

Our Ref: A1683596

25 August 2022

Minister for the Environment
Private Bag 18041
Parliament Buildings
Wellington 6160

BY EMAIL: david.parker@parliament.govt.nz

Dear Minister

Report under Section 27 of the Resource Management Act 1991

In accordance with your letter of 18 November 2019 and following on from the previous 5 reports from 2020 until now, the following comprises the Otago Regional Councils' sixth report, in accordance with Section 27 of the Resource Management Act 1991 (the Act) and the recommendations pursuant to Section 24 of the Act. This is the final report of the current triennium.

This letter also responds to your letter received last month, relating to timelines for the proposed Land and Water Regional Plan (pLWRP) and the proposed Otago Regional Policy Statement 2021.

This report will address the following:

- *Progress made in developing science, planning, consenting, monitoring and enforcement, and land management organisational capability and capacity; and*
- *Progress in achieving the [above] recommendations 1, 2 and 3 (copied below for ease of reference):*
 1. *Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits;*
 2. *Develop and adopt a programme of work to achieve the following*
 - i. *By November 2020¹, a complete review of the current RPS that is publicly notified, with the intention that it is made operative before the review of its LWRP is notified;*
 - ii. *By 31 December 2023, a new LWRP for Otago that includes region wide objectives, strategic policies, region-wide activity policies, and provisions for each of the Freshwater Management Units, covering all catchments within the region.*

For our future

3. *Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning and consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with the requirements in the National Policy Statement for Freshwater Management; and;*
- *A summary of freshwater resource consenting activity for the reporting period.*

¹ Please note an extension of this date to 30 June 2021 as per your letter to ORC of 11 September 2020.

Progress Made in Developing Science, Planning, Consenting, Monitoring and Enforcement, and Land Management Organisational Capability and Capacity

The following table outlines the particular improvements in each of the areas specifically identified in your report.

Area	What we advised in March 2022	Latest Update
Science	<p>The Science Team is in place and developing and implementing programmes for biodiversity, land and water. Most programmes are now in an implementation phase.</p> <p>The Manager Science position has been filled. Two vacancies in the science team continue to prove hard to fill in a competitive market. In these circumstances ORC is reliant on consultants to carry out work.</p> <p>A new team leader role in the Environmental Monitoring (EM) Team has been recruited. Further resources will be established in the Environmental Monitoring team in the first half of 2022 to support the growing work programme. The EM team work closely with the Science team and are responsible for the State of the Environment monitoring programme. Their work programme will also be critical to the implementation of the NPSFM, including through the increased monitoring requirements.</p>	<p>The Science Team is in place and work has progressed on implementing programmes for biodiversity, land and water.</p> <p>Recruitment has been ongoing, with only one role is left to recruit. The Science Manager has been in the role for six months now.</p> <p>The Environmental Monitoring (EM) Team was fully resourced towards the end of 2021/22 and will be recruiting 2 more roles that are funded in 2022/23.</p> <p>The EM team work closely with the Science team and are responsible for the State of the Environment monitoring programme. Their work programme will also be critical to the implementation of the NPSFM, including through the increased monitoring requirements.</p>
Planning	<p>The Land and Water Regional Plan Governance Group are continuing to meet. Recently a request was made by Te Ao Marama Inc to have a seat on the Governance Group and that request is under consideration.</p> <p>One of the Senior vacancies in the Land and Freshwater team has been filled, however we have been unable to fill the urban vacancy and the second Land and Freshwater vacancy.</p> <p>The Land and Freshwater team are continuing to be involved in work on implementing Plan Change 8, and in particular the Rural Provisions which are to be made operation in March or April this year. This has put some resourcing pressure on the team which is being alleviated through the use of consultants.</p> <p>The development of the RPS has also been heavily reliant on the use of consultants.</p> <p>The timeline for the RPS is subject to the current High Court declaratory proceedings. The High Court have advised that it will be no sooner than July before a decision is issued, and the hearings on the proposed RPS will have commenced by that stage. If the Declaratory Judgement does not</p>	<p>The Land and Water Regional Plan Governance Group have increased the frequency of meetings, to monthly, in response to the work programme. A representative from Kai tahu ki Murihiku now has a permanent role on the group and a wider group of ORC Councillors are also attending in an observer capacity.</p> <p>There is a critical shortage of staff in the Policy team, with all urban and RPS roles vacant, and recruitment challenging. The RPS work is now being driven by consultants.</p> <p>There are also vacancies in the Land and Freshwater team but they are currently being managed through the use of external consultants. Recruitment for all vacant policy roles will commence shortly.</p> <p>The final part of the Omnibus Plan Change – the urban provisions of Plan Change 8 are beyond appeal and, subject to Council approval, will be made operative from September. This is a valuable step for managing, in particular, sediment discharges from urban development.</p> <p>The recent High Court declaration decision on the proposed RPS has required some additional work for staff.</p>

