

Strategy and Planning Committee Agenda

10 February 2021



Meeting is held in the Council Chamber, Level 2, Philip Laing House
144 Rattray Street, Dunedin

Members:

Cr Gretchen Robertson, Co-Chair	Hon Cr Marian Hobbs
Cr Kate Wilson, Co-Chair	Cr Carmen Hope
Cr Hilary Calvert	Cr Gary Kelliher
Dr Lyn Carter	Cr Michael Laws
Cr Michael Deaker	Cr Kevin Malcolm
Mr Edward Ellison	Cr Andrew Noone
Cr Alexa Forbes	Cr Bryan Scott

Senior Officer: Sarah Gardner, Chief Executive

Meeting Support: Liz Spector, Committee Secretary

10 February 2021 01:00 PM

Agenda Topic	Page
1. APOLOGIES No apologies were received prior to publication of the agenda.	
2. PUBLIC FORUM No requests to address the Committee under Public Forum were received prior to publication of the agenda.	
3. 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.	
4. 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.	
5. CONFIRMATION OF MINUTES The Committee will consider minutes of meetings a true and accurate record, with or without corrections.	3
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To confirm whether elected Councillors are to be considered for nomination to sit on the Freshwater Hearings Panel that will hear, consider and make recommendations to Council on the proposed Regional Policy Statement 2021.
- 8.2 [Manuherekia Engagement Process](#) 14
To provide an update on the community engagement to develop the regulatory framework to manage freshwater in the Manuherekia Rohe.
- 8.3 [Queenstown Transport Business Case](#) 19
This report is provided to seek endorsement of the Queenstown Business case developed for the Way to Go transport partnership.
9. CLOSURE



Minutes of a meeting of the Strategy and Planning Committee
held in the Council Chamber on Tuesday 1 December 2020 at
2:00 PM

Membership

Cr Gretchen Robertson *(Co-Chair)*
Cr Kate Wilson *(Co-Chair)*
Cr Hilary Calvert
Dr Lyn Carter
Cr Michael Deaker
Mr Edward Ellison
Cr Alexa Forbes
Hon Cr Marian Hobbs
Cr Carmen Hope
Cr Gary Kelliher
Cr Michael Laws
Cr Kevin Malcolm
Cr Andrew Noone
Cr Bryan Scott

Welcome

Co-chairperson Gretchen Robertson welcomed Councillors, members of the public and staff to the meeting at 2 p.m.

Staff present included:

Sarah Gardner *(Chief Executive)*
Nick Donnelly *(General Manager Corporate Services and CFO)*
Gavin Palmer *(General Manager Operations)*
Richard Saunders *(General Manager Regulatory)*
Gwyneth Elsum *(General Manager Strategy, Policy & Science)*
Amanda Vercoe *(Executive Advisor)*
Liz Spector *(Committee Secretary)*

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1. APOLOGIES

Resolution

That the apologies for Edward Ellison, Cr Hope and lateness of Cr Hobbs and Cr Laws be accepted.

Moved: Cr Wilson

Seconded: Cr Forbes

CARRIED

2. CONFIRMATION OF AGENDA

There were no additions or alterations to the agenda.

3. CONFLICT OF INTEREST

Councillor Wilson indicated a potential conflict on item 7.4 and said she would not participate in discussions or voting on the item.

4. PUBLIC FORUM

Cr Laws joined the meeting electronically at 2:20 p.m.

Cr Hobbs joined the meeting at 2:23 p.m.

Mandy Mayhem Bullock (Waikouaiti Coast Community Board), Emily Cooper, Waikouaiti resident and Lindsey Dey, Chair of the Dunedin Trails Network Trust spoke to the Committee in support of a working group created to facilitate development of a two-part cycleway connecting Waikouaiti to Karitane and Warrington to Waikouaiti. They encouraged the Committee members to support creation of an integrated Otago Trail Network.

Cr Calvert moved to extend the time for the speakers by five minutes, seconded by Cr Wilson.

Resolution

That the Committee extend the time for Public Forum by 5 minutes.

Moved: Cr Calvert

Seconded: Cr Wilson

CARRIED

The motion was carried, and the group spoke for an additional 5 minutes. Councillors asked questions of the group and thanked them for their time.

5. CONFIRMATION OF MINUTES

Resolution

That the minutes of the meeting held on 12 November 2020 be received and confirmed as a true and accurate record.

Moved: Cr Wilson

Seconded: Cr Forbes

CARRIED

6. ACTIONS

Cr Wilson moved that the Action Register be noted.

Moved: Cr Wilson

Seconded: Cr Noone

CARRIED

7. MATTERS FOR CONSIDERATION

7.1. LTP Consultation Proposal - Integrated Environmental Management

This paper was provided to describe options for the ORC to achieve integrated catchment management in the region and discuss potential implications (including financial implications) of these options as part of preparing public consultation document for the Long-Term Plan (2021-2031).

Gwyneth Elsum (GM Strategy, Policy and Science) and Sylvie Leduc (Senior Strategic Analyst) were present to speak to the report and respond to questions. Ms Leduc stated that the paper was not seeking a decision on the options to achieve integrated catchment management, merely a decision for the framework for consultation.

Cr Hobbs noted her agreement with the principles of integrated catchment management but wondered how all Otago residents would be represented and encouraged to be involved. Ms Elsum said if the community supported Option 2 during consultation, it included additional resourcing for community engagement which could address Cr Hobbs' concern. Cr Laws said anything that promotes in depth consultation would benefit the community. Cr Malcolm asked how this proposal fitted within the current work underway by various Otago catchment groups. Ms Elsum said it was intended to be complementary, enabling various catchment groups to coordinate and learn from each other.

Cr Malcolm moved Option 2(b) and Cr Hobbs seconded his motion.

Dr Carter said mana whenua have applauded the integrated approach from the outset and said she would support Option 2b but could possibly support 2a. She said integrated catchments will provide a whole order approach, giving equitable footing to environmental, social and economic aspects of freshwater management.

