



# POLICY COMMITTEE AGENDA

## WEDNESDAY 13 June 2018

Edinburgh Room, Municipal Chambers,  
The Octagon, Dunedin  
8:30am

### **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 11 June 2018. Reports and recommendations contained in this agenda are not to be considered as Council policy until adopted.

*For our future*

## TABLE OF CONTENTS

1. Apologies.....	3
2. Leave of Absence.....	3
3. Attendance.....	3
4. Confirmation of Agenda.....	3
5. Conflict of Interest.....	3
6. Public Forum.....	3
7. Presentations.....	3
8. Confirmation of Minutes.....	3
9. Actions.....	4
10. Matters for Council Decision.....	5
10.2. Air Quality Strategy.....	10
10.3. Draft Biodiversity Strategy - Feedback.....	16
11. Matters for Noting.....	23
12. Notices of Motion.....	29
13. Closure.....	29

## **1. APOLOGIES**

Cr Woodhead

## **2. LEAVE OF ABSENCE**

Cr Kempton

## **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 2 May 2018 be received and confirmed as a true and accurate record.*

### **Attachments**

1. Minutes of the Policy Committee - 2 May 2018 **[8.1.1]**

## **9. ACTIONS**

Status report on the resolutions of the Policy Committee.

### **Attachments**

Nil

## 10. MATTERS FOR COUNCIL DECISION

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**Prepared for:** Policy Committee  
**Activity:** Environmental - Regional Plan: Water Quality  
**Prepared by:** Rachael Brown, Senior Policy Analyst  
**Date:** 21 May 2018

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### 1. Précis

The National Environmental Standards for Plantation Forestry (NES-PF) came into effect on 1 May 2018. This report provides an explanation of the amendment required to the Regional Plan: Water for Otago (Water Plan) to clarify when stricter rules in the Water Plan will continue to apply. It seeks your recommendation to the Council that it approve the proposed amendment.

### 2. Background

#### 2.1 National Environmental Standards for Plantation Forestry

The NES-PF were gazetted on 3 August 2017, came into effect on 1 May 2018, and apply to plantation forestry activities throughout New Zealand. They aim to maintain or improve the environmental outcomes associated with plantation forestry activities and increase the efficiency and certainty of managing them.

The NES-PF apply to any forest larger than one hectare, planted specifically for commercial activities and harvest. They set out rules for eight core plantation forestry activities:

- Afforestation
- Pruning and thinning to waste
- Earthworks
- River crossings
- Forest quarrying
- Harvesting
- Mechanical land preparation
- Replanting

Most forestry activities are permitted under the NES-PF so long as foresters meet specific conditions to prevent significant adverse environmental effects. If foresters are not able to meet these conditions, they need to apply for a resource consent from the relevant council. Further information on the regulations is available in **Attachment 1** and on the Ministry of Primary Industries website.<sup>1</sup>

Activities related to plantation forestry, which are *not* covered by the NES-PF, but by other national or local regulations and plans include:

- Forestry in urban areas

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<sup>1</sup> <https://www.mpi.govt.nz/growing-and-harvesting/forestry/national-environmental-standards-for-plantation-forestry/> accessed 15/4/18.

- Water yield due to afforestation in water short catchments<sup>1</sup>
- Afforestation near electricity transmission lines
- Issues and activities occurring outside the forestry boundary (such as vibration, noise and dust from logging trucks)
- The spread of animal and plant pests (except for wilding trees)
- Establishing a plantation forest in an area susceptible to natural hazards
- The clearing of vegetation
- Earthworks over contaminated sites.

## 2.2 Managing plantation forestry under the Water Plan

Before 1 May 2018, the effects of plantation forestry activities on water in Otago were managed under the Water Plan. The plan does not have specific rules for forestry activities, instead it has rules that relate to the *effects* on water of activities in general. Plan rules that applied to forestry are largely in relation to sedimentation and disturbance of river beds. These rules are in sections 12.C: *Other discharges* and 13.5: *Alteration of the bed of a lake or river or Regionally Significant Wetland*.

## 2.3 Fish Spawning Indicator

The Ministry for Primary Industries (MPI) has developed a Fish Spawning Indicator (FSI) to support implementation of the NES-PF. This is an online mapping tool based on the New Zealand Freshwater Fish Database, which shows the distribution of fish species in New Zealand.<sup>2</sup> However, data on the distribution of threatened non-migratory freshwater fish (many of which are found only in Otago) and their respective spawning periods is incomplete and inaccurate. Non-migratory galaxiids are diverse, difficult to identify and occur in small isolated pockets throughout Otago. As a result, it is very difficult to get a representative picture of their distribution to accurately inform the FSI and council's freshwater fish specialists consider that the tool is not well suited for use in the Otago region where the majority of non-migratory galaxiids reside (see **Attachment 2**).

