the reporting period, 16 media releases were prepared.

4.2. Website

i. www.orc.govt.nz

There have been 51,530 visits to the ORC website during this period, up 19% on same time last year.

ii. www.lawa.org.nz

There have been 768 visits to the Otago section of the LAWA website, up 184% on the same time last year.

iii. www.otagocdem.govt.nz

There have been 2284 visits to the Otago CDEM website. We don't have comparative statistics from this time last year.

4.3. Social media

We had 2000 followers on our ORC Facebook account at the end of this reporting period. The reach during February was 59,495 people, a 540% increase on the same period last year. We had 787 followers on Twitter.

4.4. Annual Plan

The submission period for the draft Annual Plan 2017/2018 opened on 3 April. The consultation document was distributed region-wide in the week of 3-7 April. Awareness building has also included media releases and print advertising. A series of community info sessions in Dunedin, Mosgiel, Oamaru, Balclutha, Alexandra, Cromwell, Ranfurly, Queenstown and Wanaka has been delivered, led by the Chairman with the support of members of the Executive team and Stakeholder Engagement team. A Facebook Q+A session is scheduled

for the evening of 4 May; social media engagement will be a focus in the lead up to this session.

4.5. Passenger Transport

i. Wakatipu public transport network

Consultation on the proposed changes to the Wakatipu public transport network is underway. Stakeholder engagement has included five drop-in sessions at key locations in the Wakatipu and distribution of a consultation document with community newspapers in the area. Submissions close 21 April.

ii. ‘Connecting Concord’

Following the petition to reinstate the bus service from Concord to South Dunedin and the connection between Concord and Green Island, residents of Concord, Green Island and Abbotsford have received information on the proposed solution and an invitation to submit on the Regional Land Transport Plan (consultation closes 28 April).

iii. City Rise/Canongate

A survey of residents in City Rise is planned for distribution in the first week of May; this will scope the potential level of uptake if the bus service in this area were to be reinstated.

4.6. Science, Hazards and Engineering

i. Leith flood protection scheme

Communications are ongoing for the current stage of the Leith flood protection scheme. The Love the Leith river trail, increasing public awareness of the Leith’s history and ecology as well as the flood scheme, is continuing through until the end of the April school holidays and has been promoted as a school holiday event. The trail was also included in the Wild Dunedin Festival.

A communications system is in place with the University of Otago to ensure that they have regular and timely information.

ii. Southern lakes events with Catchments Otago

The Lab at the Lake event held on 2 April in partnership with the University of Otago’s Catchments Otago research theme group had strong attendance; around 450 people engaged with lake science via live fish displays, face painting of fish based on the species living in Lake Wanaka, clarity tubes, a ‘dress up as a lake scientist’ photo op, water quality display content, ‘Lab-in-a-box’, a check clean dry display, and more. Feedback was very positive, with strong engagement from the public and great questions asked. About 50 people attended the 31 March ‘The Lakes and I’ PechaKucha night, also held in partnership with Catchments Otago.

iii. River management strategies – draft reports

Draft river management strategies will be presented at public meetings on 26 and 27 April for the Shag River/Waihemo and Waianakarua Rivers. Stakeholder Engagement staff are working with science staff to organise and promote the meetings.

4.7. Biosecurity

i. Wallabies

A guidebook outlining how to identify wallabies and what to do if wallaby or signs of wallaby are found is currently being printed.

Field days in Ranfurly and Tarras are to be held on 15 and 16 May to get landholders in one room to give them information about how to identify wallaby signs, and gather information about sightings in the areas. This will be supported with advertising and promotion in other areas of Otago.

Liaison staff are continuing to promote ORC's wallaby biosecurity response at appropriate opportunities and asking for members of the public to report sightings.

ii. UrbanNature Expo

Communications and engagement staff will work with environmental monitoring staff to have a stand at the DCC-led UrbanNature expo in Woodhaugh Gardens from 11-3 on Sunday 23 April. We will concentrate on education around identifying Old Man's Beard, and giving advice on what to do if it is found.

5. RECOMMENDATION

It is recommended that this report is noted.

Caroline Rowe

Director Stakeholder Engagement

Annex: Stakeholder Engagement Events Calendar (as at 20 April 2017).

Stakeholder Engagement Event Calendar

May

- 3 Burn Cottage
- 4 Strath Taieri deemed permit round 2 meeting 3pm Middlemarch Hall
- 4 Facebook Q+A on Annual Plan, 7-8:30 pm
- 8 Beef and Lamb LEP 2 workshop – Mosgiel
Invermay Agricultural Research Centre Puddle Alley, Mosgiel
- 12 Southern Wood Council Awards, Forsyth Barr Stadium, Dunedin
- 15 Wallaby Field Day, 11-1, Ranfurly Hotel
- 16 Wallaby Field Day, 11-1, Tarras Community Hall
- 16 Beef and Lamb LEP 2 workshop – Tapanui
Tapanui Community Centre
- 18 Beef and Lamb LEP 2 workshop – Clinton
Clinton Community Centre
- 19 Ballance Farm Environment Supreme Award Winner Field Day
800 Stoneburn Road, RD 3, Palmerston
- TBC Water Quality Strategy consultation
- TBC Coal Creek Water users group (Teviot)
- TBC Crown Terrace

June

- TBC Arrow minimum flow consultation

OTAGO REGIONAL COUNCIL

Agenda for a meeting of the Regulatory Committee to be held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday 3 May 2017, following the Communications Committee

Membership:

Cr Bryan Scott (Chairperson)
 Cr Sam Neill (Deputy Chairperson)
 Cr Graeme Bell
 Cr Doug Brown
 Cr Michael Deaker
 Cr Carmen Hope
 Cr Trevor Kempton
 Cr Michael Laws
 Cr Andrew Noone
 Cr Gretchen Robertson
 Cr Stephen Woodhead

Apologies:

In attendance:

Please note that there is an embargo on agenda items until 8.30 am on Monday 1 May 2017

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 22 March 2017, having been circulated, for adoption.

ACTIONS

Status report on the resolutions of the Regulatory Committee

Report No.	Meeting	Resolution	Status
2016/1137 Terms of Reference for the Regulatory Committee	23/11/16	<i>That the Terms of Reference for the Technical Committee be considered a final version to be presented to the Council on 7 December 2016 for adoption</i>	Adopted by Council on 7/12/16

2017/0595	8/2/17	<i>That reserve funding of up to \$50,000 is approved for the coordinated release of the Korean strain of the rabbit Haemorrhagic Disease Virus (RHDV-1K5) at strategic locations throughout Otago</i>	Recommendation endorsed by Regulatory Committee on 8/2/17
2017/0569	8/2/17	<i>That the Chief Executive be requested to provide a paper to the next committee round on establishing effective Council management communications in regards to constituent complaints.</i>	Item
2017/0593	8/2/17	<i>That ORC approach central government ministers with the intention of improving and further resourcing lagarosiphon control management in the Southern Lakes.</i>	
Matters Arising	22/3/17	<i>That future committee agenda include action against motions passed at previous meetings</i>	Scheduled agenda item for all Committee and Council meetings

PART A - RECOMMENDATIONS

Page Nos.

Item 1

- 2017/0779 **Responses to Constituent Complaints, DEMO, 28/4/17**
 The report outlines the proposed process for responding to enforcement related complaints made by constituents to Councillors.

PART B – REPORTS FOR NOTING

Item 2

- 2017/0738 **Biosecurity and RMA Monitoring Report. DEMO, 19/04/17** -
 This report describes the regulatory activity for the reporting period of 3 March to 13 April 2017

Item 3

- 2017/0757 **RMA, Biosecurity Act and Building Act Enforcement Activities. DPPRM, 13/04/17** -
 This report details the Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council during the period 4 March to 13 April 2017.

Item 4

- 2017/0765 **Consent processing, consent administration and Building Control Authority update. DPPRM, 19/04/17** -
 Detailing consent processing, consent administration and building control authority activity for the period 6 March to 13 April 2017.

Item 5

- 2017/0766 **Progress Report 1C - Deemed Permit Replacements and Water Groups, DPPRM, 09/04/17** -
 This report notes progress on Project 1C implementation of the Regional Plan: Water policies for the period 6 March to 13 April 2017.

OTAGO REGIONAL COUNCIL

**Minutes of a meeting of the Regulatory Committee
held in the Council Chamber, 70 Stafford Street, Dunedin
on Wednesday 22 March 2017, commencing at 9:00am**

Membership:

Cr Bryan Scott (Chairperson)
Cr Sam Neill (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Michael Deaker
Cr Carmen Hope
Cr Trevor Kempton
Cr Michael Laws
Cr Andrew Noone
Cr Gretchen Robertson
Cr Stephen Woodhead

A minute silence was observed in respect of the passing of Cr Maggie Lawton.

Apologies: Cr Brown (for lateness)

In attendance:

Peter Bodeker
 Nick Donnelly
 Gavin Palmer
 Caroline Rowe
 Scott MacLean
 Lauren McDonald (Committee Secretary)
 Karin Little (minute taker)
 Marian Weaver (for the Director PPRM)

CONFIRMATION OF AGENDA

The agenda was confirmed.

CONFLICT OF INTEREST

No conflicts of interest were noted.

PUBLIC FORUM

No public forum was held.