Cr Malcolm then spoke to his motion, stating that the time is right for this approach and although some would prefer to move faster, he said there are concerns regarding resourcing due to so much work currently underway, as well as concerns regarding how to get the community on board. He said integrated catchment management is a fundamental shift in thinking and ORC will need time to make sure it is done correctly. Signaling a slightly slower approach in the LTP will give time to do this. He asked that the motion be taken in three parts.

Resolution

That the Committee:

- 1) **Agrees** that the statement of proposal "integrated catchment management" is a matter of significance as assessed in this report.

Moved: Cr Malcolm

Seconded: Cr Hobbs

CARRIED

Resolution

That the Committee:

- 1) Approves the statement of proposal “integrated catchment management” for inclusion in the Long-Term Plan 2021-2031**

Moved: Cr Malcolm

Seconded: Cr Hobbs

CARRIED

Resolution

That the Committee:

- 1) Approves the following options to be presented to the public as part of LTP consultation:**

- a. *Option 1: ORC supports and enables integrated environmental management in all the region’s catchments.*
- b. *Option 2: ORC leads, facilitates and coordinates integrated environmental management in all the region’s catchments.*
 - i. *Option 2a: and implements this approach at a moderate pace (over 5 years).*
 - ii. *Option 2b: and implements this approach at a slow pace (over 10 years).*

- 2) Agrees its preferred option is Option 2b.**

Moved: Cr Malcolm

Seconded: Cr Hobbs

CARRIED

DIVISION:

For: Cr Deaker, Dr Carter, Cr Forbes, Cr Hobbs, Cr Kelliher, Cr Malcolm, Cr Noone, Cr Robertson

Against: Cr Laws, Cr Scott, Cr Wilson

Abstain: Cr Calvert

Resolution carried 8 to 3, with 1 abstention.

7.2. Integrated Otago Trail Network Investigation

The report was provided to set out opportunities for Otago Regional Council to consider how to assist continued development of an integrated trail network throughout Otago. Michelle Mifflin (Manager Engineering), Garry Maloney (Manager Transport) and Gavin Palmer (GM Operations) were present to speak to the report and respond to questions.

Cr Scott said the community had a fundamental right to access public spaces and waterways and the ORC should do what it can to help grant access to the community. Cr Wilson noted the report cites the RLTP and transport functions for the ORC but doesn't mention its obligations under the RMA, including providing access to water. Cr Kelliher said he was in general support of providing public access to trails across Otago but said he would prefer to not facilitate public access to lands around floodbank assets. He said unlimited public access to those types of assets could compromise their integrity. Cr Malcolm agreed with Cr Kelliher and suggested mitigations be put into place to protect assets such as floodbanks. Cr Noone said he support the recommendations. He noted during the COVID-19 shutdown, the country reconnected with the outdoors, and with walking particularly. He said there would be advantages for such a connected trail network including economic, health and wellbeing.

Councillors suggested a workshop be conducted to further explore opportunities to develop an integrated trail network.

After further discussion, Cr Calvert moved:

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** that a *Regional Trails Investigation report has been prepared, outlining potential opportunities for the Council to assist development of an integrated trail network throughout the region.*
- 3) **Notes** that the *opportunities identified in the report could be canvassed by the new proposed integrated catchment management plan and will require additional resources and funding to implement.*
- 4) *Further explores opportunities identified in the report at a future workshop in 2021.*

Moved: Cr Calvert

Seconded: Cr Forbes

CARRIED

7.3. ORC Role in South Dunedin/Harbourside Adaptation collaboration with DCC

The paper was provided to seek a decision on how Council may collaborate with Dunedin City Council on delivery of Otago Regional Council's South Dunedin/Harbourside natural hazards adaptation programme of work. Dr Jean-Luc Payan (Manager Natural Hazards), Dr Sharon Hornblow (Natural Hazards Analyst) and Dr Gavin Palmer (GM Operations) were present to speak to the report and respond to questions.

After a discussion of the report, Cr Forbes moved Option 3, seconded by Cr Hobbs. Cr Noone said Central Government will look to the City and the Regional Council to show a united front by working together on an integrated program to address issues of South Dunedin and Harbourside. He then put the motion.

Resolution

That the Council:

- 1) **Receives** this report.
- 2) **Notes** the *programme of work being delivered by ORC in relation to South Dunedin/Harbourside natural hazards adaptation.*
- 3) **Selects Option 3** *presented in this report for continuing to collaborate with Dunedin City Council on delivery of that programme.*
- 4) **Authorises** *staff and the Chair to engage with Dunedin City Council to progress the preferred option and to report back to Council.*

Moved: Cr Forbes

Seconded: Cr Hobbs

CARRIED

7.4. Lake Hayes Culvert

In September 2019, Council resolved to “formally invite QLDC, the Department of Conservation and the NZTA to co-fund, with ORC, scoping the investigation and establishment of a target water level range for Lake Hayes and scoping the investigation, consenting, design, construction, maintenance and funding of infrastructure to manage the lake level to that range. This option would require incorporation of activity and funding of ORC’s share of the scoping investigation into draft Annual Plans.” This report was provided to inform the Committee on the activities and associated cost and time frame that would be required to increase the outlet capacity of Lake Hayes (State Highway 6 culvert) and deliver the scoping report. Dr Gavin Palmer (GM Operations) was present to speak to the report and respond to questions.

After questions from Councillors, Cr Scott moved:

Resolution

That the Committee:

- 1) **Receives** this report.
- 2) **Notes** the activities, estimated cost and time frame that would be required to increase the outlet capacity of Lake Hayes (State Highway 6 culvert).
- 3) **Notes** the improvement and maintenance works that will be undertaken by the Department of Conservation on the department’s Lake Hayes walkway and trail this summer and looks forward to a strategy refresh.

Moved: Cr Scott
Seconded: Cr Calvert
CARRIED

8. CLOSURE

There was no further business and Co-Chair Robertson declared the meeting closed at 05:45 pm.

