



# POLICY COMMITTEE AGENDA

## WEDNESDAY 21 MARCH 2018

Edinburgh Room, Municipal Chambers,  
The Octagon, Dunedin, commencing at 9:00am

### **Membership**

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

### **Disclaimer**

Please note that there is an embargo on agenda items until 8:30 am on Monday 19 March 2018. Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.

*For our future*

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## **1. APOLOGIES**

## **2. LEAVE OF ABSENCE**

## **3. ATTENDANCE**

## **4. CONFIRMATION OF AGENDA**

Note: Any additions must be approved by resolution with an explanation as to why they cannot be delayed until a future meeting.

## **5. CONFLICT OF INTEREST**

Members are reminded of the need to stand aside from decision-making when a conflict arises between their role as an elected representative and any private or other external interest they might have.

## **6. PUBLIC FORUM**

## **7. PRESENTATIONS**

## **8. CONFIRMATION OF MINUTES**

### **Recommendation**

*That the minutes of the meeting held on 31 January 2018 be received and confirmed as a true and accurate record.*

### **Attachments**

1. Minutes of the Policy Committee - 31 January 2018 **[8.1.1]**

## 9. ACTIONS

Status report on the resolutions of the Policy Committee.

Report No.	Meeting	Resolution	Status
<b>11.3 Managing the use of coal for domestic heating in Otago and New Zealand (Technical Committee)</b>	31/1/2018	<i>Refer a paper to the Policy Committee for consideration for inclusion of Milton in Air Zone 1.</i>	

### Attachments

Nil

## 10. MATTERS FOR COUNCIL DECISION

### 10.1. Regional Swimming Targets

<b>Prepared for:</b>	<b>Policy Committee</b>
<b>Activity:</b>	Freshwater Management
<b>Prepared by:</b>	Rachael Brown, Senior Policy Analyst
<b>Date:</b>	28 February 2018

#### 1. Précis

This report seeks Council's agreement to Regional Swimming Targets for Otago as required by Policy A6 of the National Policy Statement for Freshwater Management 2014 (NPSFM).

#### 2. Background

##### 2.1 Swimming provisions in the NPSFM

The 2017 amendments to the NPSFM (**Attachment 1**), include several provisions to improve the quality of water in rivers and lakes so that it is suitable for primary contact (e.g. swimming) more often. These changes reflected a strong public desire, expressed during consultation on potential changes to the NPSFM, for swimmable waterways.

Subsequently, the following 'swimming' provisions were added to the NPSFM in August 2017:

- **A national target** that 80 percent of specified rivers and lakes<sup>1</sup> will be swimmable by 2030, and 90 percent by 2040 (Appendix 6).
- **A requirement to develop draft regional swimming targets** by 31 March 2018, and final targets by 31 December 2018, which will contribute to the national target (Policy A6).
- **An objective to improve (not maintain) freshwater management units<sup>2</sup>** so they are suitable for primary contact more often, in terms of *Escherichia coli* (*E. coli*) in rivers and lakes and cyanobacteria in lakes and lake-fed rivers (Objective A3).
- Policies requiring **more specific plan content, stating how specified rivers and lakes and primary contact sites will be improved** (Policy A5).
- **Reporting requirements** to track the efficacy of planning and progress towards regional targets over time (Policy E1(g)).
- **Surveillance monitoring** requirements at primary contact sites, which refers to weekly monitoring of identified primary contact sites through the summer months (Appendix 5).

This report addresses the second point above on regional swimming targets, however there are strong links with the other provisions, which are all intended to work together as a package to improve water quality for primary contact/swimming.

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<sup>1</sup> Specified rivers and lakes includes rivers of fourth order or above and lakes with a perimeter of 1.5 km or greater. For further explanation see Appendix 6 of the NPSFM (**Attachment 1**).

<sup>2</sup> Note, freshwater management units are currently referred to as Receiving Water Groups in the Water Plan. This terminology will be updated as part of the NPSFM plan change.

## 2.2 Regional swimming targets

The NPSFM requires that councils improve water quality so that it is suitable for swimming more often, until regional targets are met (Objective A3). Decisions about the extent of improvements and the timeframe for achieving them are to be made by each council in discussion with its communities and tangata whenua.

Currently, 72 percent of specified waterways nationally are considered 'swimmable' under the NPSFM. The national target is to improve this to 80 percent by 2030, and 90 percent by 2040. Under the NPSFM, gradings of A (blue), B (green) and C (yellow) are considered swimmable and gradings of D (orange) and E (red) are not.

National and regional targets are measured against gradings for the *Escherichia coli* (*E. coli*)<sup>1</sup> and cyanobacteria attributes in Appendix 2 of the NPSFM.<sup>2</sup> These attributes support the compulsory value of '*Human health for recreation*'. The *E. coli* attribute applies to rivers and lakes and the cyanobacteria attribute applies to lakes and lake-fed rivers. The attribute table for *E. coli* was updated in the 2017 amendments to the NPSFM. Four different statistics determine the *E. coli* attribute state, with waterways graded according to the *lowest rating* on the four *E. coli* measures and the cyanobacteria attribute (if applicable).