MINUTES

The minutes of the meeting held on 8 February 2017, having been circulated, were adopted on the motion of Crs Scott and Deaker.

Discussion was held on the status of resolutions from previous meetings and a request was made for these to be reported back at each meeting.

Cr Brown entered the room at 9:08am.

Moved Cr Laws
Seconded Cr Bell

That future committee agenda include action against motions passed at previous meetings.

Motion carried

PART A - ITEMS FOR NOTING

Item 1
2017/0709 **Biosecurity and RMA Monitoring Report.** DEMO, 10/03/17

The report described the regulatory activity for the reporting period of 21 January to 3 March 2017

Discussion was held on the progress of the statutory approval process for the importation of the K5 virus, and the national communication strategy in place to assist in preparing for release of the virus in 2018.

Staff responded to questions from Councillors.

Moved Cr Woodhead
Seconded Cr Deaker

That the report is received.

Motion carried

Item 2
2017/0670 **RMA, Biosecurity Act and Building Act Enforcement Activities.** -
DPPRM, 03/03/17

This report detailed the Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council during the period 21 January to 3 March 2017.

Moved Cr Neill
Seconded Cr Hope

That the report be noted.

Motion carried

Item 3
2017/0685 **Consent processing, consent administration and Building Control Authority update.** DPPRM, 06/03/17

The report detailed the consent processing, consent administration and building control authority activity for the period 23 January to 3 March 2017.

Moved Cr Robertson
Seconded Cr Bell

That the report be noted.

Motion carried

Item 4
2017/0688 **Progress Report 1C - Deemed Permit Replacements and Water Groups,** DPPRM, 06/03/17

The report noted progress on Project 1C implementation of the Regional Plan: Water policies for the period 23 January to 3 March 2017.

Discussion was held on the tracking of the number deemed permits replacements which have been surrendered, cancelled or replaced by consent. A request was made for this information to be reported back to committee.

Moved Cr Noone
Seconded Cr Bell

That the report be noted.

Motion carried

The meeting was declared closed at 9:56am.

Chairperson

REPORT

Document Id: A997117

Report Number: 2017/0779

Prepared For: Regulatory Committee

Prepared By: Peter Kelliher, Legal Counsel

Date: 28/04/2017

Subject: Responses to Constituent Complaints

1. Background

All public organisations receive complaints. The Otago Regional Council receives over 1,400 complaints per year to the pollution hotline about environmental activity.

On occasions, constituents may raise environmental compliance matters with their local Councillor as an alternative (or in addition) to the pollution hotline. This paper proposes a process that will guide, assist and standardise Councillors and staff responses to constituent complaints made to a Councillor.

2. Process

- 1- Councillors must advise the Chief Executive in writing about the nature of the complaint. All correspondence held by the Councillor (including information either sent or received by the Councillor) about the complaint must be provided to the Chief Executive.
 - a. Justification - Information held by elected members of an agency in their official capacity is deemed to be held by the agency itself and is subject to the Local Government Official Information and Meetings Act 1987 (and if charges are laid, the Criminal Disclosure Act 2008).
 - b. Council enforcement officers may wish to speak directly to the complainant to seek further information and/or clarification.
- 2- The Chief Executive shall acknowledge receipt of the Councillor's advice.
- 3- The Chief Executive will assign the complaint to the appropriate directorate for investigation.
- 4- If the matter subject to the complaint has already been investigated by staff and a decision has been made and conveyed to the complainant the Chief Executive shall advise the Councillor of this and the outcome of that investigation.
- 5- When the complaint is an environmental compliance matter, the Chief Executive will communicate this to the Councillor. The Councillor must not involve him or herself in the investigation. The Councillor should advise the complainant that the Otago Regional Council is investigating the matter and that any further queries should be made to the relevant director.
 - a. Justification – Elected members are part of the governing body of the Council. They are democratically accountable to the ratepayers. Their role is necessarily separated from operational matters. This separation of responsibilities is particularly important for enforcement matters, where

decisions are scrutinised to ensure they are procedurally fair, and free from apparent or actual bias.

- b. The Ministry for the Environment, the Solicitor General and Auditor General (amongst other agencies) recognise and practice the need to separate enforcement decisions from perceived political influence.
- 6- A request from a Councillor (or a complainant) for information about an investigation will be considered by Council staff under the Local Government Official Information and Meetings Act 1987.
 - 7- A Council enforcement officer will advise the complainant of the outcome of any investigation.
 - 8- The Chief Executive will communicate the outcome of investigations to Councillors when necessary.

3. Outcomes

The proposed process ensures that Council staff interact with the complainant and the Councillor will be kept informed by the Chief Executive, where appropriate (and not for example where a conflict of interest would arise).

This policy is directed at ensuring compliance with the relevant legislation whilst ensuring Councillors remain informed.

4. Recommendation

That the Committee endorses the proposed process in responding to enforcement related complaints made by constituents to Councillors.

Scott MacLean
Director Environmental Monitoring and Operations

REPORT

Document Id: A991472

Report Number: 2017/0738
Prepared For: Regulatory Committee
Prepared By: Scott MacLean, Director Environmental Monitoring and
Operations
Date: 19 April 2017

Subject: **Biosecurity & RMA Monitoring Report 3 March 2017 to
13 April 2017**

1. Précis

This report describes the Regulatory activity for the reporting period 3 March 2017 to 13 April 2017.

2. Harbour Master activities

- Recruitment for a permanent Harbour Master is underway with a large number of applications currently being assessed.
- The interim Harbour Masters attended the South Island Harbour Master navigation Safety workshop this reporting period.
- A harbour risk assessment and harbour safety policy are currently under development. This work involves a great deal of stakeholder engagement.
- The interim Harbour Masters were invited on to a cruise ship to observe an on-board fire drill.
- Two vessels broke free from their moorings this reporting period. One vessel was in the Oamaru Harbour and the other in the Otago Harbour. Both vessels were later recovered.
- A workshop is planned to be held with Waitaki District Council to discuss harbour management issues and options. This workshop is being facilitated by ORC's interim Harbour Masters.

3. Biosecurity

3.1 Velvet Leaf

178 Velvet Leaf Farm Management Plans have now been completed in Otago. The Velvet Leaf Plans include all properties where velvet leaf was found in during the inspections, and the properties that had suspected contaminated seed lines that were not inspected. There are 26 Velvet Leaf Farm Management Plans left to complete this project.

3.2 Aquatic pest activity

The Lake Wakatipu Aquatic Weed Management Group met recently to discuss the management of Lagarosiphon. It was agreed that the current management plan covering the Kawarau river needs reviewed and extended to include Lake Wakatipu. This is expected be complete by September 2017. There was also agreement that membership should be extended to include the commercial jet boat operators and representation from the Jet Boating Association.

With very low river levels in the Kawarau River, a number of Lagarosiphon beds are now surface bearing and this has created a heightened risk of Lagarosiphon being inadvertently transferred back up the river into Frankton Arm through jet boat activity. As an interim measure, the ORC has placed 400 metres of buoys to prevent boats accessing these surface bearing areas. Staff are investigating options for signage to be placed below the Kawarau Falls which would be highly visual to all lake and river uses. A meeting was held with the Jet Boating association to discuss the situation.

LINZ has completed a further round of control work for Lagarosiphon in Lake Dunstan at Bannockburn Inlet, Cromwell Swimming Beach, Dairy Creek, Burton Creek, Pisa Moorings, Lowburn Boat Harbour, McNulty Inlet, Bendigo boat ramp and approaches, Champagne Gully - Ramp and Ski Lane, Cromwell Swimming Beach, Dairy Creek, Devils Creek, Jackson's, Northburn Ski Lane, Old Cromwell Town and Boat Ramps, South of Brewery Creek and Weatherall Creek and Burton Creek.

3.3 Wallaby activity

Approximately 10,000 Hectares of land was inspected for the presence of wallaby during this reporting period.

A report was received from the public of a dead wallaby on the road east of Duntroon. Investigation of the carcass found what appeared to be a bullet hole in one side of the animal's chest, with corresponding bruising on the opposite side, indicating that it had most likely been shot and dumped on the side of the road.

A report was received of five wallaby seen in the Ardour area. The investigation found some unidentifiable faecal scat in the area as a result samples have been sent to Landcare Research Ecogene facility for DNA testing. Investigations are continuing.

A further report was received of a wallaby sighting in a recreation part of the Naseby forest. Trail cameras have been deployed and inspections are continuing.

A report was received from the public regarding a wallaby road kill on SH 83, located opposite the entrance to Borton's pond. The investigation found that the wallaby had injuries consistent with having been hit by a vehicle, including blood on the road. A joint operation with Ecan using contractors with specialist indicator dogs to search this area is planned for the coming weeks. It is possible that wallabies could migrate down the Waitaki River and head in-land at this point. Strategic surveillance will take place to ascertain if this is a potential migration pathway.

Staff followed up a report of a wallaby sighting in the Devils Bridge Road wet land area, near Oamaru. The investigation found that other land owners have seen the animal over the past few months and have failed to report to ORC. Night inspections with thermal imaging technology are continuing in this area.

A reported wallaby sighting near Swampy Summit Dunedin was investigated by staff. The witness stated that the animal was seen around two weeks prior, investigations have been postponed due to weather conditions. The DCC and the Department of

Conservation have been notified. ORC received reports of wallaby sightings in this area in 2011 but investigations failed to locate any animals at that time.