	<p>consider the pRPS a freshwater instrument in its entirety, there will be implications in terms of when the RPS will be operative. This in turn impacts the proposed LWRP.</p>	<p>The RPS team is working through the implications, and how to separate out the proposed RPS in order to renotify the parts considered by the High Court to be freshwater.</p> <p>Council approval is being sought in August to appoint a Hearings Panel to hear the non-freshwater parts of the proposed RPS. In September, Council will be asked to approve for notification, the parts of the proposed RPS that are freshwater.</p> <p>The Freshwater Hearing Panel had directed parties to participate in meaningful negotiations to attempt to settle or narrow points of difference. Council led a series of pre-hearing discussions (in confidence and without prejudice) with interested parties across the months of June and July. This resulted in some points of differences being narrowed, and supplementary evidence was being prepared for the Panel. A consequence of the High Court declaration is that the Freshwater Panel that was appointed is now dissolved which means the supplementary evidence will be redirected to the new Panels when they are appointed.</p>
<p>Consenting</p>	<p>Staffing levels remain in line with those indicated in the previous report and support is continuing to be provided by contractors, for over-flow processing.</p> <p>Significant work was undertaken to prepare the team for processing consents under Plan Change 7 once the decision was released. This included multiple training sessions and updates to existing procedures. Work was completed on updating report templates, drafting practice notes and updating conditions. Extensive work was completed to prepare resources for external use including new application forms, practice notes and a form to be used when amending applications. Stakeholders and consultants have been kept regularly up to date on processing and resources available.</p> <p>An update on consent processing under Plan Change 7 is provided further down in the report.</p>	<p>Staffing levels remain generally in line with those indicated in the previous report, but we are recruiting for one FTE at the senior planner level. Support is continuing to be provided by contractors, for over-flow processing. The vacant FTE is not affecting processing timeframes as it was due to an internal promotion within the team.</p> <p>Stakeholders and consultants have been kept regularly up to date on processing and resources available.</p> <p>An update on consent processing under Plan Change 7 is provided further down in the report.</p>
<p>Monitoring & Enforcement</p>	<p>Internal appointment of two additional FTEs for roles of Principal Advisor Investigations (new role), and a Principal Compliance Specialist (additional role) have been made. These positions focus on supporting improved good practice and increasing the compliance monitoring and enforcement (CME) capabilities across the team.</p> <p>Staff turnover has increased, with six Environmental Officers, two Environmental Data Officers and one Incident Responder recruited in the last six months.</p>	<p>Appointments have been made for a Team Leader Compliance Monitoring (in Central Otago), a Team Leader Investigations and a Senior Investigator. It has been challenging to recruit suitably qualified people for these roles in a competitive labour market.</p> <p>Staff turnover has increased, with two Environmental Officers, one Environmental Data Officer and one Incident Responder vacancies in the last six months.</p>

	<p>Recruitment is underway for a Team Leader Compliance Monitoring (in Central Otago a), a Team Leader Investigations and a Senior Investigator. It has been challenging to recruit suitably qualified people for these roles in a competitive labour market.</p> <p>A total of 27.60 FTE dedicated to CME activities is budgeted in the 2021/22 financial year.</p> <p>Ongoing business process and system improvements continue to enable staff to better undertake their CME activities, including introducing tools for mobility in the field, updating SOPs and streamlining our enforcement and compliance monitoring processes. These efficiency improvements are reflected in both increased onsite audits and inspections as well as formal enforcement actions being taken by ORC.</p> <p>Work continues to improve the Council's new Environmental Monitoring System. Year on year desktop compliance inspections have increased by 25.5%.</p>	<p>A total of 37.5 FTE dedicated to CME activities is budgeted in the 2021/22 financial year.</p> <p>Ongoing business process and system improvements continue to enable staff to better undertake their CME activities, including introducing tools for mobility in the field, updating SOPs and streamlining enforcement and compliance monitoring processes. These efficiency improvements are reflected in both increased onsite audits and inspections as well as formal enforcement actions being taken by ORC.</p> <p>Work continues to improve the Council's new Environmental Monitoring System. As noted in the last report, year on year desktop compliance inspections have increased by 25.5%.</p>
Land Management	<p>Since October 2021, the Environmental Implementation Team has increased to 28 FTEs, including 1 role funded through Jobs for Nature project funding.</p> <p>Recruitment is underway for a biosecurity specialist position, a project delivery role and three additional catchment advisors.</p> <p>The team has been building on the core biosecurity work by increasing the strategic focus and face to face community led management approaches. The new biosecurity specialist will enable further strategic approaches and integration of the biosecurity work.</p> <p>On the ground community facing work continues to build with catchment advisors making new networks and developing projects. In addition, the project delivery specialists are managing large scale projects involving the community and mana whenua partners.</p> <p>Work on the Integrated Catchment Management approach has progressed with a draft framework for delivery through Catchment Action Plans being endorsed by Council in December 2021. This framework is being developed further through an internal cross directorate working group before going to the community and our mana whenua partners for collaborative development of integrated catchment action plans.</p>	<p>Since March 2022, the Environmental Implementation Team recruited three catchment advisors to support communities across Otago to implement best practice with a specific focus on water quality, biodiversity and biosecurity.</p> <p>Due to an internal shift, the Manager, Environmental Implementation role was vacated however it is currently being recruited, with an Acting Manager covering the role in the interim.</p> <p>Recruitment across the team has been challenging and there are continued recruitment processes still underway for a project delivery role and biosecurity specialist. In addition to this, recruitment is also now underway for two Biosecurity Officer roles and an additional Biosecurity Specialist. The total of 36 FTE committed in the LTP is still on track, to ensure programme delivery over time.</p> <p>The team has continued to build on core biosecurity work through further development of strategic decision making and through continuing and building on face-to-face community led pest management approaches. The two new biosecurity specialist roles will enable further strategic approaches for integration into biosecurity work.</p> <p>On the ground community facing work</p>