## 3. Current situation

### 3.1 Water quality for swimming in Otago

Overall, water quality for swimming is very good in Otago with 82 percent of specified waterways considered swimmable (79 percent of specified rivers by length and 98 percent of specified lakes). The main exception to this, where there is a predominance of waterways in the red and orange categories, is in Receiving Water Group 1, in particular, the lower Pomahaka, Tokomairaro and Owaka catchments, tributaries to the lower Clutha River, and in the urban streams around Dunedin.<sup>3</sup>

In rural areas of South Otago, these results are believed to be a consequence of insufficient effluent storage and a prevalence of mole and tile drains, which result in very high *E. coli* peaks at high flows and elevated *E. coli concentrations* at low to medium flows.<sup>4</sup> In urban areas around Dunedin, these results are most likely due to contamination from stormwater and wastewater.

Figure 1 shows where specified rivers and lakes in Otago currently sit against the NPSFM swimming categories within Receiving Water Groups 1, 2 and 3. The gradings in Figure 1 were modelled by the National Institute of Water and Atmosphere (NIWA), based on land use classification and State of the Environment monitoring data provided by the Council.

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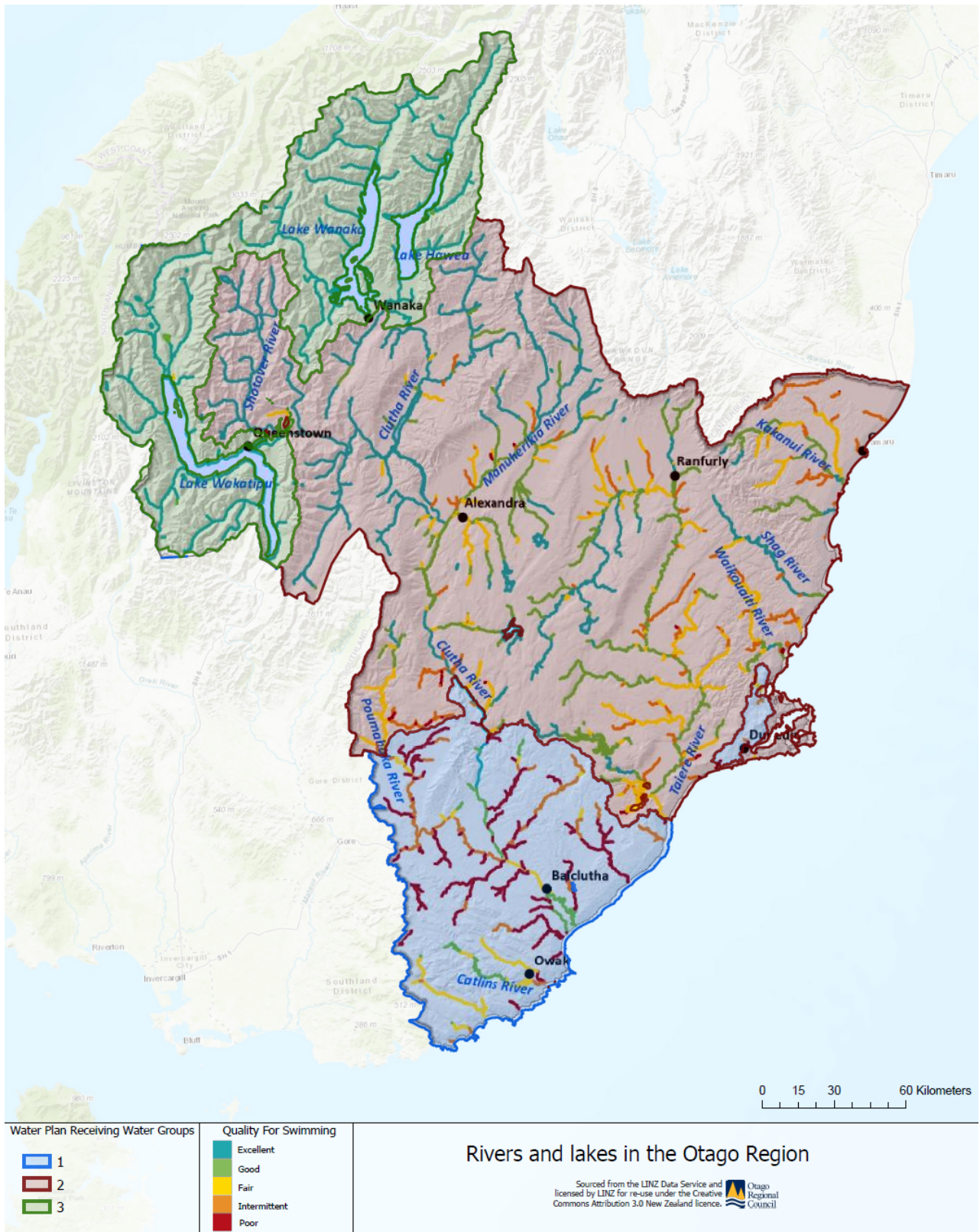
<sup>1</sup> *Escherichia coli* (*E. coli*) is an indicator bacterium used to detect faecal contamination in fresh water.

<sup>2</sup> The attribute tables for *E. coli* and cyanobacteria are in pages 39-41 of the NPSFM.

<sup>3</sup> Freshwater Management Units are referred to as Receiving Water Groups in the Water Plan.

<sup>4</sup> Directors report on Progress to the Technical Committee: 13 September 2018 (Item 2).