3.4 Bio-control

Monitoring of the Buddleia leaf weevil released at several sites in the Cromwell area last autumn, has shown that, while leaf damage was evident, the weevil has been slow in establishing itself. Further monitoring of this site is planned next summer.

4. Dunedin City Council drinking water bores

A survey of bores in the vicinity of the DCC Mosgiel bores to ascertain potential for aquifer contamination has been completed. Six bores were identified as not being adequately sealed. The owners of these bores will be requested to place an adequate seal (concrete pad) around the casing of the bore. No other issues were identified during the survey.

5. Recommendation

That this report is received.

Scott MacLean

Director Environmental Monitoring and Operations

REPORT

Document Id: A993757

Report Number: 2017/0757

Prepared For: Regulatory Committee

Prepared By: Peter Kelliher, Legal Counsel

Date: 13 April 2017

Subject: **Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 Enforcement Activities from 4 March 2017 to 13 April 2017**

1. Précis

This report details Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities undertaken by the Otago Regional Council during the period 4 March 2017 to 13 April 2017.

2. Resource Management Act 1991

a) Permitted Activity - Inspections

Table 1. Infringement Notices

Details	Period – 4 March 2017 to 13 April 2017	Total – from 1 July 2016
Discharge of contaminants to land in breach of a regional rule - effluent	1	22
Discharge of contaminants to land in breach of a regional rule - silage	0	1
TOTAL	1	23

Table 2. Authorised Legal Proceedings

Details	Period – 4 March 2017 to 13 April 2017	Total – from 1 July 2016
Discharge of contaminants to land in breach of a regional rule - effluent	0	5
TOTAL	0	5

Complaint Response

Table 3. Infringement Notices

Details	Period – 4 March 2017 to 13 April 2017	Total – from 1 July 2016
Disturbing the bed of a wetland	0	1
Disturbing the bed of a river	0	2
Discharge of contaminants to land where it may enter water – petrol	0	2
Discharge of contaminants to land where it may enter water – sediment	0	3
Depositing sediment on the bed of a river	0	1
Discharge of contaminants to land where it may enter water – wastewater	1	7
TOTAL	1	16

Table 4. Authorised Legal Proceedings

Details	Period – 4 March 2017 to 13 April 2017	Total – from 1 July 2016
Discharge of contaminants to land in breach of a regional rule - effluent	1	3
Discharge of contaminants to land where it may enter water – sediment	0	1
Discharge of contaminants to land where it may enter water – sediment; and Damming of water in breach of a regional rule	0	1
Discharge of contaminants to air – burning prohibited materials	0	1
Discharge of contaminants to land where it may enter water – wastewater	0	1
TOTAL	1	7

Table 5. Abatement Notices

Details	Period – 4 March 2017 to 13 April 2017	Total – from 1 July 2016
To cease discharging a contaminant in breach of a regional rule	0	2
To remove rubbish, material and debris from the head of a gully	0	1
TOTAL	0	3

3. Recommendation

That this report be noted.

Fraser McRae

Director Policy Planning and Resource Management

REPORT

Document Id: A995718

Report Number: 2017/0765

Prepared For: Regulatory Committee

Prepared By: Marian Weaver

Date: 19 April 2017

Subject: **Consents and Building Control Report 6 March to 13 April 2017**

1. Consent Processing

1.1 Limited Notification

- One application for five permits to carry out works in Otago Harbour for extension of a cycleway and
- One variation of a permit to discharge to air -were granted by staff under delegation.

- Kyeburn water permits holders have made application for 6 new permits to replace the existing permits in the Swinburn and Kyeburn catchments.
- An application to disturb and place a structure in a Regionally Significant Wetland has been received.
- Application to replace a groundwater permit in North Otago has been received.
These applications have gone to limited notification for lack of written approvals, and/or at the applicant's request.

2. Objections and Appeals

RM16.179 Port Otago Limited

These applications are to renew the consents for the three near shore maintenance dredging dumping sites at Heyward Point, Aramoana Spit and Shelly Beach. The applications were publicly notified. The hearing was in November and the decision was given granting the permits on 16 February. The applicant appealed one of the consent conditions. The appeal is expected to be resolved by agreement.

RM16.138 Oceana Gold Limited

These applications are for a new pit, waste rock stack and water dam near the location of the existing Coronation site. This was a joint process with consents also required from Waitaki District Council and Dunedin City Council. The decision to grant the permits subject to conditions was given on 19 December and two appeals were received. After negotiations between the applicant and appellants, both appeals have been withdrawn and a consent order from the Court is awaited.

RM16.309 and RM16.308 Waitaki District Council

These are water permits for the Hampden-Moeraki and Herbert water supply schemes. The objections are about water measuring conditions and are being resolved and finalised by staff under delegation.

3. Consent Statistics

Table 1. Consents Statistics Summary

Reporting Period	Lodged			Rejected	Decision Given		
	Consents	Variations			Consents	Variations	
		Regular	Water reporting date			Regular	Water reporting date
15/16 year totals	415	40	11	6	353	46	11
1 July to 19 Aug 2016	45	12	1	0	55	10	0
22 Aug to 4 Nov 2016	89	12	3	0	91	13	2
7 Nov 16 to 20 Jan 17	80	6	5	0	69	5	5
23 Jan to 3 March 2017	45	20	4	0	61	13	4
6 Mar to 13 April 2017	48	4	1	0	48	15	0
16/17 Year to date	307	54	13	0	324	56	11

All decisions on consents were given within RMA allowed timeframes.

4. Consent Administration

Table 2. Consent Administration Statistics

Reporting Period	Transfers Received	Transfers Issued	S417 Certs Received	S417 Certs Issued
15/16 totals	125	125	4	1
1 July – 19 Aug 2016	31	7	2	5
22 Aug to 4 Nov 2016	31	22	0	0
7 Nov 16 to 20 Jan 17	35	62	1	3
23 Jan to 3 March 2017	105	48	5	1
6 March to 13 April	15	63	0	3
16/17 year to date	111	202	8	12

5. Building Consent Authority (BCA) Administration

Table 3: Building Act Statistics

	Building Permits		Certificate of Acceptance		Code Compliance Certificate	
	received	issued	received	issued	received	issued
15/16 totals	6	6	2	10	2	4
1 July – 19 Aug 2016	1	1	0	0	1	0
22 Aug to 4 Nov	1	0	1	1	1	0
7 Nov 16 to 20 Jan 17		2			1	2
23 Jan to 3 March 2017	1	0	0	1	0	0
6 March to 13 April 2017	0	0	0	0	0	0
16/17 year to date	3	3	1	2	3	2

6. Public Enquiries

Appendix 1 shows that 374 enquiries were received during the reporting period.

Table 4. Public Enquiries Statistics

Period	Number of Enquiries
15/16 year total	2495
1 Jul - 19 Aug 16	295
22 Aug to 4 Nov 16	559
7 Nov 16 to 20 Jan 17	443
23 Jan to 3 March 17	341
6 March to 13 April 2017	374
16/17 year to date	1912

8. Recommendation

That this report is noted.

Fraser McRae

Director Policy Planning and Resource Management

Appendix 1 Public Enquiries 6 March to 13 April 2017
Total Number of Enquiries 374

Enquiry Type	No.	% of Total
Current Consents	133	35.6 %
Mining Privileges	3	0.8 %
Other	38	10.2 %
Permitted Activities	117	31.3 %
Pre-application	44	11.8 %
Property Enquiries	26	7 %
Students	1	0.3 %
TLA Enquiries	1	0.3 %
Transfers	11	2.9 %

Enquiry Location	No.	% of Total
Central Otago District Council	107	28.6 %
Clutha District Council	23	6.1 %
Dunedin City Council	65	17.4 %
Outside Otago	4	1.1 %
Queenstown Lakes District Council	53	14.2 %
Throughout Otago	8	2.1 %
Unspecified	97	25.9 %
Waitaki District Council	17	4.5 %

Enquiry Method	No.	% of Total
Counter	19	5.1 %
Email	216	57.8 %
Internet	2	0.5 %
Letter	1	0.3 %
Telephone	136	36.4 %

REPORT

Document Id: A995773

Report Number: 2017/0766
 Prepared For: Regulatory Committee
 Prepared By: Marian Weaver
 Date: 19 April 2017

Subject: **Deemed Permit Replacement Progress 6 March – 13 April 2017**

1. Background

The Water Plan promotes the replacement of deemed permits and other water permits that expire in 2021 to be held by water management groups. This project implements the Plan policies and this report notes progress.

2. Promotion of Group Formation

A prime focus of the project is to meet with clusters of deemed permit holders based on catchments, in order to outline the steps required for deemed permit replacement and encouragement to form water management groups.

Upcoming meetings	
Crown Terrace	18 April
Coal Creek, Teviot Valley	10 April
Burn Cottage (Lowburn)	3 May
Strath Taieri	4 May

Other meetings held/scheduled	
HortNZ tour	8 March
Expiring Deemed Permit Forum	29 March
Otago iwi	June

Deemed Permit Forum

On Wednesday 29 March a forum for deemed permit and other permit holders in Alexandra was held. 140 people attended. Speakers covered the work ORC is doing in encouraging permit replacements, the information required to prepare consent applications, details of our new fish & flows portal, importance of retaining easements for water races, some consent and some group configuration options. Department of Conservation, Otago Fish & Game and Kai Tahu ki Otago presented information about their interests as affected parties in the consent replacement process. A summary of progress about the various minimum flow plan changes was also given.