The FSI comes into play through the application of NES-PF Regulation 97, which does not allow bed disturbance during fish spawning seasons (as defined by the FSI). While intended to protect threatened fish and their habitats, council staff are concerned it would not achieve this in practice:

- Due to a lack of data on the distribution of non-migratory freshwater fish (which could result in a false negative for galaxiid presence); and
- The assumption implicit in Regulation 97 that bed disturbance outside of spawning seasons is not harmful to non-migratory fish.

## 2.4 Discussions with the Ministry for Primary Industries and foresters

Council staff have met several times with MPI officials and representatives from the forestry industry to discuss implementation of the NES-PF in Otago, which Water Plan rules are more stringent, and how we will amend the Water Plan to align with the NES-PF:

- In November 2017, staff travelled to Invercargill to attend a workshop held by MPI.
- In March 2018, staff and foresters attended an MPI workshop in Dunedin.
- In April 2018, staff met with representatives of the forestry industry in Dunedin.

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<sup>1</sup> There is a policy regarding water yield in the proposed Regional Policy Statement: Policy 5.3.2 *Managing land use change in dry catchments*.

<sup>2</sup> <https://www.niwa.co.nz/our-services/online-services/freshwater-fish-database> accessed 15/5/18.

- In April and May 2018, staff had further discussions with MPI on the proposed amendment to the Water Plan to align with the NES-PF.

Based on discussions with MPI, staff have refined the proposed amendment to the Water Plan (**Attachment 3**). MPI officials are now satisfied that the Water Plan rules we propose to retain are more stringent than the NES-PF, particularly in terms of how they are applied if galaxiid species are found to be present.

### **3. Proposal**

#### **3.1 Water Plan Amendment**

An amendment to the Water Plan is required to clarify where stricter rules in the Water Plan will prevail over the NES-PF.<sup>1</sup>

Regulation 6 of the NES-PF sets out the criteria for when stricter plan rules (stringency) can be applied, which includes:

*To give effect to an objective developed to give effect to the National Policy Statement for Freshwater Management.*<sup>2</sup>

We propose that the Council applies stringency to rules in the Water Plan that give effect to Objective A1(a) of the National Policy Statement for Freshwater Management (NPSFM): *To safeguard the life-supporting capacity, ecosystem processes and indigenous species including their associated ecosystems of fresh water.*

The Water Plan objectives for water quality were reviewed and refined by Plan Change 6A (Water Quality), which was developed under the NPSFM 2011.<sup>3</sup> The rules in sections 12.C and 13.5 of the Water Plan, which apply to forestry in relation to discharges and bed disturbance, were also introduced and/or reviewed through Plan Change 6A. **Attachment 4** shows the links from the NPS-FM objective, through Water Plan objectives and policies to the rules in sections 12.C and 13.5.

#### **3.2 Applying stricter rules in the Water Plan to protect ecosystem health**

The primary reason for applying stricter Water Plan rules is to protect endemic non-migratory freshwater fish (such as galaxiid species), most of which are found only in Otago. These fish are classified as threatened and are particularly vulnerable to habitat disturbance and sedimentation. The NES-PF provides limited protection for the habitats of non-migratory freshwater fish outside of their spawning seasons (as defined by the FSI). Sedimentation of streams often has lasting effects, so it even if it occurs outside spawning seasons, it has negative effects on spawning in following seasons (see **Attachment 5**).

#### **3.3 Recommended option**

The proposed amendment to the Water Plan to clarify when stricter rules will prevail over the NES-PF (**Attachment 3**) is described below, along with its implications.

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<sup>1</sup> This is required under Section 44A of the Resource Management Act (1991).

<sup>2</sup> NES-PF Regulation 6(1)(a).

<sup>3</sup> Plan Change 6A was notified on 31 March 2012 and became operative on 1 May 2014.

Staff propose that:

- Explanatory notes be added at the start of sections 12.C and 13.5 to explain which rules apply; and
- A summary of the rules applying to plantation forestry in Otago be included in Schedule 17.