**Figure 1. Current NPSFM swimming categories for rivers and lakes in Otago by Receiving Water Group<sup>1</sup>**



<sup>1</sup> Source of original figure (without Receiving Water Groups) : <http://www.mfe.govt.nz/sites/default/files/media/Otago%20map.jpg> accessed 14/2/18.

NIWA also modelled the predicted improvement in bacterial water quality based on work to reduce point source discharges that is already underway or planned in the Otago region. This modelling predicted that an additional 3.5 percent of rivers in Otago (i.e. 82.5 percent in total) should be swimmable by 2030. The total annual cost of committed work in rural areas of Otago is expected to be \$13.03 million. These costs are split across the dairy (7%), dairy grazing (5%) sheep and beef (71%), deer (2%) and lifestyle sectors (15%).<sup>1</sup> NIWA's assessment is based on work committed to by landowners and territorial authorities and does not take into account the Council's work programme relating to engagement, information sharing, risk assessments and ongoing compliance and enforcement activities.

### **3.2 Where people swim in Otago**

The Council has recently run an online swim survey asking people where they swim, how they rate these swimming sites and on what basis. We received ratings on 1,298 swim sites within Otago, from over 850 respondents.

A map illustrating the initial results from the survey is in **Attachment 2**. This shows that people swim all around the Otago region, particularly in the Southern Lakes and rivers of Central Otago and coastal areas around Dunedin. People also indicated that they swim in the rivers of South Otago (including the Pomahaka and Tokomairaro) and North Otago (including the Kakanui, Waikouaiti, Waianakarua and Shag).

Further analysis of survey data will inform the NPSFM plan change and final regional swimming targets by the end of this year.

### **3.3 Comparison of E. coli limits in the Water Plan with NPSFM swimming categories**

The Council set limits for *E. coli* concentrations in rivers and lakes through Schedule 15 of the Water Plan: *Schedule of characteristics and numerical limits and targets for good water quality in Otago lakes and rivers*. For some catchments these limits came into effect in 2012, with limits in remaining catchments to be achieved by 2025.

Generally, the *E. coli* limits in the Water Plan provide compliance with the four statistics in the *E. coli* attribute table (see **Attachment 3**). However, in Receiving Water Group 1 the Water Plan limit for *E. coli* does not provide compliance against the most stringent of the *E. coli* statistics in the NPSFM (95<sup>th</sup> percentile of *E. coli*/100mL at all flows).<sup>2</sup>

A key difference between limits in the Water Plan and the NPSFM, is that the former only apply *at or below median flows*, while the NPSFM is based on data at *all flows*. This explains why the Water Plan limit for *E. coli* does not necessarily provide for swimming under the NPSFM. This is particularly an issue in Receiving Water Group 1, where the majority of waterways are currently in the orange and red NPSFM swimming categories.<sup>3</sup>

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<sup>1</sup> Ministry for the Environment (2017). *Draft Progress on Swimmability Report*.

<sup>2</sup> Refer Director's Reports on Progress to the Technical Committee 2 August 2017 and 13 September 2017.

<sup>3</sup> Otago Regional Council (2017). *State of the Environment: Surface Water Quality in Otago 2006 to 2017- Draft report*.



## **4. Improving bacterial water quality in Otago**

### **4.1 The Good Water Project**

The Good Water Project involves undertaking environmental risk assessments on all rural properties (greater than two hectares) in Otago.

The project aims:

- To help people in rural areas understand their risk in terms of impacting water quality and breaching rules in the Water Plan; and
- To help the Council understand how people in rural areas are addressing their impacts on water quality.

This project should also help to pinpoint poor land use practices, including those relating to effluent storage and disposal. More information about the Good Water Project is available in the Communications Committee report.

#### **4.1.1 South Otago**

Bacterial water quality in South Otago (Receiving Water Group 1), is particularly problematic, and thus provides the greatest opportunities for improvements that contribute to national and regional swimming targets.

Water quality in South Otago has been degraded for over a decade, while land use has intensified.<sup>1</sup> Based on the current state of water quality in the area and trend data over the last 11 years, it is unlikely that either the Water Plan limits for *E. coli*, or the more stringent requirements for swimmability as defined in the NPSFM, will be achieved by 2025.

The Council is working with local South Otago groups, such as the Pomahaka Watercare Trust, the Landcare Trust and the Clutha Development Trust, to address water quality issues. This work is largely community and industry led, with the Council contributing in-kind support as required.

#### **4.1.2 The rest of Otago**

The Council is working with catchment groups in North Otago, Upper Taieri, Manuherekiā and Bannockburn with the primary objective of improving water quality to meet Water Plan (Schedule 15) limits. These programmes are focused on fine-scale monitoring of water quality to identify hotspots of poor water quality and working with farmers based on the monitoring results. Further, improvements are expected as irrigation moves to more efficient methods over time. In the drier areas of Otago this is being expediated through water plan changes to reduce the over allocation of fresh water.

### **4.2 Dunedin**

The Council has recently released its Urban Water Quality Strategy. Implementation will include an urban water quality risk assessment and review of stormwater and wastewater plan provisions. This work will help to reduce bacterial contamination in urban catchments, including around Dunedin.