Group Permit Applications

An application from the Kyeburn group of permit holders has been received, and it is being processed by limited notification.

An application from 3 permit holders in the Eweburn catchment has been received.

Objectives

Performance Measure 1:

Water taken under deemed permits are replaced by resource permits (water permits) by 2021, less any permits cancelled or surrendered.

Performance Target 2:

50% of the volume of water taken in Otago under consents is being managed by groups at 1 October 2021; 50% of water permits are managed through groups or water allocation committees.

All deemed permits are replaced or have applications lodged by 31 March 2021.

Progress on Objectives:

For reporting purposes a “group” includes existing irrigation companies and Territorial Authorities.

Table 1. Allocated Surface Water

	Total	Groups	TLA	Other	%Held by Groups & TAs
l/sec	322,154	69,508	5,685	246,961	23.3%
No. Permits	1,152	131	71	950	17.5%

No change since last report.

Due to the impact of the water measuring regulations, (some cancellations and surrenders and consent replacement) the number of deemed surface water permits is slowly decreasing. In April 2014 there were 458, and on 13 April 2017 there were 390 deemed permits.

7. Recommendation

That this report is noted.

Fraser McRae
Director Policy Planning & Resource Management

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Technical Committee to be held in the
Council Chamber, 70 Stafford Street, Dunedin on Wednesday,
3 May 2017, following the Regulatory Committee**

Membership:

Cr Stephen Woodhead (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Michael Deaker
Cr Carmen Hope
Cr Trevor Kempton
Cr Michael Laws
Cr Sam Neill
Cr Andrew Noone
Cr Gretchen Robertson
Cr Bryan Scott

Apologies:

In attendance:

**Please note that there is an embargo on agenda items until 8.30 am on
Monday, 1 May 2017**

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

Minutes of the meeting held on 22 March 2017, having been circulated for adoption.

ACTIONS

Status report of resolutions of the Technical Committee.

Report No.	Meeting	Resolution	Status
2016/1138 Terms of Reference for the Technical Committee	23/11/16	<i>That the Terms of Reference for the Technical Committee be considered a final version to be presented to the Council on 7 December 2016 for adoption</i>	Terms of Reference adopted by Council 7/12/16

PART A ITEMS FOR NOTING

Item 3
2017/0739 **Director's report on progress, DEHS, 20/04/17** -

The report provides information about the Clutha bioenergetics and instream habitat modelling; weather events; Leith Flood Protection Scheme, and the Dunedin City District Plan Natural Hazards.

OTAGO REGIONAL COUNCIL

Minutes of a meeting of the Technical Committee held in the Council Chamber, 70 Stafford Street, Dunedin on Wednesday, 22 March 2017, commencing at 10:14am

Membership: Cr Stephen Woodhead (Deputy Chairperson)
 Cr Graeme Bell
 Cr Doug Brown
 Cr Michael Deaker
 Cr Carmen Hope
 Cr Trevor Kempton
 Cr Michael Laws
 Cr Sam Neill
 Cr Andrew Noone
 Cr Bryan Scott
 Cr Gretchen Robertson

Apologies: Nil

Leave of Absence: Nil

In attendance: Peter Bodeker
 Nick Donnelly
 Gavin Palmer
 Scott MacLean
 Caroline Rowe
 Marian Weaver (for Director PPRM)
 Lauren McDonald (Committee Secretary)
 Adam Uytendaal
 Dean Olsen
 Jean Luc Payan
 Sharon Hornblow

CONFIRMATION OF AGENDA

The agenda was confirmed.

CONFLICT OF INTEREST

No conflicts of interest were advised.

PUBLIC FORUM

No public forum held.

MINUTES

Minutes of the meeting held on 8 February 2017, having been circulated were adopted on the motion of Crs Bell and Hope.

PART A ITEMS FOR RECOMMENDATION

Item 1

2017/0705 **Lake snow technical workshop proceedings and research priorities – recommendations and programme cost estimates, DEHS, 15/03/17** -

The report summarised the outcomes of the expert workshop convened by the ORC in December 2016 and sought Council endorsement for inclusion of a research work programme in the Draft Annual Plan 2017/18.

The full report entitled “*Lake Snow Technical Workshop, 20 December 2016, report on workshop discussions and outcomes, March 2017*” was circulated separately with the agenda.

Staff commented on the report and responded to questions from Councillors.

Moved Cr Woodhead
Seconded Cr Kempton

That Council:

- 1) *That the outcomes of the expert workshop convened by ORC in December 2016 are noted.*
- 2) *That inclusion of the programme of further research described in this report in the Draft 2017/18 Annual Plan is endorsed.*

Motion carried

PART B ITEMS FOR NOTING

Item 2

2017/0678 **Morphology of the Clutha River/Mata-Au between Roxburgh Dam and the Pacific Ocean. DEHS, 02/03/17**

The report covered the recent changes in channel morphology, how those changes sat within longer-term trends, and compared the changes in bed level that occurred between the last two surveys (2005 – 2014).

The full report entitled ‘*Morphology of the Clutha River/Mata-Au between Roxburgh Dam and the Pacific Ocean*’ prepared by ORC to summarise the results of the latest survey as per the 2016/17 Annual Plan target M1 – 10. The full report was circulated separately with the agenda.

Discussion was held in regard to scheme management of gravel build up, extraction and erosion in the river. Staff responded to questions from Councillors.

Moved Cr Woodhead
Seconded Cr Brown

That this report be received and noted.

Motion carried

Item 3

2017/0660 **Director's report on progress, DEHS, 15/03/17** -

The report provided information about the technical work underway with the DCC on the South Dunedin Future programme; Dunedin City District Plan Natural Hazards; River morphology and riparian management strategies for the Waianakarua and Cardrona catchments.

Discussion included hazard investigations, sea level rise and additional methods to control groundwater in South Dunedin. Staff advised the international review information was intended to be available by the end of June, and would be shared with the community.

Staff responded to questions from Councillors.

Moved Cr Noone

Seconded Cr Woodhead

That this report be noted.

Motion carried

The meeting was declared closed at 11:00am.

Chairperson

REPORT

Document Id: A991475

Report Number: 2017/0739

Prepared For: Technical Committee

Prepared By: Dr Jean-Luc Payan, Manager Natural Hazards
Dr Dean Olsen, Manager Resource Science
Chris Valentine, Manager Engineering

Date: 20 April 2017

Subject: **Director's Report on Progress**

1. Clutha bioenergetics and instream habitat modelling

The Cawthron Institute took advantage of low flows in the upper Clutha in mid-March to undertake invertebrate surveys in the upper Clutha River. The data gathered will be used to calibrate part of the trout bioenergetics model they are developing to inform flow-setting processes for the upper Clutha River. Contact Energy Ltd assisted in making this work possible by manipulating outflows from Lake Hawea so that river flows reduced to 120 m³/s for three days to allow invertebrates in the survey reach to settle. Drift measurements were then undertaken at three different flows on the 22nd (120 m³/s), 23rd (145 m³/s), and 24th (195 m³/s) (Figure 1). The results of the bioenergetics modelling are expected to be available late in 2017.

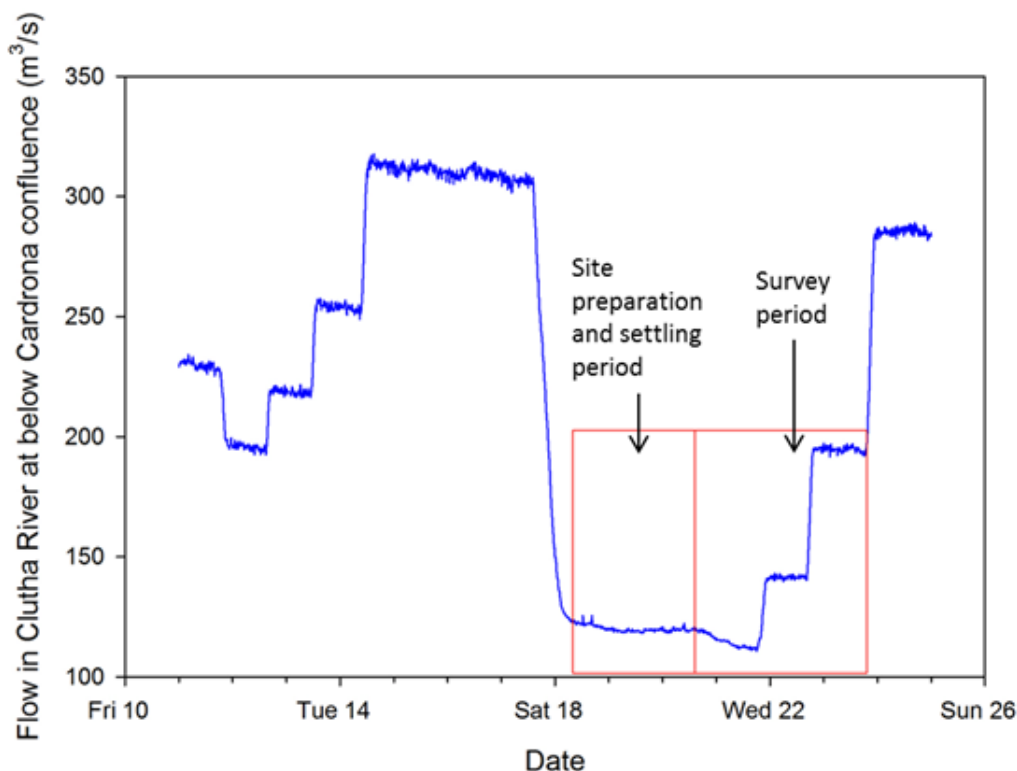


Figure 1: Flows in the upper Clutha River near Queensberry during the invertebrate drift surveys undertaken in mid-March 2017.