Under this option:

- The discharge rules for sediment in section 12.C of the Water Plan,<sup>1</sup> which are stricter and clearer than the sediment rules in the NES-PF, replace those in the NES-PF;
- Section 13.5 Water Plan rules in relation to bed disturbance are retained (i.e. permitted activity condition 13.5.1.1 (g), and rule 13.5.3.1 for discretionary activities).

### Implications

This amendment would ensure that Otago's threatened galaxiid species and their habitats would be protected at all times. NES-PF Regulation 97 would apply during fish spawning seasons (as defined by the FSI) and no bed disturbance would be allowed. Outside of the FSI-defined spawning periods, bed disturbance would be a discretionary activity based on rule 13.5.3.1 (and rule 13.5.1.1(g) for river crossings). This means that any bed disturbance undertaken in plantation forests (outside of FSI-defined spawning seasons) would require resource consent from the Council so that appropriate consent conditions could be put in place if threatened non-migratory fish (Group B species in the FSI) were present. If such species were not present, then the relevant permitted activity conditions in the NES-PF would apply.

### **3.4 Next steps**

Subject to Council resolution on 27 June 2018, Amendment 2 (NES Plantation Forestry) will be made operative on 1 July 2018. This resolution will be publicly notified on 30 June 2018, ahead of the amendment taking full legal effect.

Next steps are for staff to:

- Develop guidance for foresters on how the NES-PF and the Water Plan rules work together in Otago;
- Hold a further workshop with representatives from the Otago plantation forestry sector to discuss the combined rules and any other NES-PF implementation queries;
- Develop consenting guidance for plantation forestry activities in Otago; and
- Continue to work with foresters at an operational level to clarify the requirements of, and implement, the NES-PF

MPI will also be monitoring this approach and the implications for foresters as part of the NES-PF Monitoring and Evaluation Plan. Ministers have highlighted the application of stringency as a key area of interest, including how it influences the efficiency and certainty objectives of the NES-PF.

## **4. Recommendation**

*That Council:*

- a) *Amend the Regional Plan: Water for Otago to clarify where stringency applies in relation to the National Standards for Plantation Forestry, as shown in Attachment 3: Amendment 2 (NES Plantation Forestry) to protect ecosystem health values,*

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<sup>1</sup> Rules in 12.C that will continue to apply include 12.C.1.1 (d) (e) (f), excluding (iii); 12.C.2.1; 12.C.2.2; 12.C.2.4; and 12.C.3.2.



*in particular the viability and habitats of threatened endemic non-migratory fish, such as galaxiid species.*

- b) *Make Amendment 2 (NES Plantation Forestry) operative from 1 July 2018.*
- c) *Publicly notify Amendment 2 (NES Plantation Forestry) on Saturday 30 June 2018.*

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

**Attachments**

- Attachment 1: Overview of the NES-PF regulations
- Attachment 2: RSU assessment of the NES-PF and the Fish Spawning Indicator
- Attachment 3: Option 1 - Proposed Water Plan Amendment 2 (NES Plantation Forestry)
- Attachment 4: How NPS-FM Objective A1 relates to Water Plan rules for alignment with the NES-PF
- Attachment 5: RSU comment on the NES-PF regarding provisions with sediment rules

## 10.2. Air Quality Strategy

**Prepared for:** Policy Committee  
**Activity:** Environmental - Air Management Planning  
**Prepared by:** Sylvie Leduc, Senior Policy Analyst  
**Date:** 13 June 2018

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### 1. Précis

This report summarises the feedback received on the draft Air Quality Strategy adopted by Council's Policy Committee on 29 November 2017; and the changes recommended to the draft strategy as a result of this feedback.

### 2. Background

In 2004, central government introduced the National Environmental Standards for Air Quality (NES-AQ), as a recognition of the adverse impact of air pollution on human health, and of New Zealand's issues with particulate emissions.

ORC established an active programme to address the region's significant winter air pollution issues in 2007. This programme included the setting of strict rules on emissions from domestic heating in urban areas where air quality is poor or at risk of becoming poor in winter, active education and information, and financial subsidies for the installation of new, lower emission domestic heating appliances.

Since 2007, emissions of particulate matter (PM10) have halved in the region's most polluted towns. However, this reduction has not directly translated into an improvement in the air quality indicator, exceedances of PM10 over a 24-hour period.

Our knowledge, and Otago's context, have also changed since that time: we now estimate that widespread compliance with the rules in the Air Plan will not achieve the NES-AQ (Technical Committee Report 11.3.2017 *Air Quality Results*, 29 November 2017); and some parts of Otago are experiencing rapid urban growth, which could result in a degradation of air quality.