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<sup>1</sup> Otago Regional Council (2017). *State of the Environment: Surface Water Quality in Otago 2006 to 2017- Draft report.*

### **4.3 Water Plan Changes**

The NPSFM requires councils to set limits in relation to compulsory values and attributes by 2025. Work has started to develop a NPSFM plan change to the Water Plan, which will include:

- Making the compulsory values from the NPSFM (Eco-system health and Human health for recreation) more explicit; and
- Determining limits for compulsory NPSFM attributes (including *E. coli* and cyanobacteria)<sup>1</sup>;
- Identifying freshwater management units for Otago.

The Council is currently reviewing its urban stormwater and wastewater provisions, which is likely to lead to stricter rules in the Water Plan for discharges to urban streams and coastal areas. At this stage, it is proposed to notify the reviewed Water Plan in three years' time. One of the expected benefits of these changes is improved bacterial water quality in and around urban areas.

### **4.4 Review of the surface water quality monitoring**

The Council is currently reviewing its surface water quality monitoring programme. Cyanobacteria is not currently monitored on a regular basis. Council will need to address this gap to implement the NPSFM reporting requirements for regional swimming targets (Policy E1(g)). Council is also considering a proposal to include monthly periphyton monitoring, a further requirement of the NPSFM, in relation to eco-system health. These improvements will help better understand the state of Otago waterbodies, inform national reports and assist Council in better managing water quality.

## **5. Proposal**

### **5.1 Proposed targets**

NIWA modelling shows that 79% of Otago's specified rivers, and 98% of its specified lakes are already swimmable under the NPSFM. It has predicted a further 3.5% improvement to the length of rivers swimmable due to water quality initiatives already committed to by other stakeholders. If the proposed Council work programme, summarised above is undertaken effectively, then staff consider there are opportunities to further improve bacterial water quality so that 85% of the length of specified rivers are swimmable by 2030.

Table 3 below shows a breakdown of the proposed improvement to achieve these targets by Receiving Water Group. The greatest opportunities for improvement are in Receiving Water Group 1, which currently has the poorest bacterial water quality in the region. However, improvements are also possible in Receiving Water Groups 2 and 4, which should both be able to achieve A (blue) grades by 2040. This will require the Council, communities and other key stakeholders to work together towards this goal.

On this basis, the following draft regional swimming targets for Otago are proposed:

- That 85 percent of rivers and 98 percent of lakes are swimmable by 2030; and
- That 90 percent of rivers and 98 percent of lakes are swimmable by 2040.

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<sup>1</sup> Refer to Appendix 2 of the NPSFM for the complete set of compulsory attributes, pp. 31-41.

Table 3: Proposed targets for NPSFM *E. coli* attribute states by Receiving Water Group

Water Plan Schedule 15 Receiving Water Group	Current NPSFM grading (2017 modelled)	Proposed NPSFM 2030 target	Proposed NPSFM 2040 target
1	E	D	C
2	B	B*	A
3	A	A	A
4	B	A	A
5	A	A	A

\* With a reduction in 95<sup>th</sup> percentile *E. coli* from 936 to 740 and in the exceedances > 540 from 8 to 6 percent by 2030.

## 5.2 Next steps

The draft regional targets will be published on Council's website by 31 March 2018, as a starting point for discussions between the Council, communities and tangata whenua on final swimming targets for Otago.

By December 2018, final swimming targets will be proposed, together with a proposed programme to improve bacterial water quality in waterways that are not swimmable under the NPSFM.

## 6. Recommendations

- a) *Publish the following draft regional swimming targets for Otago on the Council website by 31 March 2018, that:*
  - 85 percent of rivers and 98 percent of lakes are swimmable by 2030; and
  - 90 percent of rivers and 98 percent of lakes are swimmable by 2040.
- b) *Report the proposed final regional swimming targets for Otago, and options to improve bacterial water quality in areas that are not currently swimmable under the National Policy Statement for Freshwater Management, by the end of 2018.*

**Endorsed by:** Tanya Winter  
**Director Policy, Planning & Resource Management**

1. Attachment 1 - NPSFM [10.1.1]
2. Attachment 2 - Swim Survey Map [10.1.2]
3. Attachment 3 - Comparison of E.coli limits [10.1.3]

### Attachments

Attachment 1: National Policy Statement for Freshwater Management 2014 (amended 2017)

<http://www.mfe.govt.nz/publications/fresh-water/national-policy-statement-freshwater-management-2014-amended-2017>

Attachment 2: Otago swim survey map

Attachment 3: Comparison of Water plan limits for E. coli with NPSFM E. coli attributes

## 10.2. Draft biodiversity strategy

<b>Prepared for:</b>	<b>Policy Committee</b>
<b>Activity:</b>	Environmental - Biodiversity
<b>Prepared by:</b>	Nathan Stocker, Senior Policy Analyst
<b>Date:</b>	21 March 2018

### 1. Précis

This report seeks approval to consult on the Draft Biodiversity Strategy with the public and key stakeholders. The draft strategy sets out Otago Regional Council's (ORC) proposed roles and priorities for biodiversity management and provides a strategic framework to build on over coming years.

### 2. Background

Over the past six months, ORC has been developing a regional Biodiversity Strategy, giving effect to its obligations under Section 30(1)(ga) of the Resource Management Act 1991, for maintaining indigenous biological diversity and to a method within the Proposed Regional Policy Statement for Otago to develop and implement, with other key stakeholders, a Regional Biodiversity Strategy.