Co-Chairperson

Date

ACTION REGISTER – RESOLUTIONS OF THE STRATEGY & PLANNING COMMITTEE AS OF 10 FEBRUARY 2021

Meeting Date	Item	Status	Action Required	Assignee/s	Action Taken	Due Date	Completed (Overdue)
12/11/2020	P&S1880 Otago Greenhouse Gas Emission Inventory by District	In Progress	Complete Draft Emission Inventory by March 2021 and present final report to the Committee by May 2021.	General Manager Strategy, Policy and Science; Manager Strategy, Economic Analyst		14/04/2021	
12/11/2020	GOV1953 Avenues for Investment in COVID-19 Recovery	Assigned	Request the Working Group to devise a funding process and funding envelope for consideration by Council in late 2020, ensuring a financial lens is considered by inviting Chairs of committees and the GM Corporate Services to participate in the meeting with the Working Group and request the Working Group to take note of seasonal labour shortages in Central Otago during this work.	Councillor Scott, General Manager Corporate Services		31/12/2020	Overdue by: 35 days
01/12/2020	OPS1016 Integrated Otago Trail Network Investigation	Assigned	Conduct a Council workshop in 2021 to explore opportunities to support an integrated trail network for Otago.	General Manager Operations	26/01/2021 To be arranged.	01/09/2021	
01/12/2020	P&S1885 ORC Role in South Dunedin/Harbourside Adaptation collaboration with DCC	In Progress	Progress collaboration with DCC to deliver the South Dunedin/Harbourside natural hazards adaptation programme as in Option 3 and report back to Council.	Chairperson Noone, General Manager Operations, and Manager Natural Hazards	26/01/2021 Date to be set for initial mtg between Chair Noone, Mayor Hawkins and staff.	28/02/2021	

8.1. RPS Panel Recommendation Process

Prepared for:	Strategy and Planning Committee
Report No.	SPS2104
Activity:	Regulatory: Policy Development
Author:	Anita Dawe, Manager Policy and Planning
Endorsed by:	Gwyneth Elsum, General Manager Strategy, Policy and Science
Date:	10 February 2021

PURPOSE

- [1] To confirm whether elected Councillors are to be considered for nomination to sit on the Freshwater Hearings Panel that will hear, consider and make recommendations to Council on the proposed Regional Policy Statement 2021.

EXECUTIVE SUMMARY

- [2] The proposed RPS is considered a freshwater planning instrument and must therefore be heard by the newly formed Freshwater Hearings Panel. To enable that, ORC is required to nominate two (2) Commissioners to sit on the panel.
- [3] As two of those nominees may be Councillors, this paper seeks direction to determine if Councillors should be considered in the process to select nominations to the Chief Commissioner.

RECOMMENDATION

That the Committee:

- 1) **Receives** this report
- 2) **Confirms** its position in relation to whether elected members can be considered as part of the process for determining ORC's recommendations to the Freshwater Hearing Panel; and
- 3) **Notes** that further papers will be brought to Council outlining a process to select two (2) Commissioners to be nominated to sit, hear and make recommendations on the proposed RPS 2021.

BACKGROUND

- [4] The 2020 Resource Management Amendment Act (RMAA) introduced a new process for hearing and deciding freshwater planning instruments, called the Freshwater Planning process (FPP). The process, as outlined in Part 4 of the First Schedule to the Resource Management Act 1991 (the Act) requires that regional councils nominate to the Chief Freshwater Commissioner, two members to sit on a Freshwater Hearings Panel that is considering a plan or policy statement.

- [5] Staff consider that the proposed Regional Policy Statement 2021 (proposed RPS) is, in its entirety, a freshwater planning instrument, and therefore it must be heard and considered using the FPP as outlined in Part 4, First Schedule.
- [6] The proposed RPS is about to commence the first stage of formal pre-notification consultation (RMA, Clause 3, First Schedule) and will continue to work through the statutory processes before coming to Council in early June, with a request to approve the section 32 report, and the proposed RPS, for public notification.
- [7] Notification is intended to occur in late June 2021, to comply with the agreed work programme set by the Minister for the Environment in December 2019.

ISSUE

- [8] Section 59 of Part 4, First Schedule RMA sets out the composition of a Freshwater Hearings Panel to generally be a panel of five people¹. Section 59(1)(b) requires that two (2) persons of the five are to be nominated by the (relevant) regional council, and those 2 persons may or may not be elected regional council members.
- [9] Before moving forward on a process for deciding who ORC's two nominees will be, staff requests direction on whether elected members wish to be able to be considered in the process to seek nominations.

DISCUSSION

- [10] ORC is required to nominate two people to sit, hear and provide recommendations on the proposed RPS as part of the FPP, which is due to be notified in June this year. A panel will usually² have five members, comprised of two freshwater commissioners, one person with an understanding of tikanga Māori and mātauranga Māori who is either nominated by the local tangata whenua, or in the absence of a nomination, appointed by the Chief Freshwater Commissioner, and two members nominated by the regional council.
- [11] Staff are considering how best to provide the Chief Freshwater Commissioner with commissioners that have the right range of skills, expertise and availability. Before commencing a process to engage external Commissioners, it must be decided if any of the qualified elected members wish to be able to be considered, as part of the process of identifying potential candidates. There are five Councillors who have their Making Good Decisions certification and are therefore eligible to be considered as accredited Commissioners under Section 39A of the Act.
- [12] The role would be a good opportunity for a Commissioner to be involved in the first Freshwater Hearing Panel process, and to sit alongside leading resource management commissioners.

² Section 59(2), Part 4, First Schedule provides for a panel of greater than 5(s59(2)(a)), and for a panel of fewer than 5(s59(2)(b)). If a panel of fewer than 5 were determined to be appropriate, one member of that panel would be nominated by the regional council, and if a panel of more than 5 were determined to be appropriate, they must include the 5 members as set out in section 59(2)(1) and described in paragraph[10].