The tension between having warm homes and clean air has been a source of debate, and has contributed to the downscaling of ORC's activities for good air quality in the past few years.

The draft Air Quality Strategy (see **Appendix 1**) revisits Council's approach to address air pollution in the region, in the view of reaffirming council's commitment to actively address those issues, and to effectively achieve "clean air everywhere" in Otago.

As approved by Council on 27 September 2017, consultation on the draft strategy was staged: the strategy was first shared with key interested parties, before being open for feedback with the wider public between 9 April and 11 May 2018.

### 3. Summary of Feedback

#### 3.1. Meetings with key interested parties

ORC shared and discussed the draft air quality strategy in the following meetings:

Date	Stakeholder
8 November 2017	Queenstown Lakes District Council
10 November 2017	Central Otago District Council
13 November 2017	Waitaki District Council
21 November 2017	Clutha District Council
7 December 2017	Otago Cosy Homes Trust
16 January 2018	Aukaha and Te Ao Marama
16 January 2018	Public Health South
13 February 2018	Dunedin City Council

City and district councils generally wanted the draft strategy to be more specific over what ORC will do to improve air quality. Some were calling for a more active approach to enforcement and coal banning (Queenstown Lakes District Council; Dunedin City Council); while others were more cautious and concerned with the impact on their communities.

A common concern related to the management of dust, especially from gravel roads.

Public Health South and Otago Cosy Homes Trust were very supportive of the draft strategy and were looking forward to working with the ORC on air related matters.

Aukaha and Te Ao Marama provided written feedback as part of the consultation process: their feedback is covered in the next section.

As a result of those comments, a draft implementation plan, reflecting the proposed Long-Term Plan 2018-2028 (LTP), was added to the draft strategy before public consultation in April 2018.

### 3.2. Public consultation

An online based consultation on the draft Air Quality Strategy was carried out between 9 April and 11 May 2018. Over this time, the consultation page was visited 156 times, and the strategy downloaded 52 times. The strategy received a total of 20 submissions; 8 submissions to the proposed LTP were also considered as they related to ORC's activities for good air quality (see **Appendix 2**).

The feedback received is generally supportive of the draft strategy. Positive responses were received for:

- Working in partnership with other agencies
- Working for a better alignment of regional and district plans
- Setting tighter rules on outdoor burning within and around urban areas
- More actively controlling emissions in Otago's fastest growing communities.

Changes requested mostly relate to:

Setting specific goals in line with the national air quality standards using measurable indicators, and including a target date:

- Clarifying how the strategy relates to resource management documents and processes (such as consenting)
- Better providing for the impact of emissions on wahi tupuna sites and on mahika kai and for the avoidance of discharges objectionable to Kai Tahu

- Linking the management of air discharges to the amenity of clear skies and odourless air;
- Addressing more specifically how industrial discharges and traffic emissions will be managed
- Recognising that rules may not need to be as tight in rural areas as in urban areas
- Putting more emphasis on house improvements and energy efficiency.

Feedback on the implementation program included requests to:

- Implement the strategy earlier than proposed
- Continue or strengthen the Clean Heat Clean Air program
- Ban coal for the purpose of domestic heating
- Enforce the Air Plan rules more actively.

While some submitters request the emphasis to be put on education and community engagement; others would prefer a stronger, regulatory based approach.

#### **4. Proposed changes to the draft strategy**

Following the analysis of feedback, we recommended that the draft strategy be amended to:

- Refer back to the relevant air quality objectives, in the current plans,
- Clarify the strategy's functions and relation with Otago's resource management framework.
- Better highlight the connections between air quality, housing and energy efficiency; and the need for a holistic approach to air quality management;
- Address industrial discharges and traffic emissions in its framework
- Recognise that a wider air quality management framework must also protect wahi tupuna and cultural values, as well as other amenity values; and commit to addressing those issues at a later date.

Those proposed changes are incorporated in **Appendix 3**.

Feedback identifying further actions for ORC to take in order to achieve good regional air quality outcomes will be considered in more detail over the forthcoming year. Any changes to the draft implementation programme may be addressed through the Annual Plan processes.

#### **5. Recommendation**

- a) *Agree on any changes to draft Air Strategy, as proposed in Appendix 2;*
- b) *Subject to any agreed changes, that Council adopt the Air Quality Strategy.*

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

#### **Attachments**

1. Draft Air Strategy
2. Responses to Draft Air Strategy
3. Suggested changes to the Draft Air Strategy

### 10.3. Draft Biodiversity Strategy - Feedback

**Prepared for:** Policy Committee  
**Activity:** Environmental - Biodiversity  
**Prepared by:** James Adams, Senior Policy Analyst  
**Date:** 13 June 2018

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#### 1. Précis

Online consultation is complete on the draft Biodiversity Strategy. Policy Committee can now consider the feedback received, agree consequential changes, and determine whether to recommend the Strategy to Council for approval.