The strategy has been informed by:

- The 2017 report from Wildlands Consultants 'Strategic Analysis of Options to Improve Management of Ecosystems and Biodiversity for Otago Region', presented to the August 2017 meeting of the Policy Committee (Report 2017/0937)
- A Regional Biodiversity Forum held in October 2017
- Feedback from meetings with key stakeholders, including territorial authorities, Iwi, and the Department of Conservation
- Online public feedback in November 2017 which attracted 55 responses

Feedback from these engagement processes has been used to ensure the draft strategy fits with the views, values, and needs of Otago communities.

### 3. Proposal

The proposed strategy (refer to Attachment A) sets out the biodiversity outcomes ORC wants to achieve, and the actions we will take to reach them. A cornerstone of the strategy is to support the many organisations and community groups, as well as private landowners and individuals, already working to enhance biodiversity in Otago. Collaboration and coordination at the regional level are also important elements.

The strategy is proposed as a first step and will evolve as new knowledge is developed, stakeholder collaboration increases, and new national directions emerge.

### 4. Consultation

The Draft Biodiversity Strategy and its implementation has been identified as a new area of work for ORC in the Draft Long Term Plan 2018-28, and it is proposed that consultation will occur through this process.

All those parties who have participated to date will be informed that the Draft Biodiversity Strategy has been prepared, and that submissions will be received through the Long Term Plan process.

We anticipate adoption of the strategy document will occur in June 2018, at the same time as the Long Term Plan.

**5. Recommendation**

- a) *That Council approve the Draft Biodiversity Strategy for consultation as part of the Proposed Long Term Plan 2018-28 consultation process.*

**Endorsed by:** Tanya Winter  
**Director Policy, Planning & Resource Management**

**Attachments**

1. ORC Biodiversity- Strategy Document - DRAFT [10.2.1]

## 11. MATTERS FOR NOTING

### 11.1. Director's Report on Progress

<b>Prepared for:</b>	<b>Policy Committee</b>
<b>Activity:</b>	Governance Report
<b>Prepared by:</b>	Tanya Winter, Director Policy, Planning and Resource Management
<b>Date:</b>	28 February 2018

#### 1. Précis

This directorate report contributes toward the following Strategic Plan Goals:

- Active resource stewardship
- Active regional partnerships
- Realisation of new opportunities

#### 2. Policy Responses

##### 2.1 National Policies, Strategies and Plans

The following were received over the period to 28 February 2018:

Agency	Number	Document
None		

The following responses were made over the period to 28 February 2018:

Proposal	Response Type	Issues
<b>Proposed National Planning standards – draft Regional Plan Structure</b>	feedback	ORC's comments focused on structure issues such as ease of use and relevant information.

##### 2.2 Territorial Authority District Plan Changes and Reviews

The following summarises the current situation regarding changes and reviews of District Plans.

District or City	Change or review	Current situation
<b>DCC</b>	2GP: District Plan review	Notified: 2015 Hearings completed: Nov 17 Decisions due: mid 2018
<b>CODC</b>	Review pending	Proposed to notify review late 2018
<b>QLDC</b>	District Plan Review	Stage 1 of 4: Notified: 12 Feb 2016 Stage 1 hearings: adjourned, decision due to be released May 2018 Stage 2 notified 23 November 2017. Submissions closed 23 February 2018
<b>WDC</b>	Review pending	Stage 1: Initial consultation underway Proposed Notification: 2018
<b>CDC</b>	Plan changes 39 – 41	No further details

	Residential and Industrial Zoning areas for Balclutha, Stirling and Milton. Further review pending	available
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### 2.3 Territorial Authority and Regional Council Resource Consent Applications

The following were received over the period to 28 February 2018:

Agency	Number	Document
CODC	5	Resource Consent
QLDC	1	Resource Consent
DCC	2	Resource Consent

The following responses were made over the period to 28 February 2018:

Proposal	Response Type	Issues
DCC – 39A Formby Street variation to subdivision consent	Feedback	Change of wastewater management from original subdivision plan. ORC advocated for communal system to be kept. ORC provided feedback on stormwater management for the site prior to DCC hearing.

### 2.4 Other Proposals

Proposal	Response Type	Issues
Bright Sky (QLDC - Special Housing Area)		Proposed 281 residential unit development of mixed densities at Frederick Street, Wanaka South. On site stormwater management issue.
QLDC Plan Change 53 Northlake		Proposed variations to adjust internal boundaries and commercial rules. No issues identified for ORC.

### 2.5 Other Responses

Proposal	Response Type	Issues
QLDC District Plan Review - Stage 2	Submission on Earthworks and Transport chapters	<b>Earthworks:</b> ORC advocated the chapter strengthen notation that highlighted where earthwork activities may require ORC approval. <b>Transport:</b> ORC noted the joint Regional Land Transport Plans with Southland, the current review of these plans and

		requested the QLDC District Plan give effect to these plans.
<b>Draft Waitaki District Council Waste Assessment</b>	Feedback	ORC supported the assessment but noted concern about a potential increase in scale to the Palmerston landfill, which would require approval by ORC.

## 2.6 Emerging matters:

### **Balmoral developments (Outram) Limited vs Dunedin City Council**

Balmoral Developments (Outram) Limited has appealed the decision of Dunedin City Council to decline their proposed subdivision. The subdivision proposal relates to approximately 2ha of land zoned Rural in Dunedin's operative District Plan.