The bioenergetics modelling being undertaken in the upper Clutha will ultimately predict the number of trout that the upper Clutha River can support at different flows. The bioenergetics model sits on top of a more traditional instream habitat model being developed for the upper Clutha by NIWA. Instream habitat modelling will be used to understand the effects of different flows in upper Clutha on instream values including habitat for fish, invertebrates, periphyton as well as riverine birds and recreation (e.g. jet boating, kayaking).

2. Weather Events

Prolonged rainfall between 12 and 14 April (about 65 hours - June 2015¹ lasted about 31 hours) was observed in East Otago causing some rivers and streams to rise. Although heavy rainfall was predicted by MetService, the observed amount of rain and associated intensities were not exceptional (Table 1). River flows were high but did not cause any significant flooding (Table 2).

Table 1. Summary of the 12-14 April 2017 rainfall event characteristics and comparison with the June 2015 event

	Pine Hill (Water of Leith)	Sullivans Dam (Water of Leith)	Mussel- burgh (South Dunedin)	Swampy Spur (Silver Stream)	Deep Stream (Taieri)	Clifton Falls (Kakanui)	Table Hill (Tokom airiro)	Balclutha (Clutha)	Moa Flat (Pomahaka)
Total rain (mm) (June 2015 totals in brackets)	132 over 65 hrs (183.5, over 31 hrs)	131 over 65 hrs (175, over 31 hrs)	114 (143.8)	105.5 (187.5)	32 (88)	39 (16)	37.5 (99.5)	39 (68.5)	20 (56)
Peak Rainfall Intensity (mm/hr)	7.5 (15)	6 (14.5)	5.6 (11.8)	5.5 (12)	4.5 (11)	4 (3)	4 (8.5)	4 (7)	3 (4.5)
Max 24 hr rainfall (mm)	74.5 (179.5)	72.5 (171.5)	64 (142)	53 (181.5)	26 (87.5)	22.5 (16)	28 (97.5)	30 (68)	16 (55)

¹ The June 2015 event is selected as a reference for this report as it is a recent heavy rainfall/high flow event that affected East Otago. Refer to “Coastal Otago flood event: 3 June 2015” (ORC, 2015) for a detailed description of the event.

Table 2. Summary peak flows recorded during the 12-14 April 2017 rainfall event and comparison with peak flows from the June 2015 event

	Kakanui at Clifton falls	Leith at Leith Street ¹	Lindsay Creek at North Road ²	Silver Stream at Gordon Road ³	Taieri at Outram ⁴	Tokomairiro at West Branch Bridge	Pomahaka at Glenken	Clutha at Balclutha
Peak flow (m ³ /s) (June 2015 peak flow in brackets)	37 (139)	39 (98)	10 (29)	33 (130)	111 (740)	3 (72)	36 (389)	576 (1621)

- 1 The Leith Flood Protection Scheme is increasing the capacity of the Water of Leith to 171m³/s.
- 2 Flooding of parts of North East Valley occur whenever flows exceed approximately 25m³/s.
- 3 Water flows over the Gordon Road spillway whenever flows exceed approximately 125m³/s.
- 4 Water from the Taieri River flows into the East Taieri Upper Pond whenever flows exceed approximately 800m³/s.

Early liaison with Dunedin City Council was established in order to provide regular updates on observed and forecast river flows during the event. Staff monitored the flood protection and land drainage schemes, developed forecasts of expected flows for rivers across the affected area, monitored groundwater levels for South Dunedin and issued flood advisories as required. All ORC flood and drainage schemes functioned as intended.

3. Leith Flood Protection Scheme

Engineering works on the Union to Leith Footbridge stage of the Leith Flood Protection Scheme are underway. Site establishment is complete and clearing of vegetation on the left bank upstream of the Information Technology Services (ITS) building has commenced (Figure 2). Pre-empting the heavy rain on 12 and 14 April the contractor was instructed to breach the haul road crossing the river and remove their temporary culverts. Some damage to temporary site access resulted from the high flows.



Figure 2: Left bank vegetation clearance in Memorial Garden on 19 April 2017. Selected trees are being retained and incorporated into the scheme works as requested by the University of Otago

Investigations for the Dundas Street stage of the Scheme are continuing. Arrangements are being made with the University of Auckland Department of Civil and Environmental Engineering to construct and test a scale physical model of the proposed works. The model will be used to refine the design. Field observations made by ORC staff during the high flows on 12 and 14 April will assist with model design.

4. Dunedin City District Plan Natural Hazards

Staff are continuing to work with Dunedin City Council on addressing and advising on the technical aspects related to natural hazards provision of the second generation District Plan (2GP). Natural Hazards staff presented evidence to the Hearings Panel in relation to the natural hazards information that has been prepared by ORC for DCC.

5. Recommendation

That this report is noted.

Gavin Palmer
Director Engineering, Hazards and Science

OTAGO REGIONAL COUNCIL**Agenda for a meeting of the Policy Committee to be held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 3 May 2017, following the Technical Committee**

Membership:

Cr Gretchen Robertson (Chairperson)
Cr Michael Laws (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Michael Deaker
Cr Carmen Hope
Cr Trevor Kempton
Cr Sam Neill
Cr Andrew Noone
Cr Bryan Scott
Cr Stephen Woodhead

Apologies:

In attendance:

**Please note that there is an embargo on agenda items until 8.30 am on
Monday, 1 May 2017.**

CONFIRMATION OF AGENDA

CONFLICT OF INTEREST

PUBLIC FORUM

MINUTES

The minutes of the meeting held on 22 March 2017, having been circulated for adoption.

ACTIONS

Status report on the resolutions of the Policy Committee.

Report No.	Meeting	Resolution	Status
2016/1139 Terms of Reference for the Policy Committee	23/11/16	<i>That the Terms of Reference for the Policy Committee be considered a final version to be presented to the Council on 7 December 2016 for adoption</i>	Completed
2017/0679 Director's report on policy progress to March 2017	22/3/17	<i>Request legal clarification of appropriate mediation reporting to councillors</i>	Agenda item 3 of Policy Committee – 3 May 2017

PART A – RECOMMENDATIONS

Page Nos.

- Item 1
2017/0751 **Director's Report on policy progress to April 2017.** DPPRM, 13/04/17

-

The report gives an overview of significant activities undertaken by the Policy section for the period 10 March to 13 April 2017.

Attached to this report are several technical reports referred to in previous Director Reports, for Councillor's information and receipt. These reports support the Urban Water Quality Strategy, and Coastal Strategy project.

The following appendices are circulated separately with the agenda.

PART B - FOR NOTING

- Item 2
2017/0759 **Resource Legislation Amendment Act 2017.** DPPRM, 19/4/17

-

The Resource Legislation Amendment Bill passed its final reading on 6 April 2017, with most provisions coming into force as soon as Royal assent was received on 18 April 2017. The new Act amends a number of pieces of legislation, including the Resource Management Act (RMA), Public Works Act, Environment Protection Authority Act and Conservation Act.

The report summarises the main changes with implications for Council.

The report entitled "*Checklist for councils: New Mandatory actions form the 2017 Resource Legislation Amendments*" is appended to the report.

Item 3
2017/0770

Environment Court Mediation. DPPRM, 20/4/17

-

The report provides a response to Council request for a legal clarification of appropriate mediation reporting to Councillors.

OTAGO REGIONAL COUNCIL**Minutes of a meeting of the Policy Committee held in the
Council Chamber, 70 Stafford Street, Dunedin on
Wednesday 22 March 2017, commencing at 11:01am**

Membership: Cr Gretchen Robertson (Chairperson)
Cr Michael Laws (Deputy Chairperson)
Cr Graeme Bell
Cr Doug Brown
Cr Michael Deaker
Cr Carmen Hope
Cr Trevor Kempton
Cr Sam Neill
Cr Andrew Noone
Cr Bryan Scott
Cr Stephen Woodhead

Apologies: Nil

In attendance: Peter Bodeker
Scott MacLean
Gavin Palmer
Caroline Rowe
Nick Donnelly
Marian Weaver (for the Director PPRM)

CONFIRMATION OF AGENDA

The agenda was confirmed as listed.

CONFLICT OF INTEREST

There were no conflicts of interest advised.

PUBLIC FORUM

No public forum was held.

MINUTES

The minutes of the meeting held on 8 February 2017, having been circulated were adopted on the motion of Crs Noone and Hope.

PART A – RECOMMENDATIONS

Item 2

2017/0679 **Director’s Report on policy progress to March 2017.** DPPRM,
22/03/17

The report provided an overview of significant activities undertaken by the Policy section for the period 21 January to 10 March 2017.

The following appendices were circulated separately with the agenda.