#### 2. Background

ORC has developed the draft Biodiversity Strategy to meet legislative requirements, ORC's strategic goals and community expectations. The Resource Management Act 1991, and other national direction and guidance, requires ORC to maintain indigenous biodiversity. Our proposed Regional Policy Statement specifies a regional biodiversity strategy as a method. Community and stakeholder feedback supports ORC taking a strong role in regional biodiversity management.

The strategy draws on:

- 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

Using these sources, ORC developed a compact high-level strategic document (see Appendix 1) and approved the draft strategy for consultation at its meeting on 11 April 2018.

The draft Biodiversity Strategy was posted on the ORC website for online consultation, opening 11 April and closing on 11 May 2018.

We received 36 responses. 23 respondents provided feedback through Engagement HQ, with the rest responding via email. Their feedback is summarised below, and the full responses are attached (see Appendix 2).

#### 3. Summary of feedback

The summary first addresses general feedback, then discusses the feedback received by section of the Strategy.

- **General Feedback**  
Respondents were pleased to see the strategy developed, though some felt it did not go far enough – this was reflected in feedback on the "What does ORC propose to do" section.

Collaboration across the sector and with other regions was supported and seen as necessary for success. Environment Southland and the Dunedin City Council made direct offers to collaborate. Many ideas were put forward for possible tools to use as part of implementation, or initiatives to support. While not a good fit for a strategic document, these ideas will be useful for implementation.

- Guiding principles and Key Issues  
These were supported and did not receive a large amount of feedback.
- Vision and outcomes  
The vision was generally supported, though a few respondents found the language bureaucratic.
- Outcome 1: All indigenous species and ecosystems are maintained  
Views on this outcome ranged from it not going far enough to being too comprehensive.

Some felt that maintenance was not enough. The outcome should be more aspirational, and enhancement should be a goal.

Yet others considered maintaining all species was not realistic, and a more general approach would be appropriate.

- Outcome 2: Threatened indigenous species and ecosystems are enhanced  
Respondents supported this outcome. Several noted it was important to recognise the landowner's role in implementation.
- Outcome 3: People are aware and proud of Otago's biodiversity.  
This was also widely supported. Several respondents suggested ORC has a central role in this, in particular with education (Enviroschools was acknowledged by several), and collation and review of information.
- Outcome 4: Kāi Tahu's role as kaitiaki is acknowledged and supported  
Respondents supported this outcome.
- Outcome 5: Otago's biodiversity adds value to the regional economy  
People supported this outcome, though there was some wariness about the potential for economic concerns to override natural biodiversity values.

Respondents pointed out that the natural values need to be retained to continue to add value to the economy, and care is needed to ensure the balance is kept.

Visitor impact was also raised as an issue requiring attention and management. People also mentioned that assessments of economic value need to take the benefits provided by ecosystem services into account, which are often difficult to quantify.

- What does ORC propose to do?  
There was broad support for ORC's proposed actions. In particular, many respondents singled out the regional coordinator role as a positive step. Other actions that received positive reactions were the Environmental Enhancement Fund and developing an online forum.

There were many suggestions for further actions, including more stringent enforcement and harsher penalties for harming biodiversity, broader strategic alignment among regional councils, and emphasising the ORC's central role in coordinating biodiversity activities.

- **Appendix: Biodiversity in Otago**  
Some potential additions were offered for this section. The following key ecosystems were suggested for inclusion:
  - Braided rivers
  - Alpine
  - Beech/podocarp
  - Drylands

#### **4. Next Steps**

Appendix 3 proposes amendments to the proposed Strategy in the light of responses received.

Feedback identifying further actions ORC could take to achieve good regional biodiversity outcomes will be considered in more detail over the forthcoming year. Any changes to the draft implementation programme may be addressed through the Annual Plan processes.