ORC submitted on the proposal, including in relation to effects of the proposal on the risk from flooding on the integrity of the adjoining floodbank. ORC has joined the appeal and a mediation meeting is scheduled for Friday, 9 March.

### **Skyline Enterprises Limited**

ORC continues to prepare for the June 2018 Environment Court hearing for the car park building required to support Skyline's wider gondola redevelopment project in Queenstown. ORC is also processing an application for a stormwater discharge from the upper terminal building of the gondola operation.

## 3. ORC: Policy, Plans and Strategies

The table in *Appendix 1* provides an overview of progress in the Policy Plan Development Programme.

### 3.1 Review of Regional Policy Statement

Most issues raised in appeals have been resolved by agreement between parties. Consent orders have been circulated on agreed content and all parties have been urged to sign as soon as possible.

The Environment Court hearing on appeals relating to mining and port infrastructure was held over the week 19-22 February. Legal counsel is now preparing final submissions to the Court. These are due after Easter, following which the Court will prepare their decision. Once released, appellants may appeal to the High Court on points of law only. If there are no such appeals, then ORC may approve the Regional Policy Statement.

### 3.2 National Policy Statement – Urban Development Capacity (NPS-UDC)

ORC is required to give effect to the NPS-UDC. This includes assessing and setting minimum targets for housing and business development capacity, working with providers of development infrastructure and other infrastructure (such as health and education) to achieve integrated land use and infrastructure planning.

We are considering facilitating a mid-year forum of stakeholders involved in urban growth management from across the Otago and Southland regions, to identify what work is being done with a 30-plus year planning horizon, what are the issues and opportunities, and what matters are of sufficient importance to work on together.



### 3.3 Stormwater and wastewater

Staff have commenced the review of the provisions on wastewater and stormwater in the Regional Plan: Water for Otago and Regional Plan: Coast for Otago, identifying issues and options.

A Stakeholder Forum is planned for late May 2018, bringing together key stakeholders, to get their input on issues, options and risks. A preparatory workshop on the water quality risk management methodology will be arranged for Council in advance of the stakeholder workshop.

### 3.4 Lower Waitaki Aquifer water quality

Staff are meeting with the Lower Waitaki Irrigation Collective in March, to share information on the recent study of groundwater quality in the Lower Waitaki Aquifer and consider a possible plan change. The proposal arises from mediation on Plan Change 6A Water Quality. The purpose of any new plan change is to ensure effective management of water quality in a way that reflects community values and enables its use, including for those dependent on groundwater for drinking.

A workshop to brief Council on progress is proposed for in April.

### 3.5 Biodiversity Strategy

A separate report to this Policy Committee has been prepared on the draft Biodiversity Strategy.

### 3.6 Air Quality Strategy

Staff have met with District Councils, the District Heath Board, and Otago Cosy Home Trust, to get feedback on the draft Air Quality Strategy, approved for consultation in November 2017. There is general support for the strategy, and interest in the more practical details of implementation, including opportunities for collaboration.

The proposed plan for implementation will be included in the Draft Long Term Plan 2018-28, for consultation in April 2018. As with the Biodiversity Strategy, this process should ensure clear alignment between desired outcomes and Council's response.

### 3.7 National Policy Statement - Freshwater Management (NPS-FM)

The focus for implementation work has been in establishing the draft swimming targets for Otago, which are presented as a separate report to this Policy Committee.

NPSFM Matter	Action to be taken by ORC	Time	Current situation Feb 2018
<b>Proposed Plan Change (NPS-FM alignment)</b>			
a) <b>Policy CA1</b> Freshwater management units (FMUs)	Plan change to align terminology used in managing water.	2017-18 year	Work in progress
b) <b>Policy CA2</b> Freshwater objectives for all FMUs	Re-present current Water Plan to more transparently show how the national values and uses for fresh water apply in Otago.		
c) <b>Policy CA3</b> Bottom lines for FMUs	Re-present operative Water Plan to more transparently show how the national value bottom lines for fresh water apply in Otago.		

d) <b>Objective A3</b> Primary contact <b>Policy A5</b> Primary contact sites	Plan change to identify specified rivers, lakes and primary contact sites; any programme for improvements to those sites; and how those sites will be maintained once regional targets are achieved.		
e) <b>Policy A6</b> Regional targets	Develop regional targets to improve the quality of freshwater to meet the national target for water quality improvement as part of the above plan change process.		Report to March 2018 Policy Committee
<b>Any change proposed to Water Plan</b>			
f) <b>Policy CA2</b> Freshwater objectives for all FMUs	Assess national values transparently, as part of each new relevant plan change. Alter operative plan provisions as necessary using the plan change and review process.	Ongoing	These assessments are being undertaken as part of each plan change process.
g) <b>Objectives A4, B5</b> Economic wellbeing <b>Policies A7, B8</b> Economic wellbeing	Ensure that economic wellbeing is transparently considered when giving effect to the NPS-FM through plan change consultation and Section 32 evaluation processes.		
<b>Monitoring, freshwater accounting &amp; reporting</b>			
h) <b>Policy CB1</b> Monitoring plan	Review State of Environment (SoE) monitoring activity to include required attribute analysis.	2016-17 year	Review is underway. Some monitoring practices have already been changed to become more compliant.
i) <b>Policy CC1</b> Freshwater accounting systems for quality and quantity management	Review monitoring and reporting systems to ensure that national reporting requirements are met, and best use can be made of data collected to inform decision making regionally.	2016-2018 years	Review is underway
j) <b>Objective CB1</b> Monitoring <b>Policies CB1, CB2, CB3, CB4</b> Monitoring values	Complete review of SoE network and associated data collection systems to give effect to the monitoring requirements prescribed. Monitoring and reporting that information, as prescribed.	2018-19 [proposed] then ongoing	To commence in 2018
k) <b>NPS Appendix 2</b> Attribute tables	Modify monitoring regime in accordance with attribute monitoring specifications of Appendix 2.	2019-20 [proposed] then ongoing	To commence in 2019
l) <b>Policy E1g)</b> Progressive implementation programme	Report at least every 5 years on primary contact site improvements made to the rivers specified in Policy A5.	2023-24 [proposed] then 5-yearly	To commence in 2023