Appendix 1: *Waterways Research: Qualitative and Quantitative Findings’, a report prepared by Versus Research for the Otago Regional Council, December 2016*

Appendix 2: *Literature review of the risks and adverse effects from discharges of stormwater, wastewater, industrial and trade waste, and other hazardous substances in Otago*

Appendix 3:

- *Coastal Environment of Otago Natural Character and Outstanding Natural Features and Landscapes Assessments*
- *Natural Features and Natural Landscapes Assessments*
- *Natural Character Assessment Sheets for:*
 - *Clutha District*
 - *Dunedin City*
 - *Waitaki District*

Clean Water 2017

A request was made for staff to table a paper to the 5 April Council meeting. The submission deadline was confirmed as 28 April 2017.

Review of RPS

During the course of discussion, staff provided explanations of the principles of court assisted mediation, the role of delegated staff, confidentiality of mediation outcomes and the report back process.

A request was made for the Chief Executive to seek a legal opinion on the definition/interpretation of the word “parties” in the Environment Court mediation process. The legal opinion to include how this affects the role of councillors, where a delegation has been made to staff. This information to be circulated to councillors.

Cr Kempton left the room at 11:14am and returned at 11:18am

Water Quality, Biodiversity and Coastal Strategies

Discussion was held on the reports attached to the Director’s report for waterways research and coastal values assessment to be received by Council. Staff confirmed once the reports were endorsed by Council they would be circulated to all parties and be available on the ORC website.

A request was made for an executive summary be included with these reports at release, providing a brief on the purpose of the report.

Moved Cr Scott
Seconded Cr Laws

Request legal clarification of appropriate mediation reporting to councillors.
(This motion was taken as the third recommendation of the report).

- a) *That the reports on the waterways research and coastal values assessments are received.*
- b) *That this report is noted.*
- c) *Request legal clarification of appropriate mediation reporting to councillors*

Motion carried

PART B - FOR NOTING

Item 1
2017/0719 **Plan Change 1D: Flow Requirements for Water Takes.** DPPRM,
22/03/17

The report sought Council approval to proceed with preparation of Plan Change 1D: Flow Requirements for Water Takes, under the First Schedule of the Resource Management Act.

Discussion was held on matters including: when a residual flow is appropriate; how a residual flow is set; understanding of natural character and instream values; where residual flows should be monitored.

Staff commented on the report and responded to questions from Councillors.

Moved Cr Deaker
Seconded Cr Laws

That the recommendation "That Council proceed with preparation of Plan Change 1D: Flow Requirements for Water Takes, under the First Schedule of the Resource Management Act." be left to lie on the table until activated again.

A division was called. Vote: For 10, Against 1

Motion carried

A request was made for staff to prepare a workshop to discuss the issues raised at the meeting.

The meeting was declared closed at 12:25pm

Chairperson

REPORT

Document ID: A993057

Report Number: 2017/0751

Prepared For: Policy Committee

Prepared By: Director Policy, Planning and Resource Management

Date: 13 April 2017

Subject: **Director's Report on Policy Progress April 2017**

This directorate report contributes towards:

Strategic Plan Goals:

1. Active resource stewardship
2. Active regional partnerships
3. Realisation of new opportunities

Annual Plan Projects

- G: Governance & Community
- L: Land
- P: Policy Development
- T: Transport
- W: Water

Proposed Regional Policy Statement:

1. Resource management is integrated
2. Kai Tahu values and interests are recognised and kaitiakitaka is expressed
3. The values of Otago's natural resources are recognised, maintained and enhanced
4. Communities in Otago are resilient, safe and healthy
5. People are able to use and enjoy Otago's natural and built environment

1. POLICY RESPONSES

1.1 National Policies, Strategies and Plans

The following were received over the five-week period to 13 April 2017:

Agency	Number	Document
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None

The following responses were made over the seven-week period:

Proposal	Response Type	Issues
MfE – Draft NES Plantation Forestry regulations	Submission	ORC provided feedback on the draft regulations. ORC has previously communicated its concern that the

		regulating of the forestry industry with an NES which is not effects based is inconsistent with the framework of the RMA and consequently the ORC water plan.
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1.2 Territorial Authority and Regional Authority Plan Changes and Resource Consent Applications

The following were received over the seven-week period to 13 April 2017:

Agency	Number Received	Document
CODC	1	Resource Consent application
DCC	2	Resource Consent application

The following responses were made over the seven-week period:

Proposal	Response Type	Issues
Shotover Country Limited's Special Housing Area development	Hearing	<p>ORC presented at the hearing outlining its concerns around natural hazards the site is subject to. It was confirmed at the hearing QLDC will take responsibility in perpetuity for the physical hazard mitigation structures.</p> <p>ORC is awaiting the decision which cannot be appealed under the HASHA Act.</p>

1.3 Other Proposals

Proposal	Response Type	Issues
NZ Productivity Commission - Better Urban Planning	No response required	Sets out the Commission's findings relating to a future urban planning framework. Refer to section 1.5 below.

1.4 Urban Development Authorities

The government released a discussion document, 'Urban Development Authorities', in February 2017, which sets out a proposal for the introduction of urban development authorities to enable nationally or local significant urban development projects to be built more quickly. Submissions close on 19 May 2017.

In summary, a city or district council could apply to the Minister for the Environment to establish such an authority, to deliver agreed objectives within a set time. The powers potentially available for an urban development project would relate to:

- Land – powers to assemble parcels of land, including existing compulsory acquisition powers under the Public Works Act 1981;
- Planning and resource consenting – powers to override existing and proposed district and regional plans (including the Regional Policy Statement), and streamlined consenting processes;

- Infrastructure – powers to plan and build infrastructure such as roads, water pipes and reserves;
- Funding – powers to buy, sell and lease land and buildings; powers to borrow to fund infrastructure; and powers to levy charges to cover infrastructure costs.

The relevant powers would apply to a particular project and would expire when the project is completed.

This proposal could have significant implications for Council if such an authority were to be established within Otago. A submission will be prepared.

Further information can be found on <http://www.mfe.govt.nz/more/towns-and-cities/urban-development-authorities-proposal> .

1.5 Better Urban Planning

The NZ Productivity Commission has released a 500-page report to Government, ‘Better Urban Planning’, in February 2017. This report presents their findings on New Zealand’s urban planning system, with the aim of setting out what a high-performing urban planning system would look like.

They concluded that the current system is failing to deliver on five critical goals. They then set out a future planning framework that would achieve these goals. The most important changes are listed:

1. Clearer statutory objectives and principles for the natural and built environments;
2. A revamped and cohesive set of regulatory plans for each region;
3. Timely and systematic review of plans by Independent Hearings Panels; and
4. New mechanisms and models to free up supply of infrastructure-service land for development.

These proposals foreshadow further changes to the RMA, Local Government Act and Land Transport Management Act.

The full report can be found at <http://www.productivity.govt.nz/inquiry-content/2682?stage=4> .

2. ORC: POLICY, PLANS AND STRATEGIES

2.1 Review of Regional Policy Statement

Twenty six appeals have been received on the proposed Regional Policy Statement. In addition to most of these parties lodging an interest in becoming party to another appellant’s appeal, a further 18 new parties have joined in, as provided for under Section 274 of the RMA.

Two weeks of Court assisted mediation have now been completed, and good progress is being made. The Court has agreed to a further three days of mediation. In the meantime, discussions with the various parties are ongoing. A number of matters have been resolved, subject to how the balance of changes unfolds.

At this stage, the Environment Court is still reserving time in July for hearing any unresolved appeals.

2.2 Comprehensive Water Quality Strategy

The preliminary urban water quality goal tree has now been shared with all city and district councils (councillors and staff), Kai Tahu and Public Health South.

On 26 and 27 April 2017 the Water Quality Strategy Workshop will be held at the Dunedin Public Art Gallery, bringing together councillors, key stakeholders and technical experts. Planning is well in hand for this event.

The Forum will be followed by a brief round of consultation with the community, in the middle of May, testing the approach that is being developed using some form of on-line engagement.

2.3 Biodiversity Strategy

The Biodiversity Reference Group has now met for the first time. The group identified a number of outcomes that they would like to see achieved in managing biodiversity, and met with consultants from Wildlands and Beca who have been contracted to prepare the Ecosystems and Biological Diversity Strategy.

2.4 Proposed Plan Change for Lower Waitaki Aquifer

Staff are discussing a possible plan change with the Lower Waitaki Irrigation Company Limited. It would set tailor-made groundwater quality limits for the Lower Waitaki Aquifer in Schedule 15 of the Regional Plan: Water for Otago. The proposal arises from mediation agreements with respect to Plan Change 6A (Water Quality). A presentation will be made to a Council workshop in the near future.

3. WATER QUANTITY PLANNING

3.1 Proposed Plan Change 5A Lindis: Integrated water management

Council received 1 appeal on Proposed Plan Change 5A Lindis: integrated water management, while a further 15 Section 274 parties to the proceedings notices have been lodged.

Environment Court-assisted mediation was held on 8 and 9 December 2016, with some 25 people attending. Further hydrological, cultural, and ecological investigations and a social impact assessment have been undertaken as a result of this mediation.

The parties have agreed to report back to the Court by 28 April 2017 on progress and potential dates for reconvened mediation.