#### **5. Recommendation**

- a) *Agree on any changes to the draft Biodiversity Strategy (see Appendix 3);*
- b) *Recommend, subject to any agreed changes, that Council adopt the Biodiversity Strategy.*

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

#### **Attachments**

1. Draft Biodiversity Strategy
2. Responses on Draft Biodiversity Strategy
3. Recommended changes to include in the final Biodiversity Strategy

## **APPENDIX 1: DRAFT BIODIVERSITY STRATEGY**



## **APPENDIX 2: ONLINE FEEDBACK ON DRAFT BIODIVERSITY STRATEGY**

### Respondents:

1. Aspiring Biodiversity Trust
2. Department of Conservation
3. Dunedin City Council
4. Environment Southland
5. Federated Farmers
6. Landscape Connections Trust
7. Otago Fish and Game Council
8. Shaping Our Future Inc.
9. Victoria Bonham
10. Waitaki District Council
11. Wise Response Society
12. Yellow-eyed Penguin Trust
13. Jillian Sullivan
14. Rebecca Teele
15. Shaun Collins
16. Jamie MCauley
17. Ben Goddard
18. S Ebisu
19. Amin Osama
20. Beverley Thomson
21. Zuni Steer
22. Ian Smith
23. Forest and Bird Waitaki
24. Don Robertson
25. Waitaki Irrigators Collective
26. Herbert Heritage
27. Bill Dyck
28. Kris Vollebregt
29. Anette Becher
30. Johnston
31. T Gardner
32. Evelyn Skinner
33. Matthew sole
34. Ollie Yeoman
35. Treestone Far
36. Queenstown Lakes District Council

## **APPENDIX 3: RECOMMENDED CHANGES TO INCLUDE IN THE FINAL BIODIVERSITY STRATEGY**

**Prepared for:** Policy Committee  
**Activity:** National Drinking Water Regulations  
**Prepared by:** Dale Meredith, Manager Policy  
Gavin Palmer, Director Engineering, Hazards and Science  
**Date:** 22 May 2018

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## 1. Précis

This report updates Council on the national and regional work being undertaken with respect to the National Environmental Standards for Sources of Drinking water 2007 (NES-DW).

## 2. Background

The Report of the Havelock North Drinking Inquiry: Stage 2<sup>1</sup> was released by the Board of Inquiry in December 2017. It made a number of recommendations to the Government to prevent recurrences of an outbreak of waterborne disease in water supplies throughout New Zealand.

Some recommendations were urgent and early, including:

- Promulgation of the Principles of Drinking Water Safety to the industry;
- Abolishment of the Secure Classification System as the classification is fundamentally flawed and provides a misleading message that bore water is safe to drink;
- Encouragement for universal treatment of untreated supplies;
- Establishment of a drinking water regulator to oversee all reforms;
- A series of interim improvements by the Ministry of Health;
- An amendment to the RMA to expressly recognise drinking water source protection;
- An accelerated review of the NES-DW regulations;
- Encouragement of Joint Working Groups;
- Urgent amendment to the Health Act.

Further recommendations to prevent recurrence include:

- Mandating universal treatment for drinking water for all supplies (for both networked and specified self-suppliers);
- Establishment of a Licensing and Qualifications System for Drinking Water Suppliers and Operators;
- Further changes to the Health Act;
- A review of the Drinking Water Standards NZ;
- Mandating collaboration;
- Creating dedicated and aggregated water suppliers;
- Improving the resourcing and capability of drinking water assessors;
- Implementing amended NES regulations;
- Reviewing Water Safety Plans;
- Strengthening enforcement of Water Safety Plans;
- Requiring an Emergency Response Plan and Boil Water Notice documentation
- Improving the testing and laboratories regime
- Reviewing NZS 4411
- Prohibiting new below-ground bore heads

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<sup>1</sup> Government Inquiry into Havelock North Drinking Water (December 2017), *Report of the Havelock North Drinking Water Inquiry: Stage 2*

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As part of the Water 2050 project, Local Government NZ working across the local government sector to develop<sup>1</sup>:

*A coherent policy and institutional framework that:*

1. *Recognises the interlinked nature of all water;*
2. *Leads to greater integration of policy, in particular reconciling the setting of outcome and asset standards with communities' ability to fund investments of all types to achieve those standards; and*
3. *Identifies a suitable institutional framework to govern water.*

In recent months, it has been collating information from local authorities on their water supply, wastewater and stormwater systems, including pulling together a provisional assessment of the impacts of the recommendations above to their asset management systems.

### **3. Current situation**

*Southern Joint Working Group for Drinking Water Safety*

In April 2018, the Southern District Health Board established a Southern Joint Working Group for Drinking Water Safety, in accordance with Recommendation 18 (Encouragement of Joint Working Groups). Dr Gavin Palmer is Council's representative on that working group.