### **3.8 Overview of Water Quantity Plan Change Development**

The table in *Appendix 2* provides an overview of progress for each of the Water Quantity Plan Changes. Plan changes progress at different rates at times depending on the information available, complexity and size of the catchment, water use and the numbers in the community. Current stages are still underway, hence there are no changes to the table.

### **3.9 Development of the Proposed Plan Change for the Clutha River/Mata-Au minimum flow**

We have now completed the first stage of consultation. This consultation stage was focused on getting an understanding from the community on what they value and what is important to them.

Between 22 November and 11 December 2017, 10 public consultation sessions were held in 6 different locations throughout the Clutha River/Mata-Au catchment. An additional workshop was held in Ettrick on Monday 12 February at the request of the Ettrick Fruitgrowers' Association, with 37 people in attendance. Overall, more than 120 people attended these sessions.

Public feedback closed on 19 February and 83 submissions were received. We are currently collating all the written and verbal feedback provided during the first stage of consultation. A feedback summary will be prepared which will be presented to Council. It will also be provided to those who gave feedback and made available on our website by the end of April.

### **3.10 Development of Proposed Plan Change 5A Lindis Integrated water management**

The Court has agreed that the parties proceed to a combined hearing for both the minimum flow plan change and the replacement of the mining privileges. A hearing date has yet to be set, but expert witnesses are preparing their briefs of evidence.

### **3.11 Development of Proposed Plan Change 5C: Manuherikia Catchment: Integrated water management**

A presentation was given to Council on 22 February 2018, providing an update of where we are at with the Plan Change and our next steps, summarised in the paragraphs below.

A cultural effects assessment is underway by Aukaha, and they have submitted their fortnightly schedule to undertake flow assessments. This will take the flow assessment through to the end of May. Write up of the report will follow, with the expected completion of the report in the later quarter of the year.

Economic consultants (BERL) have been contracted to undertake an assessment of the availability of hydrological information they need in order to complete an economic impact assessment, this is being fed into discussions with hydrological experts to guide the preparation of a water surety model. The economic assessment can be undertaken upon completion of the water surety work.

A meeting with technical experts from key stakeholder groups was held on 25 January 2018 and was independently facilitated. This caucus identified the hydrological information that is held across the parties and the areas where the gaps are. The outcomes of this session are guiding the discussions underway to identify the appropriate approach with regard to developing a water surety model. We have made

contact with Manuherikia River Ltd (formerly WaterCo), to discuss their approach in undertaking modelling work and are working through opportunities to share information, and to work with them.

We have drafted an engagement strategy which sets out how we will be engaging with and keeping the community up to date on the plan change. We will provide Council with an update on this strategy in April.

The water surety work, as well as the economic, social and cultural reports will be provided to the community for their consideration upon completion.

A consultation draft will then be developed, using all technical and scientific investigation to date, all consultation feedback, and the hydrological, economic, cultural, and social reports. The consultation draft will then be workshopped with Councillors and consulted with the community for feedback before a proposed plan change is formally notified. It is still too early to confirm a date for this.

### **3.12 Development of Proposed Plan Change 5D: Cardrona Integrated water management**

Studies into the hydrology and ecology of the Cardrona River have been finalised by ORC. Groundwater level data and flow monitoring around Bullock Creek will be incorporated into the updated groundwater model by Pattle Delamore Partners.

Studies that remain to be finalised before ORC can proceed with the next stage of consultation are:

- An Economic Impact Assessment (EIA) of different minimum flow options undertaken by Business and Economic Research Ltd (BERL)
- A Social Impact Assessment (SIA) undertaken by Nick Taylor and Associates
- A Cultural Flow Monitoring Study (CFM) by Aukaha

The work on the EIA, SIA and CFM is well underway. BERL and the Cardrona water users met during January to ensure that the EIA incorporates correct baseline information.

The next stage of consultation, during which we will present revised management options to the community, is anticipated to occur during June 2018.

### **3.13 Development of Proposed Plan Change 1D: Flow Requirements for Water Takes**

We are working across the areas of science, policy, consents and stakeholder engagement to test policy options for the plan change based on the feedback received in both February and August 2017. The preferred option will be workshopped with Council in May and then presented to the community in the coming months seeking their feedback.

### **3.14 Proposed Plan Change 3E: Arrow catchment and Wakatipu Basin Aquifer**

Options consultations held on the 7 and 8 of December 2017 in Arrowtown and Frankton were well attended. We have received a good amount of feedback during the consultation period which closed on the 26 January, with 24 responses provided.