- [13] In terms of requirements, staff estimate the time involved may be approximately 6 weeks of substantive hearings, sitting for 3 ½ - 4 ½ days a week generally (to allow travel time to/from Dunedin during week days). In addition, there would need to be time set aside before the hearing to read all the relevant material, including all submissions and further submissions. This might take in the order of 4 weeks, assuming 35-40 hours /week reading. At the completion of the hearing, there may be some time involved in decision writing, depending on the Chair, and /or reviewing decisions. If there are a significant number of submissions then these timeframes may be too narrow and conversely, if there are a small number, these may be an overestimation.
- [14] At this stage, staff are anticipating that the pre-reading will be available in mid – late December, to be undertaken over December and January, with a hearing likely commencing in February/March 2022. It may be that hearings are run every second week, to enable evidence exchange timetabling, and pre-reading during the hearing(s), but that will depend on the Chair.
- [15] Depending on the number of submissions and technical evidence, it may be that the substantive hearings are complete by May 2022, and a decision soon after.
- [16] In terms of requirements of a commissioner for a freshwater hearing panel, the following are considered to be important:
- Previous experience as a Hearings Commissioner, in relation to plan hearings, and preferably in relation to a Regional Policy Statement;
 - A technical qualification and/or experience, in addition to the Making Good Decisions certification, that would enable full participation in the deliberation process;
 - Time availability over the period as indicated above; and,
 - No undeclared Conflicts of Interest that would render you unsuitable.
- [17] While we are not required under s37(2)(b) to advise the Chief Freshwater Commissioner of the nominations until at least 20 working days before the required documents are supplied under s37(1) (and that process under s37(1) is required to occur no later than 6 months after notification), suitable Commissioners are often committed to other hearing processes for months in advance. It is therefore important for staff to get direction on this matter so that we can establish if external Commissioners will need to be engaged and to enable sufficient time to do that.

OPTIONS

- [18] Staff have outlined the likely requirements of a Commissioner involved in the RPS hearings process. The two (2) nominated ORC Commissioners could be elected members.
- [19] The options are to:
- Not support elected members being considered and seek two (2) external Commissioners; or
 - Support elected member(s) to be considered as part of the process of seeking interested and qualified Commissioners to be ORC's nominees.

Policy Considerations

- [20] The paper sets out the requirements to nominate Freshwater Commissioners to hear the proposed RPS. Staff wish to get the process underway as soon as possible and need a decision from Councillors as to elected members' ability to be considered. Staff are working to ensure the ORC can satisfy the requirements of Part 4, First Schedule, with respect to nominating two persons to sit on the Freshwater Hearings Panel in a timely manner.

Financial Considerations

- [21] This paper does not generate particular financial considerations however it is important that Councillors note and are aware of s63, Part 4, First Schedule, which outlines the funding of Freshwater Hearings Panels. The requirements on ORC for funding include funding all costs incurred by a freshwater hearings panel, including remuneration and expenses of members, administrative costs including venue hire and public notices, remuneration of any expert, mediator, or other dispute resolution facilitator, or any other person engaged by the panel, the allowances payable to any witness called by the panel, the costs of a special advisor or Friend of the submitter if so appointed, and the provision of administrative and secretarial support services to the panel as requested. If an elected member is appointed to the panel, they are to be paid at a rate determined by the (relevant) council. The funding of the panel will fall into Year 1 of the next Long Term Plan cycle and provision has been made for this.

Significance and Engagement

- [22] This is not a relevant consideration for this paper.

Legislative Considerations

- [23] The process set out complies with Part 4, First Schedule of the Act.

Risk Considerations

- [24] Timeliness of commencing a process is critical to ensure there are Commissioners with availability in the latter stages of 2021 and into 2022. If the process is not underway reasonably early in 2021, there is a significant risk of a lack of suitable Commissioners.

NEXT STEPS

- [25] The next steps, once this decision is made, is for staff to bring a paper to Council on 24th February, outlining a process for appointing Commissioners.

ATTACHMENTS

Nil

8.2. Manuherekia Engagement Process

Prepared for:	Strategy and Planning Committee
Report No.	SPS2103
Activity:	Governance Report
Author:	Rachael Brown, Senior Policy Analyst
Endorsed by:	Gwyneth Elsum, General Manager Strategy, Policy and Science
Date:	10 February 2021

PURPOSE

- [1] This report provides an update on the community engagement process to develop the regulatory framework to manage freshwater in the Manuherekia Rohe.

EXECUTIVE SUMMARY

- [2] This report provides an update on engagement to date and the upcoming community consultation (from 26 March until 23 April) on the new regulatory framework for the Manuherekia Rohe, which will be included in the new Land and Water Regional Plan for Otago (LWRP).
- [3] Since mid-2019, ORC has been working with Kāi Tahu, the Manuherekia Reference Group (MRG) and the community to identify values and outcomes, and to develop options for managing freshwater in the Manuherekia Rohe.
- [4] The upcoming community consultation will present these options to the community for feedback, which will help to inform the option that is progressed and included in the LWRP.
- [5] An agreed hydrology model is now complete, which will inform the consultation document (*Manuherekia Choices*) that presents four different management options in terms of their likely ecological, cultural, social and economic effects.

RECOMMENDATION

That the Committee:

- 1) **Receives** this report.

BACKGROUND

Engagement to date

- [6] Since mid-2019, ORC has been working with the community, the Manuherekia Reference Group (MRG) and Kāi Tahu¹ to identify values and outcomes, and to develop options for managing freshwater in the Manuherekia Rohe (catchment). This work is

¹ Via Aukaha consultancy

based on previous community consultations and external reports,² and ongoing engagement with the MRG and Kāi Tahu. The resulting regulatory framework will be included within the Land and Water Regional Plan (LWRP) to be notified by December 2023.³

- [7] Engagement to date in relation to LWRP work in the Manuhereikia Rohe is summarised below:
- a. Community consultation on values and objectives to inform minimum flow setting in 2016,
 - b. Ongoing meetings and communication with MRG and its members since mid-2019,
 - c. Community consultation on freshwater values and outcomes in September 2019, and
 - d. Online community engagement on the Regional Policy Statement regarding Freshwater Visions in October and November 2020.
- [8] The MRG is a stakeholder group of representatives from the Manuhereikia Catchment Group, Department of Conservation, Forest and Bird, Central Otago District Council, Fish and Game, the Central Otago Environmental Society and ORC.⁴ Alec Neill⁵ is the independent Chair of MRG.
- [9] Staff are also working with Kāi Tahu representatives to incorporate takata whenua perspectives, values and aspirations into the proposed freshwater management framework for the Manuhereikia Rohe.