This reference group is to take a whole of system approach to relevant factors that impact on water quality from 'source to tap'. It covers both Otago and Southland.

*Review of NES-DW*

The Ministry for the Environment is hosting a workshop on Wednesday 6 June to consider the review of the drinking water source regulations. Dr Palmer and I will be attending that workshop.

### **4. Recommendation**

- a) *That the report is noted.*

**Endorsed by:** Gavin Palmer  
**Director Engineering, Hazards & Science**  
Tanya Winter  
**Director Policy, Planning & Resource Management**

### **Attachments**

Nil

## **11. MATTERS FOR NOTING**

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<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

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<sup>1</sup> Local Government NZ, *Water 2050 project on a page*

<b>Date:</b>	30 May 2018
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## 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 30 May 2018:

Agency	Number	Document
<b>Governance and Administration Select Committee</b>	1	Local Government (Community) Well-being amendment Bill
<b>NZ Productivity Commission</b>	1	Draft Report on Low Emissions Economy
<b>Ministry for the Environment</b>	1	Feedback on seasonal differences for setting water quality parameters under the NPS Freshwater Management.

The following responses were made over the period to 30 May 2018:

Proposal	Response Type	Issues
None.		

### 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 February 2016 Stage 1 decisions released 7 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 Residential and Industrial Zoning areas for Balclutha,	No further details available

	Stirling and Milton. Further review pending	
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### 2.3 Territorial Authority and Regional Council Resource Consent Applications

The following were received over the period to 30 May 2018:

Agency	Number	Document
QLDC	3	Resource Consent
CODC	2	Resource Consent
CDC	1	Pre notification consultation – amendment to Plan Change 41 (Structure plan insertion and rezoning)
CODC	1	Public Notification of Private Plan Change 13 – River Terrace, Cromwell

The following responses were made over the period to 30 May 2018:

Proposal	Response Type	Issues
CODC – Nuggets Road	Feedback	Advice on issues to consider for residential development including that with no reticulated services certain activities may require consideration under the ORC water plan.
CODC Tahakopa Bay	Feedback	Advice on issues to consider for residential development including that with no reticulated services certain activities may require consideration under the ORC water plan.
QLDC - Queenstown subdivision	Feedback	Comment on estimation of daily water usage which appears excessive and provide comment from ORC natural hazard team on rockfall assessment provided with application.

### 2.4 Other Proposals

Proposal	Response Type	Issues
QLDC Hawea (Universal Developments) Special Housing Area	Feedback	Under investigation.

### 2.5 Other Responses

Proposal	Response Type	Issues
None.		

## 2.6 Emerging matters

### 2.6.1 Balmoral Developments (Outram) Limited vs Dunedin City Council

Dunedin City Council has circulated proposed conditions of consent for a revised, one residential dwelling development on the site which ORC is not opposing. ORC has reviewed the conditions and confirmed it has no outstanding concerns with them. A decision from the Court is now awaited.

### 2.6.2 Skyline Enterprises Limited

This application to QLDC has been directly referred to the Environment Court, and a hearing date has been scheduled for mid-June.

Expert conferencing between the ORC, QLDC and Skyline's technical experts is scheduled prior to the Court hearing, which may result in resolving ORC's unresolved concerns around alluvial fan and rockfall risk. Failing a resolution of these concerns, ORC's experts have been preparing evidence for the Environment Court hearing.

### 2.6.3 National drinking water regulations

The Report of the Havelock North Drinking Inquiry: Stage 2 was released by the Board of Inquiry in December 2017. It made recommendations to the Government to prevent recurrences of an outbreak of waterborne disease in water supplies throughout New Zealand, including:

- Abolishment of the Secure Classification System as the classification is fundamentally flawed and provides a misleading message that bore water is safe to drink;
- Encouragement for universal treatment of untreated supplies;
- An amendment to the RMA to expressly recognise drinking water source protection;
- An accelerated review of the NES-DW regulations;
- Encouragement of Joint Working Groups.

As part of the Water 2050 project, Local Government NZ (LGNZ) is working across the local government sector to develop:

*A coherent policy and institutional framework that:*

1. *Recognises the interlinked nature of all water*
2. *Leads to greater integration of policy, in particular reconciling the setting of outcome and asset standards with communities' ability to fund investments of all types to achieve those standards*
3. *Identifies a suitable institutional framework to govern water*

In recent months:

- LGNZ has been collating information from local authorities on their water supply, wastewater and stormwater systems, including pulling together a provisional assessment of the impacts of the recommendations above to their asset management systems
- The Southern District Health Board established a Southern Drinking Water Reference Group, with this reference group taking a whole of system approach to relevant factors that impact on water quality from 'source to tap'

- The Ministry for the Environment is progressing review of the drinking water source regulations
- ORC is finalising an information brochure on how bore owners can better protect their boreheads from aquifer contamination

We will continue to update Council with national initiatives to improve the security of drinking water sources as they unfold.