We expect a cultural report on the options from Aukaha by the end of March 2018. We will then consider the feedback received, the economic, cultural and social

assessments and together with our hydrological and groundwater scientists will develop a preferred option and draft plan change.

We expect to bring the draft plan change to Council for their information, prior to consulting with the community in the second quarter of 2018.

#### **4. Regional land transport planning**

##### **4.1 The GPS and the proposed changes to the Regional Land Transport Plan**

The Minister of Transport, the Hon. Phil Twyford, has advised that engagement on a new Government Policy Statement on Land Transport (GPS) will begin in March, for around a month. The Minister has signalled that investment priorities will change: the new GPS will propose investment to achieve a land transport system that:

- Is a safe system, free of death and serious injury, requiring increased efforts across the system
- Improves access to move towards more liveable cities and thriving regions, focusing on how transport can enhance the wellbeing of people and the environment and significantly shift to providing more investment in public transport, walking and cycling
- Ensures the land transport system enables better environment outcomes, including a reduction in carbon emissions by transport by substantially increasing the use of lower emission modes, providing more frequent and affordable public transport and supporting rail and sea freight
- Delivers the best possible value for money

Furthermore, the Minister has advised that the new GPS will introduce themes intended to influence how results are delivered:

- Taking a more neutral approach to transport planning and investment decisions
- Incorporating technology and innovation into the design and delivery of land transport investment
- Integrating land use and transport planning and delivery

Meanwhile, the Otago and Southland Regional Transport Committees received 49 submissions on the proposed variations to the Regional Land Transport Plans 2015-21. Hearings were held in Queenstown on 19 February, and Dunedin on 22 February, and the hearing sub-committee plans to hold its deliberations on submissions on 3 April. The delay is to allow the sub-committee to consider the engagement draft of the new GPS before it forms recommendations on submissions.

Although the GPS may require some fine-tuning of the Plans, it is difficult to anticipate this until we see the GPS engagement draft. The proposed variations to the Regional Land Transport Plans appear to align reasonably well with the Minister's signals. Furthermore, submissions generally support the strategic direction proposed by the Committees, although a few ask the RTCs to take a more visionary approach to such matters as climate change, health and wellbeing, and social equity.

The timeframe for the new GPS has caused the Committees to delay finalising the proposed variations to the Regional Land Transport Plans. Council can now expect to

see the Committees' recommended changes to the Plans in late June or July (depending on when the Government finalises the GPS).

#### 4.2 Working with the NZ Transport Agency

In January, the Transport Agency released a paper outlining its desire for local government and the Agency to work better in partnership. This comes on the back of a transformation in Agency thinking. The Agency's future strategy focuses on "partnerships for the co-design and delivery of wider social, economic and environmental community outcomes, systems rather than networks, and people rather than vehicles".



The Agency's paper outlines what local government can expect:

- More dialogue between local government and the Agency
- More opportunities to collaborate with and provide feedback to, the Agency
- Working with the Agency to build a shared view of issues and opportunities that need to be addressed
- The Agency being open and upfront about its decision-making process

#### 4.3 South Island collaboration on regional transport

A collaboration of the seven regional and unitary councils in the South Island, initiated by the Chairs of the seven South Island Regional Transport Committees (RTCs), is in the process of developing a shared work programme. Two projects are being shaped up:

1. An investigation into the potential for shifting freight to modes other than road (led by ECan).
2. A project that focuses on tourism and transport (led by ORC).

The South Island RTCs Chairs identified tourism as a key priority for a collaborative, integrated approach to significantly improving transport outcomes across the South

Island. This work aims to build on the success of the visitor driver road safety signature project, to improve tourism journeys across the South Island in order to:

- Enhance visitor experience
- Further enhance visitor safety
- Enable the economic benefits of tourism to be dispersed across all South Island regions
- Better manage the impacts on communities that arises from visitor travel

These objectives give rise to the need to improve knowledge of several aspects of visitor travel, particularly the numbers and flow patterns of visitor travel in, across, and out of the South Island. The first stage of the project focuses on that need and is being developed with advice and input with tourism organisations, including the Tourism Industry Aotearoa and Regional Tourism NZ, and from MBIE, MoT and NZTA.

#### **4.4 Transport signature group work**

This long-standing local government national signature group (known as TSIG), which the key transport staff of most regional and unitary councils - including ORC's Regional Transport and Public Transport Managers attend regularly, has reviewed its *modus operandum* and adopted a set of shared objectives to guide its work. The group aims to reposition itself so that it can make a positive difference to the NZ transport sector through being recognised as:

1. A strategic transport policy partner to government
2. Representing strategic investment partners to the transport sector
3. The primary forum for the exchange of transport information important to regional and unitary councils
4. A source of subject matter expertise on transport initiatives
5. Speaking effectively with 'one voice'

The group has reorganised its business plan to give effect to this approach, and established teams to work on particular issues. ORC's Manager of Strategic and Transport Planning is leading the groups' workstream on the State Highway Investment Programme and assisting with the workstream on input to the new GPS for land transport.

#### **Recommendation**

- a) *That this report be noted.*

**Endorsed by:** Tanya Winter  
**Director Policy, Planning & Resource Management**

#### **Attachments**

1. Appendix 1 - Policy [11.1.1]
2. Appendix 2 - Policy [11.1.2]

**12. NOTICES OF MOTION**

**13. CLOSURE**