3.2 Proposed Plan Change 5D Cardrona: Integrated water management

Preliminary work is being undertaken to resume the development of an integrated water management plan change for the water resources in the Cardrona catchment and the Wanaka Flats (the Cardrona River, Cardrona Alluvial Ribbon Aquifer and Wanaka-Cardrona Aquifer).

Project management materials (including Terms of Reference, Project Execution Plan, Programme Gantt Chart, Risk Register) have been prepared, and existing technical reports are being updated.

The next consultation round on the options for managing water quantity in the catchment is tentatively scheduled for mid-late 2017.

3.3 Proposed Plan Change 5C: Manuherikia Catchment: Integrated water management

First community consultation on options for the plan change occurred on 21 to 23 March in Oturehua, Omakau and Alexandra. Drop-in sessions were held from 1:00 pm to 3:00 pm and 6:30 pm to 8:00 pm at each location. At the drop-ins the community had the opportunity to discuss the options with council staff, take information on the options home with them, and provide feedback. Feedback could also be provided via a feedback form, an online feedback form or via email. Feedback has been received from 120 individuals/groups. This feedback will be summarised and the summary made available on the council website.

Along with receiving community feedback, a Social Impact Assessment, Cultural Impact Assessment, and an Economic Assessment are being commissioned. These reports are anticipated to be received mid this year.

A draft plan change will then be developed, using all technical and scientific investigation to date, all consultation feedback, and the economic, cultural, and social reports. The draft plan change will then be workshopped with councillors and presented to the community for feedback later this year, before a proposed plan change is formally notified.

3.4 Proposed Plan Change 1D: Flow Requirements for Water Takes

Plan Change 1D: Flow Requirements for Water Takes is currently on hold.

3.5 Proposed Plan Change 3E: Arrow catchment minimum flow

Preliminary work is being undertaken on development of a minimum flow plan change for the surface water in the Arrow catchment, and the connected Arrow Bush Creek Ribbon Aquifer.

Project management materials (including Terms of Reference, Project Execution Plan, Programme Gantt Chart, Risk Register) have been prepared and existing technical reports are being updated.

The first stage of consultation is tentatively scheduled for mid-2017.

4. REGIONAL TRANSPORT

Regional Transport Committees' Roadshow

The Otago and Southland Regional Transport Committees (RTCs) are holding Roadshows to introduce the Regional Transport Committees to the district/city councillors, and to explain the Regional Land Transport Plans (RLTPs), as well as NZ

Transport Agency's approach to state highway investment and to its planning and investment function. At the time of writing, Roadshows so far: have been held with Clutha, Queenstown Lakes, Central Otago and Waitaki District Councils and Dunedin City Councils; and are planned for Gore and Southland District Councils and Invercargill City Council.

At the four Roadshows held already, territorial authority councillors noted they liked the close working relationship portrayed by the joint presentation: central government, the two regional councils and the territorial authorities working together. Many of the questions from councillors sought to gain a better understanding of the funding process between their council and the RTC. Territorial authority councillors noted that this was the first time that they had a full presentation on the RLTP, the RTC and related roading matters; they greatly appreciated the opportunity. Some councils raised the local government annual planning timeline and the RLTP timeline not aligning well; these councils are likely to raise this matter through LGNZ in an effort to get the timing of these processes better aligned.

South Island Regional Transport Committees collaboration

Councillors Trevor Kempton (Chair, Otago RTC) and Graeme Bell (Deputy Chair, Otago RTC), and ORC Manager Strategic and Transport Planning attended a meeting of the South Island Regional Transport Chairs held in Christchurch on 20 March 2017.

The meeting covered the following topics:

1. Confirmation that the collaboration charter is still fit-for-purpose (a further objective was added concerning improving the resilience and security of the South island transport network);
2. Development of a joint work programme (explained below);
3. Endorsement of a common message to go in the front of all South Island RLTPs;
4. Presentation from Ministry of Transport (MOT) officials on the draft Government Policy Statement on Land Transport (GPS);
5. Presentation on NZ Transport Agency's vision;
6. Content of a proposed submission on the draft GPS [subsequently sent] from the Chairs group.

The Chairs group agreed the following initial action steps for a joint South Island work programme:

- Jointly funding and scoping the work required to prepare a South Island-wide network model and a South Island-wide visitor flows model (working with NZTA/MOT; by August 2017, to enable the requisite funding to be included in RLTPs and LTPs for 2018-21)
- Identifying existing resilience information for South Island transport network.

The regional and unitary councils, ORC included, have started on this work.

5. ATTACHMENTS

Attached to this report are several technical reports referred to in previous Director Reports, for Councillor's information and receipt. These reports support the Urban Water Quality Strategy, and Coastal Strategy project.

6. RECOMMENDATION

- a) *That the reports on the waterways research, effects from urban discharges and coastal values assessments are received.*
- b) *That this report is noted.*

Fraser McRae

Director Policy Planning and Resource Management

Appendices:

Appendix 1: *Waterways Research: Qualitative and Quantitative Findings', a report prepared by Versus Research for the Otago Regional Council, December 2016*

Appendix 2: *Literature review of the risks and adverse effects from discharges of stormwater, wastewater, industrial and trade waste, and other hazardous substances in Otago*

Appendix 3:

- *Coastal Environment of Otago Natural Character and Outstanding Natural Features and Landscapes Assessments*
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- *Natural Character Assessment Sheets for:*
 - *Clutha District*
 - *Dunedin City*
 - *Waitaki District*

REPORT

Document ID: A994052

Report Number: 2017/0759

Prepared For: Policy

Prepared By: Manager Policy

Date: 19 April 2017

Subject: **Resource Legislation Amendment Act 2017**

1. Précis

The Resource Legislation Amendment Bill passed its final reading on 6 April 2017, with most provisions coming into force as soon as Royal assent was received on 18 April 2017. The new Act amends a number of pieces of legislation, including the Resource Management Act (RMA), Public Works Act, Environment Protection Authority Act and Conservation Act.

This report summarises the main changes with implications for Council, however it is not an in-depth analysis.

2. Main changes with implications for Council

2.1 *Significant natural hazard risk*

The management of significant risks from natural hazards becomes a matter of national importance under Section 6 RMA. The Ministry for the Environment (MfE) is expected to begin consulting on a new National Policy Statement for Natural Hazard Management soon which will provide clearer direction as to what this may mean in practice. Council supported this change.

2.2 *Procedural principles*

The requirement to carry out RMA functions in a timely, efficient, consistent and cost-effective way is now made explicit in new section 18A RMA. Council already strives to achieve this outcome.

2.3 *New functions re residential and business development capacity*

Both regional councils and territorial authorities are given new functions to ensure long term development capacity of residential and business land (under sections 30 and 31 RMA). This more clearly formalises the new NPS Urban Development Capacity requirements within the RMA.

2.4 *Administrative charges*

The new provisions relating to setting of administrative charges (sections 36, 36AAA and 36 AAB RMA) enable local authorities to recover the reasonable costs incurred by the local authority in respect of the activity to which the charge relates. Council had submitted that these provisions clearly enable charges to be set to monitor permitted activities; however this clarification has not been made.

2.5 National environmental standards

The new provisions enable the Minister to set national environmental standards generally, within a specified district or region, or for any specified part of New Zealand (section 43 RMA). Changes introduced to the Bill clarify what prevails over any new national environmental standard. Council had opposed this unfettered ability for governmental involvement in resource management at any level.

2.6 National planning standards

The draft Bill provided for the development of national planning templates to provide a more consistent nation-wide approach to plan writing. These templates are renamed as National Planning Standards (Planning Standards) and they will apply to regional policy statements, regional plans, district plans and any changes or variations to the above (new sections 58B – 58I RMA).

The first set of Planning Standards must be prepared within 2 years and will set out, as a minimum:

- a structure and form for policy statements and plans;
- include references to relevant national planning instruments and regulations;
- definitions;
- requirements for electronic functionality and accessibility

Some Planning Standards will be incorporated directly into policy statements and plans by amendment, within a year. Other planning Standards will still need to be worked through the Schedule 1 plan change consultation processes, within the specified time or if no time is specified, within 5 years of the policy statement or plan becoming operative.

It is difficult to assess the scale of impact of these requirements. Council will be commencing full reviews of its regional plans (Coast, Air, Water, and Waste) over the next few years, as provided for in the Long Term Plan. The impact could be minimal if the new Planning Standards provide a framework that aligns with Otago's planning approach. However, if the planning approaches are different – and this is the situation with freshwater management – then substantial reworking and additional costs could result, both to Council and resource users.

2.7 Iwi participation arrangements – Mana Whakahono a Rohe

A new mechanism is provided for iwi authorities and local authorities to establish how tangata whenua, through their iwi authorities, are to participate in resource management and decision-making processes under the RMA (new sections 58K – 58T). Such an arrangement can be initiated by either the iwi authority or the local authority.

It is unknown how these provisions may alter the relationship that Council already has with Kai Tahu ki Otago Limited and Te Ao Marama Incorporated.

2.8 New planning processes: collaborative and streamlined

Two new planning processes are introduced, largely as proposed in the original Bill (sections 80A – 80C and Schedule 1 new Parts 4 and 5). The new processes are optional, and used instead of the current Schedule 1 plan making process. Approval of the responsible Minister is required for use of the streamlined process. Council submitted that these processes should be optional.

2.9 Notification of consent applications

While the provisions for public notification or limited notification of consent applications have been changed (sections 95 – 95E RMA), restrictions limiting who is an affected party in the original proposal have been removed, in line with Council's submission.