Progress on Manuhereikia Rohe LWRP work

- [10] To date, the following tasks for Manuhereikia Rohe LWRP work are complete:
- a. Values and outcomes identified through discussions with the MRG and Kai Tahu
 - b. Assessments of recreation values, natural character, habitat and ecology
 - c. Hydrology model complete and agreed across parties.
- [11] The current hydrology of the rohe is particularly complex due to the long history of water use in the catchment. Over time, a highly modified flow regime has developed to move water around the catchment for irrigation. To address this, ORC has worked with a team of expert hydrologists to develop a hydrology model that has the support and buy-in of the hydrologists and key stakeholders.

² Including the Community proposition developed by the Manuhereikia Catchment Water Strategy Group in 2013 and a Kāi Tahu Cultural Values Report in 2017. A summary is available here: <https://www.orc.govt.nz/media/8499/manuhereikia-values-and-aspirations-final-draft-12-december-2019.pdf>

³ In accordance with the recommendations of Minister Parker, following Professor Skelton's review of ORC's functions and planning framework under s24A of the RMA

⁴ Chairperson Andrew Noone and Councillor Kevin Malcolm

⁵ An RMA Commissioner and recently appointed Freshwater Commissioner

- [12] An agreed calibrated hydrology model is now complete, which is being used to inform the development of options for managing freshwater in the Manuherehia. The views of each MRG party and of Kāi Tahu will be represented in at least one of the scenarios consulted on.
- [13] Work is now underway on assessing the socio-economic consequences of the various flow scenarios, – this is a process which integrates data generated from the hydrology model, representative irrigated farms, data relating to all irrigated farms within the Manuherehia and finally a broader socio-economic analysis. This will be complete by the end of February 2021. In addition, the Central Otago District Council is funding a peer review of the farm system analysis and will undertake its own socio-economic analysis, which will add to the robustness of the overall process and results.
- [14] Following the consultation and analysis of feedback, we will report back to the Council in May 2021 with recommendations from the MRG, Kāi Tahu and staff as to which regulatory scenario should be further developed in the LWRP.

ISSUE

- [15] The NPSFM 2020 requires that regional councils engage with communities and takata whenua when setting environmental outcomes as objectives in regional plans and developing target attribute states, limits, environmental flows and levels, and other criteria to support the achievement of environmental outcomes.

DISCUSSION

Plan for upcoming community consultation on Manuherehia Choices

- [16] We are currently drafting the *Manuherehia Choices* consultation document, which will present and describe four options for freshwater management and inform community consultation from Friday 26 March until Friday 23 April (four weeks). The consultation will seek feedback from participants on the options.
- [17] *Manuherehia Choices* will be available online and in print (as an A4 booklet) with copies available in local libraries and council offices, and on request from ORC. A summary brochure with a tear off feedback slip will be posted to local letter boxes. To further encourage community involvement, the consultation will be widely publicised in local towns and rural areas with advertisements in local papers and on local radio. There will also be geo-targeted online advertising, posters in the local area and emails sent to attendees of previous consultations and to local groups e.g., Lions, recreation groups and schools.
- [18] *Manuherehia Choices* will outline the consultation purpose and provide background information on the catchment, the regulatory context and the current situation and issues with water management. The four different management scenarios (focused on minimum flows and water allocation) will then be described and compared to the current management regime in terms of their likely ecological, cultural, social and economic effects.
- [19] Community meetings will be held in Omakau and Alexandra on Tuesday 30 and Wednesday 31 March. These will be drop-in sessions with a presentation to open, followed by a facilitated discussion. Councillors are invited to attend the community

meetings, which will outline the water management options and seek feedback on these. Online feedback can be submitted via a designated webpage throughout the consultation period and the letter box brochure will have a freepost feedback form.

- [20] MRG indicated that it would like the community meetings held towards the middle of the consultation period. Unfortunately, this has not been possible, due to the Easter holiday period occurring in the middle of the consultation. Instead, we are planning to hold the community meetings towards the start of the consultation. To mitigate the concerns of MRG, staff will be available throughout the consultation to discuss the Manuherekia Rohe process with members of the community. We are further constrained in timing by consultation on ORC's Long-Term Plan (LTP). To avoid confusion between the two consultation processes, the Manuherekia community meetings will take place before the LTP consultation, which begins on Thursday 8 April 2021.

CONSIDERATIONS

Policy Considerations

- [21] ORC is responsible for implementing national direction on land and water management and notifying a new or updated regional policy statement and plans that set out how the National Policy Statement for Freshwater Management 2020 (NPSFM) will be implemented in Otago.
- [22] ORC has committed to a work programme with the Minister for the Environment that includes notifying a new LWRP by December 2023. The community consultation is a crucial step to help inform the development of a regulatory framework for managing freshwater in the Manuherekia Rohe

Financial Considerations

- [23] The Manuherekia Choices consultation and engagement process is funded from existing LWRP budgets.

Significance and Engagement

- [24] The development of a new regulatory framework for managing freshwater in the Manuherekia Rohe will trigger ORC's Significance and Engagement Policy (SEP) as it is likely to have potentially significant impacts on industry and sector groups, agencies, environmental groups and local communities with an interest in the rohe. The consultation process outlined in this report will satisfy the requirements of the SEP.
- [25] When the full LWRP is notified, it will also satisfy the Local Government Act requirements for consultation.
- [26] Key messaging around the purpose of the consultation, the timing for the delivery of Manuherekia Rohe chapter for the new LWRP will be released via our website, social media and as press-releases.