### **3. ORC: Policy, Plans and Strategies**

#### **3.1 Review of Regional Policy Statement**

Most consent orders are now signed and with the Environment Court. An issue has arisen while signing consent orders with respect to mining activities in rural areas. We are working with the appellant to resolve this issue.

Once the Court approves all consent orders they come into full effect. We are waiting on the Court's decision with respect to the two issues that required a Court hearing in February. These two matters may be appealed on points of law only. If there are no such appeals, then ORC may approve the Regional Policy Statement.

An implementation plan will then be prepared, noting that a number of projects are nearing completion (such as the Biodiversity Strategy) or are included within the proposed Long Term Plan 2018-2028.

Work is currently underway identifying the indicators for measuring progress in implementing the RPS and aligning information collection with national environmental information. Draft indicators will come back to Council for review in the August meeting of the Policy Committee.

#### **3.2 Amendment 2 (NES Plantation Forestry) to the Water Plan**

An amendment to the Regional Plan: Water for Otago, which will identify when more stringent provisions in the Water Plan prevail over the plantation forestry national environmental standards, is presented as a separate report to this Policy Committee meeting.

#### **3.3 Stormwater and wastewater**

A Stakeholder Forum has been set for Friday 8 June to present the water quality risk management methodology and discuss issues, options and risks.

This Forum will help inform development of new provisions for contaminant management in the Water Plan.

#### **3.4 Overview of Policy Plan Development Programme 2017-18**

Refer to Attachment 1.

#### **3.5 Giving effect to the National Policy Statement - Freshwater Management (NPS-FM)**

Refer to Attachment 2.

### **4. Overview of Water Quantity Plan Change Development**

The table in Attachment 3 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.

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

The feedback summary for the first stage of consultation which was undertaken from 22 November 2017 to 19 February 2018 has been completed and made available on the ORC website.

ORC has commissioned Boffa Miskell and Rob Greenaway (R&R Consulting) to undertake specialist assessments of the natural character and land/riverscape values and recreational values that are supported by the water bodies that are within the scope of this Plan Change. Both studies are well underway and are expected to be completed by the end of June 2018.

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

The Environment Court has agreed that the parties proceed to a combined hearing for both the minimum flow plan change and the Lindis Catchment Group resource consent application to replace the existing Deemed Permits. A hearing date has yet to be set. Most expert witnesses have now finalised their briefs of evidence, and the Section 87F report on the resource consent application is expected to be completed by 11 June 2018. The application, the Section 87F report, all submissions received on the application and all further information and reports (including briefs of evidence in chief) relevant to this process are expected to be filed with the Environment Court in June 2018.

#### **4.3 Minimum Flow Plan Change Manuherikia, Arrow and upper Cardrona**

The following catchments are now incorporated into one plan change dealing with setting minimum flows only – the Manuherikia, the Arrow and the upper Cardrona (above Mt Barker) and technical changes to the residual flows provisions in the Plan. A project team has been set up with team members from the Water Quantity Team, Resource Science, Stakeholder Engagement, Consents and Environmental Monitoring coming together to deliver the whole plan change package within the coming months.

Work is underway to finalise all technical work for the above catchments, with a focus being on confirming an approach to the water surety modelling required for an economic assessment in the Manuherikia catchment.

The drafting of the section 32 report and the drafting of the plan change has begun.

Meetings have been held with Iwi to update them on the process and to begin working towards finalising the plan change with a partnership approach to obtaining their input prior to the pre-notification plan change.

Communication work to define key messages, a press release and to set up a new online platform for the plan change has been undertaken over the past few weeks. Most of this work will culminate in information sessions with Schedule 1 parties, key stakeholders and the community which have been scheduled for the 7 and 11 of June.

#### **Recommendation**

- a) *That this report be noted.*

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

**Attachments**

1. COMMITTEE REPORT 2018 Policy Plan Development Programme [11.1.1]
2. COMMITTEE REPORT 2018 NPSFM implementation programme [11.1.2]

**12. NOTICES OF MOTION**

**13. CLOSURE**