2.10 Subdivision and natural hazards

A preliminary reading of provisions relating to the approval of subdivision applications indicates that consent can only be declined if the activity has non-complying status in the district plan (Section 108 RMA). It is unclear whether Council would be considered an affected party for restricted discretionary or discretionary activity status subdivisions (sections 95A – 95E RMA). Legal opinion is being sought.

2.11 Stock exclusion from waterways

New regulations are introduced for stock exclusion, including provisions for infringements (section 260(1) RMA). Amendments made clarify that more stringent rules prevail. Regulations may also require that inconsistent rules are withdrawn or amended.

2.12 Other matters

A number of other changes are made, including to the work of the Environment Protection Authority, designation processes, conditions of resource consents, fixing of charges, electronic transfer of information and management of activities within the Exclusive Economic Zone.

The 'Checklist for Councils: New Mandatory actions from the 2017 Resource Legislation Amendments' provides a concise summary of the full suite of changes and is attached as Appendix 1.

3. Recommendation

That the report is received.

Fraser McRae
Director Policy, Planning and Resource Management

Appendix 1

Resource Legislation Amendments 2017

Checklist for councils: New mandatory actions from the 2017 Resource Legislation Amendments

The Resource Legislation Amendment Bill became law on 18 April 2017. This table lists the new actions that councils must take to implement the changes. It does not include:

- new *optional* processes for councils
- mandatory requirements that may arise through new *regulations, national policy statements, or national environmental standards* that may be issued under the RMA

Topic	RMA section(s)	Task	Fact sheet number (for more info)
<i>Apply from day after [Royal Assent]</i>			
Natural hazards	s6	Recognise and provide for management of significant risks from natural hazards.	2
Animal drinking water	s14	Treat 'natural' and 'non-natural' persons (including companies and trusts) the same as private individuals when managing animal drinking water.	2
Procedural principles	s18A	Incorporate new principles for efficiency, clarity and collaboration in council RMA procedures.	2
Development capacity	s30-31	Establish, implement and review objectives, policies and methods to ensure sufficient development capacity to meet long-term demands of the region/district/city (also see NPS Urban Development Capacity).	2
Hazardous Substances	s30 and s31	Be aware that regional and territorial authorities no longer have the explicit function to control certain matters related to hazardous substances.	2
Section 32 reports	s32	Include iwi authority advice and the response to this in section 32 evaluation reports.	3

Topic	RMA section(s)	Task	Fact sheet number (for more info)
Plan hearing panel	s34A	Consult iwi about including a commissioner with tikanga Maori and local iwi/hapu perspective to a plan hearing panel, and appoint if appropriate.	3
Monitoring RMA processes	s35	Monitor efficiency and effectiveness of council processes, powers, functions, duties.	2
Mana whakahono a rohe/iwi participation arrangement	s35A, s58K-T, cl 1A, 1B and 26A of Schedule 1	Respond to requests by iwi authorities for a mana whakahono a rohe/iwi participation arrangement, and prepare it within 18 months (unless otherwise agreed) – see new section 58P Keep records about these arrangements.	3
Combined plans	s80	Apply RMA Part 5 requirements when preparing a combined plan.	4
Written notice to requiring authorities about district plan reviews	Schedule 1 cl 4	State which planning process the council intends to use (SPP, CPP or Part 1 Schedule 1) in written notices to requiring authorities (and other information if the council intends to use the collaborative planning process).	4, 5 and 6
Iwi input to draft plans	Schedule 1 cl 4A	Seek and have particular regard to iwi advice on draft policy statements and plans.	3
Land acquisition	<i>Public Works Act</i> s 72 – 72E	Adjust compensation payments for taking private land under the Public Works Act.	16
Apply from 1 October 2017			
Public notices	s2AB	Publish public notices on an internet site, with a summary in one or more newspapers. Ensure the notice and the short summary are worded in clear and concise manner.	13
Subdivision	s11	Check implications of subdivision being permitted unless it is restricted by a rule in a NES or a plan.	2
	s6, 106, and 220	Ensure subdivision consent processes incorporate new requirements related to natural hazards.	10
Fast-track consents	s87AAC and 87AAD	Apply new consent process for fast-track consent applications.	8
Boundary activities	s87AAB – 87BA	Establish a system to record, charge and issue notices for permitted 'boundary activities'.	8
Consent Exemptions	s87BB	Establish a system to record, charge and issue resource consent waivers for marginal/temporary non-compliance.	8
Consent notification	s95 – 95E	Apply new step by step process to determine public or limited notification of resource consent applications.	9
Consent decisions	s104	Have regard to measures proposed by an applicant to offset or compensate for adverse effects	10
	s108AA	Ensure resource consent conditions comply with new section 108AA.	10
Consent appeals	s120	Ensure that any advice is consistent with the new limits on Environment Court appeal rights.	14

Topic	RMA section(s)	Task	Fact sheet number (for more info)
Electronic address	s352	If a person has specified an electronic address for service, and has not requested an alternative, ensure the electronic address is used as an address for service.	13
Objections to consents	s357AB, 357C, and 357CA	Incorporate independent commissioner changes to the objection process for consents.	14
Plan-making extensions	Schedule 1 clause s10A	If required, apply to the Minister for any extension to the 2-year timeframe for plan-making.	4
<i>Apply within one year of first national planning standards publication (which will be within 2 years of [Royal Assent])</i>			
National planning standards	s58H	Amend planning documents to give effect to the directions provided by the national planning standards that do not require using the Schedule 1 process, unless the standard itself provides a different timeframe.	1
Online plans	s58J	Ensure all planning documents (and changes/variations) are freely available for use on a single website	
<i>Apply within five years of [Royal Assent]</i>			
Financial contributions	Schedule 12 cl 18	Amend plans to remove financial contribution provisions.	4
<i>Apply within five years of first national planning standards publication</i>			
National planning standards	s58I	Amend planning documents to give effect to the national planning standards that require using the Schedule 1 process, unless the standard itself provides a different timeframe.	1

Find out more

Contact the Ministry for the Environment by emailing info@mfe.govt.nz or visit www.mfe.govt.nz/rma.

If you are a council staff member you can subscribe to the Resource Legislation Amendments forum on the Society of Local Government Managers 'LG Connect' service.

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REPORT

Document ID: A995947

Report Number: 2017/0770

Prepared For: Policy Committee

Prepared By: Marian Weaver

Date: 20 April 2017

Subject: Environment Court Mediation

1. Background

At the last Policy Committee meeting the following discussion took place:

“Action: Mr Bodeker to seek a legal opinion on the definition of the word “parties” and the interpretation of the word “parties” in the Environment Court mediation process. Including how does this affect the role of Councillors where a delegation has been made to staff, and to circulate this information to Councillors.

Mrs Weaver made the recommendation that the legal opinion include a statement on the effects of delegation.

Cr Robertson confirmed the need to identify who are the parties in the mediation process and what does this mean for those who hold delegated authority.

Reference was made to the practise note provided with the Environment Court mediation (and appended under the mediation procedures under the RMA); section 8 which refers to the confidentiality of the parties to mediation. One interpretation was given that as Council is named as a party, that the governance team is a part of Council and therefore a party member.”

It was Moved Cr Scott Seconded Cr Laws

Request legal clarification of appropriate mediation reporting to Councillors.

2. Legal opinion

A legal opinion was obtained and forms the base of the report below:

The Otago Regional Council (Council) is a “party” to Environment Court proceedings in various roles including applicant, appellant, respondent and s274 party to an appeal, depending on the matter before the Court. For Regional Plans and the RPS mediations Council is the respondent.

The Council as a body corporate is the “party”. The body corporate is established by the Local Government Act 2002. It comprises elected members, the Chief Executive and staff.

- Mediation is a voluntary process.
- What happens at mediation is confidential to parties.

- At least one of the Council representatives must have authority to make decisions binding on Council when in mediation.
- The Council has delegated various functions under the RMA and other legislation to staff positions. For mediation on appeals Council has delegated the ability to attend mediation and sign off agreements in mediation to resolve appeals to senior staff.
- If agreement is reached at mediation the outcome will be a Court Order. Orders made by the Court are publicly available and therefore can be reported to the Council.
- If mediation is unsuccessful, material prepared for mediation and what is said during mediation is privileged and cannot be used in subsequent Court proceedings.
- An outcome of mediation may be a private agreement between parties. The agreement may include a provision that the terms are confidential. If Council is a party to an agreement, it can be subject to official information requests¹.

3. Reporting to Council

Mediation outcomes and progress can be reported to Council, as elected members have a legitimate interest in legal proceedings that Council is involved in. The following applies:

- If a Court Order has been made as a consequence of mediation, it can be reported to Council in the public agenda and in open meeting.
- If mediation is not successful, or is ongoing, the reporting must be in that part of the agenda that is not publicly available and the reporting must be done in a public excluded part of the meeting.
- If a mediated outcome requires endorsement by elected members, then confidentiality must be preserved, at least until the outcome is approved by Council and completed with other parties.

Councillors individually are bound to respect the confidentiality of information conveyed in this manner and maintain the integrity of the mediation process.

4. Recommendation

That the report is noted.

Fraser McRae
Director Policy Planning and Resource Management

¹ Local Government Official Information and Meetings Act 1987