Legislative Considerations

- [27] The NPSFM 2020 requires regional councils to engage with communities and takata whenua when developing environmental outcomes, limits on resource use,

environmental flows and levels and take limits for each Freshwater Management Unit and Rohe in Otago.

Risk Considerations

[28] If ORC does not undertake a consultation process on options for a new regulatory framework to manage freshwater in the Manuherekia Rohe, we would be non-compliant with the process requirements of the National Objectives Framework as outlined in the NPSFM.

NEXT STEPS

The next steps are:

- a. 4 and 5 March 2021: Discussion of management scenarios and consultation document with MRG.
- b. 9 March 2021: Presentation of management scenarios and consultation document to ORC's Land and Water Governance Group.
- c. 11 March 2021: Council workshop on the management scenarios and consultation document.
- d. May 2021: Recommendations report to Council (via the Land and Water Governance Group) on the freshwater management option to be included in the LWRP.
- e. 30 June 2021: drafting of Manuherekia Rohe chapter of LWRP complete.

ATTACHMENTS

Nil

8.3. Queenstown Transport Business Case

Prepared for:	Strategy and Planning Committee
Report No.	PPT2101
Activity:	Transport - Transport Planning
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Endorsed by:	Gavin Palmer, General Manager Operations
Date:	2 February 2021

PURPOSE

- [1] The purpose of this report is to seek endorsement of the Queenstown Business Case.

EXECUTIVE SUMMARY

- [2] The Queenstown Business Case (QBC) is a set of integrated and complementary land transport projects that have been developed for the Way to Go transport partnership. Component projects are expected to be delivered by each partnership agency.
- [3] The evidence suggests that the transport problems facing the Queenstown transport network are significant. For example, parts of the network are already at capacity (such as State highway 6A where capacity was exceeded on 140 days in 2019) and growth in private car usage (if left unchecked, the road network would be over capacity for much of the day and the Queenstown Town Centre would require an additional 3,000 car parking spaces).
- [4] To tackle the problems, a significant shift away from cars to walking, cycling and public transport is required (a shift from 17% to 40% of people would need to use these alternative modes by 2028 and 60% by 2048).
- [5] Key to the success of the QBC is the need for significant further development of public transport over the next ten years. This needs to be supported by infrastructure and behaviour change aspects for it to be successful.
- [6] The mode shift change target is a considerable challenge. Additional bus services and physical infrastructure changes will deliver some but certainly not all the change required. This level of mode shift will require a detailed system of actions and collaboration by Way to Go partners to support increased levels of service for active travel (walking and cycling), public transport, parking management, etc.
- [7] If the Way to Go partners can achieve that change, the QBC is forecast to reduce emissions by 15% between 2018 and 2048. However, without further investment in the Queenstown transport network, it is estimated that there will be between a \$670 million to \$1.2 billion loss to the Queenstown economy, over a 40-year period.
- [8] The proposed Council programme to achieve increased mode share for public transport are:
-

- 2021/22 - further investigation (Public Transport Detailed Business Case – estimated additional total cost of \$1.5m);
 - 2024/30 - delivery of improved bus services (especially in 2027, but dependent upon the Detailed Business Case and subsequent approval processes of Council and Waka Kotahi NZ Transport Agency – estimated additional total cost of \$131m); and
 - 2028/30 - infrastructure (i.e., Queenstown public transport interchange and Frankton public transport interchange - also dependent upon the Detailed Business Case and subsequent approval processes of Council and Waka Kotahi NZ Transport Agency - estimated additional total cost of \$61m).
- [9] As indicated in the second and third bullet points above, proposed Council investment from 2024 onwards will be dependent upon what the Public Transport Detailed Business Case finds and then the subsequent funding approval processes of Council and Waka Kotahi NZ Transport Agency.
- [10] Endorsement by Council enables a move to the next step of more detailed investigation of programme-proposed actions (for example, increase in bus services and infrastructure). It does not commit Council at this time to fund the other actions indicated in the QBC (from 2024 onwards).

RECOMMENDATION.

That the Committee:

- 1) **Receives** this report.
- 2) **Endorses in principle** the Queenstown Business Case as the basis for more detailed investigations.

BACKGROUND

- [11] On 22 July 2020 Council received a presentation on the progress of the Queenstown Business Case (QBC). The QBC has now been completed for partner endorsement.
- [12] The QBC has been compiled as a single document (comprised of the Frankton to Queenstown Single Stage Business Case, the Queenstown Town Centre Detailed Business Case with Frankton and Ladies Mile also added to the scope). It is a set of integrated and complementary projects that have been developed for the Way to Go partnership and component projects are expected to be delivered by each partnership agency.
- [13] Way to Go is a transport collaboration between Queenstown Lakes District Council (QLDC), Otago Regional Council (ORC), and Waka Kotahi New Zealand Transport Agency (Waka Kotahi).
- [14] The QBC identifies a total indicative investment in the District by Way to Go partners of about \$670 million over ten years.
- [15] The Council's proposed share will be dependent upon the Public Transport Detailed Business Case and subsequent approval processes of Council and Waka Kotahi NZ

Transport Agency and would be split between operating expenditure (such as the Public Transport Detailed Business Case and bus services) and capital expenditure for infrastructure and plant (such as the Queenstown and Frankton Bus Hubs and new bus fleet and depot).

- [16] Endorsement/approval of the QBC is being sought through all three partners through January and February 2021 (QLDC endorsed it on 28 January 2021 and Waka Kotahi will consider it on 24 February 2021).
- [17] Endorsement by Council enables a move to the next step of more detailed investigation of programme-proposed actions (for example, increase in bus services and infrastructure). It does not commit Council at this time to fund the other actions indicated in the QBC.

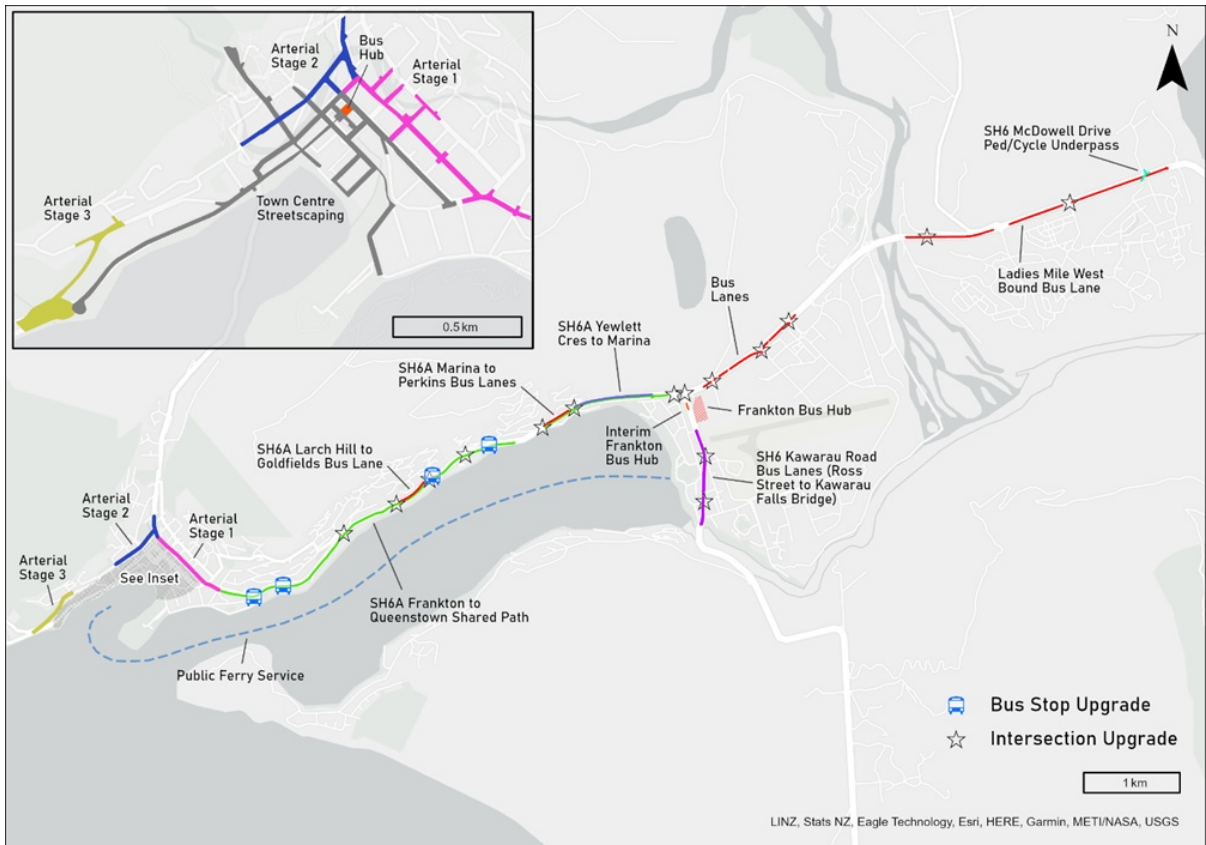
QUEENTOWN BUSINESS CASE

- [18] Evidence suggests that scale of the transport problems facing the Queenstown transport network are significant. For example:
- parts of the network are already at capacity. State highway 6A practical capacity was exceeded on 140 days in 2019. By 2028, modelling indicates that average conditions will be similar to current peak travel times and peak periods will experience regular gridlock with car and PT travel times between Lake Hayes Estate and Queenstown regularly exceeding 60 minutes (compared to 15-20 minutes today).¹
 - Travel in Queenstown is predominately by private car (84% of trips on SH6A). Left unchecked, the road network would be over capacity for much of the day and it is estimated that Queenstown Town Centre would require an additional 3,000 car parking spaces should the current mode share continue.
- [19] Modelling demonstrates that a shift from 17% to 40% of people using alternative modes (walking, cycling, public transport) instead of the private car will be required during peak periods on SH6A by 2028. This number increases to 60% by 2048 if historic levels of growth continue.
- [20] It is estimated that there will be between a \$670 million to \$1.2 billion loss to the Queenstown economy, over a 40-year period, through visitors travelling elsewhere without investment in the Queenstown transport network.
- [21] There is, therefore, a compelling case for change and a need for further development of the transport system.
- [22] The full programme is forecast to reduce emissions by 15% between 2018 and 2048 despite a near doubling of the population due to a mode shift away from private vehicle usage and the introduction of more sustainable vehicle types.
- [23] The QBC identifies three pillars of investment to deliver on the QBC investment objectives. They are:

¹ While COVID-19 has had a significant impact on visitor numbers, this is a temporary phenomenon with QLDC projecting that Queenstown will be back to pre-COVID visitor numbers by 2024.

- infrastructure investment;
- public transport services; and
- travel behaviour change initiatives.

[24] A summary of the infrastructure interventions that make up the QBC preferred programme are shown in the figure below.



[25] Of the three pillars of investment, the infrastructure one is the most advanced as it includes NZUP and CIP projects.

[26] Key to the success of the QBC is that the interventions need to be built around a step change in public transport. This needs to be supported by a partnership approach to infrastructure and behaviour change aspects for it to be successful. This includes the CIP-funded targeted improvements in the town centre that reduce traffic volumes and improve walkability as well as the NZUP funded PT priority elements (e.g., bus lanes).

[27] As such, the public transport pillar has been prepared only to an Indicative Business Case level. To refine those improvements, a DBC is now required (as was the case for the Shaping Future Dunedin Transport programme, considered by Council in December 2020). This is the key additional Queenstown investment required of the ORC in 2021-24 and is proposed to be completed in Years 1 and 2 of the 2021-31 Long Term Plan.

- [28] The behavioural change pillar is incomplete. This is not yet sufficient to fully understand costs, scope of individual tasks and triggers for monitoring.
- [29] As noted previously, a mode share of 40% is required by 2028 and 60% by 2048 on SH6A during peak periods (the bulk of this to public transport). The QBC recognises *“this is a level of mode shift never before attempted in New Zealand, but ... is the level of mode shift needed to keep all networks functioning at an acceptable level”* (page 4, Technical Note 30). Further, it also notes that *“Queenstown’s sister city of Aspen, Colorado has over time achieved a similar level of mode shift”* (page 5).
- [30] Physical infrastructure changes and additional bus services will not be sufficient to force/enable this. This level of mode shift will require a detailed system of interventions by Way to Go partners to support increased levels of service for active travel (walking and cycling) and public transport.
- [31] The ORC’s proposed programme to achieve increased mode share for public transport are essentially in:
- 2021/22 - further investigation (Public Transport Detailed Business Case – estimated additional total cost of \$1.5m);
 - 2024/30 - delivery of improved bus services (especially in 2027, but dependent upon the Detailed Business Case and subsequent approval processes of Council and Waka Kotahi NZ Transport Agency – estimated additional total cost of \$131m); and
 - 2028/30 - infrastructure (i.e., Queenstown public transport interchange and Frankton public transport interchange - also dependent upon the Detailed Business Case and subsequent approval processes of Council and Waka Kotahi NZ Transport Agency - estimated additional total cost of \$61m).
- [32] The values above are gross estimated total cost (ORC and Waka Kotahi). As noted earlier in the report, endorsing the QBC as recommended by staff is not committing Council at this time to investing in other than the Business Case.

OPTIONS

- [33] Council has the following options:
- Option one: endorse the QBC in principle and stage Council’s Public Transport Detailed Business Case action as proposed in the programme and include funding in the Draft 2021-31 Long Term Plan on that basis.
 - Option two: not endorse the QBC.
- [34] Option one is the recommended option.
- [35] Option one will start the delivery of the QBC benefits for improved multi-modal access, improved attractiveness, enhanced connectivity and improved environmental outcomes. This option also directly impacts community outcomes in the Draft 2021-31 Long-Term Plan specifically by contributing to an environment that supports healthy people and ecosystems, a sustainable way of life for everyone in Otago and sustainable, safe and inclusive transport.

- [36] Option two will not contribute to the QBC outcomes and benefits, nor make a positive impact on community outcomes.

CONSIDERATIONS

Policy Considerations - LTP

- [37] The Otago Regional Council's Long-Term Plan outlines how activities undertaken by Council will help to achieve community outcomes. The Community Outcomes that ORC aims to achieve are:
- 1) Communities that connect with and care for Otago's environment.
 - 2) An environment that supports healthy people and ecosystems.
 - 3) Communities that are resilient in the face of natural hazards, climate change and other risks.
 - 4) A sustainable way of life for everyone in Otago.
 - 5) Te ao Māori and Mātauranga Kai Tahu are embedded in Otago communities.
 - 6) Sustainable, safe, and inclusive transport.
- [38] Council investing in the proposed QBC interventions will deliver on outcome 6 above.

Policy Considerations - RLTP

- [39] The Regional Land Transport Plan 2021-2031 is currently under development and aims to align closely with the strategic priorities of the Government Policy Statement on Land Transport Funding (Safety, Better Travel Options, Improving Freight Connections and Climate Change).
- [40] The draft 30-year vision describes a transport system that provides integrated, quality choices that are safe, environmentally sustainable and support the region's wellbeing and prosperity.
- [41] The QBC benefits and outcomes align with the direction of the GPS and the developing RLTP.

Policy Considerations - RPTP

- [42] The current Regional Public Transport Plan 2014 sets a goal to provide "Viable passenger transport meeting the needs of Otago's communities" and contains a number of objectives. Key of those that the QBC will deliver on is:
- "provides an alternative to car travel in urban areas and along key corridors to benefit as a whole the communities in which those services operate".

Financial Considerations

- [43] The QBC outlines high level indicative costs for ORC's interventions. The detailed costs and timing of those interventions will be determined through the subsequent Public Transport Detailed Business Case.

- [44] As noted earlier in the report, the 2021-24 intervention required of Council is to prepare the Business Case. That is currently programmed to be delivered over Years 1 and 2 of the Long Term Plan and the activity has been included in and submitted to Waka Kotahi in the Council's draft 2021-24 land transport programme. This is not a guarantee of Waka Kotahi funding, but Waka Kotahi staff are making a strong submission to their board for support to prioritise this activity in the National Land Transport Programme.
- [45] It is also apparent at this time that the current funding models for public transport services and infrastructure in the Wakatipu Basin over the life of the QBC will need to be reconsidered to achieve the QBC outcomes.

Risk Considerations

- [46] Within the recommended programme of work are discrete projects led separately by the Way to Go partners. In some cases, realising the full benefits of a particular project may be dependent on a project under the remit of another partner. It will be important to maintain a coordinated approach to interventions to ensure the complementary effects of different projects are realised and investment is appropriately committed to dependant (especially around behaviour change).
- [47] The mode shift target is a considerable challenge. Additional bus services and physical infrastructure changes will deliver some but certainly not all the change required. This level of mode shift will require a detailed system of interventions and collaboration by Way to Go partners to support increased levels of service for active travel (walking and cycling) and public transport.

NEXT STEPS

- [48] If the QBC is approved by the Way to Go partners, the next phase of work proposed in the period 2021-24 includes:
- the Frankton to Queenstown, Frankton and Ladies Mile package proceeding from Single Stage Business Case to Pre-implementation (including the NZ Upgrade Programme);
 - the Queenstown Town Centre package proceeding from the Detailed Business Case to Pre-implementation (including the CIP-funded Stage 1 of the Arterial and streetscape improvements);
 - the Public Transport Services package proceeding from an Indicative Business Case to Detailed Business Case; and
 - Support that Travel Demand Management and behavioural change initiatives can proceed from a Scoping Study to Single Stage Business Case (implementation process still being considered).
- [49] The latter piece of work will require the continued collaboration of the Way to Go partners to be successful (that is, no one agency can deliver the mode shift sought).

ATTACHMENTS

Nil