	<p>These CAPs are planned to align to the FMUs and will give effect to the action plans required in the NPSFM 2020.</p>	<p>continues to build with catchment advisors making new networks and developing projects. In addition, the project delivery specialists are managing large scale projects involving the community and mana whenua partners. Our ECO Fund has also provided \$290,000 worth of funding to community groups across the region who are delivering environmental projects. Further incentive funding has also been provided to support replanting after wilding conifer removal, rabbit management and improving water quality.</p> <p><i>The Environmental Implementation team currently support ORC's Ecofund, which provides support to community groups for biodiversity oriented projects and is funded through the LTP. In addition, there are 28 Jobs for Nature projects across Otago with a combined investment of \$61 million, over several years. The Environmental Implementation team are managing 4 of these projects, including:</i></p> <ul style="list-style-type: none"> - Maintaining the Gains' - Protecting and restoring indigenous biodiversity on Otago's covenanted private land. This is a \$961,234 project over 3 years with an estimated 11 FTE being created through this project - National Wilding Conifer Control Programme to Boost Regional Economies and Employment: Otago This is a 14-million-dollar project over 4 years with an estimated 46 FTE being created through this project. - Containing Wallabies to Protect Agriculture, Forestry and Native Plants, And Boost Regional Economies – Otago. This is a 4.3-million-dollar project over 4 years with an estimated 19 FTE being created through this project. - Te Hapapupu Restoration Project. This is a 5.29-million-dollar project over 3 years and 7 months with an estimated 30.2 FTE being created through this project. <p>The Integrated Catchment Management framework is being developed further through an internal cross directorate working group before going to the community and our mana whenua partners for collaborative development of integrated catchment action plans. These CAPs are planned to align to the FMUs and will give effect to the action plans required in the NPSFM 2020.</p> <p>Ongoing business process and system improvements continue to enable staff to better undertake their work to ensure that data is accurate relevant.</p>
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Progress in Achieving the specified recommendations

The particular recommendations as outlined in the original letter, and ORC's response, to date, is detailed below:

Action	What we advised in March 2022	Latest Update
<p><i>Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits.</i></p>	<p>The hearing for the rural provisions of Plan Change 8 occurred in November 2021, and a decision on the provisions was released at the end of January 2022. The appeal period has just passed, with no appeals received however staff have identified a minor error in the decision and are waiting on the decision to be reissued. Once that happens, staff will prepare a paper to Council, to approve the Plan Change.</p> <p>The decision on Plan Change 1: Dust Suppressants, was released in March 2022, after the Environment Court considered the mediation agreement and evidence, without a formal hearing. These provisions are now in the appeal phase and subject to no appeals being lodged, will be taken to Council for approval in due course.</p> <p>Mediation on the urban provisions of PC8 occurred in November 2021, and while several matters were agreed, there remained outstanding issues around the proposed rules to manage residential earthworks. The PC8 Urban Provisions are now set down for a contested hearing late in March 2022.</p>	<p>The Omnibus plan change provisions are, subject to Council approval, all operative, or soon to be operative.</p> <p>The rural provisions of Plan Change 8 (PC8) were made operative from 4 June 2022. Plan Change 1 was made operative from 9 July 2022.</p> <p>A hearing for PC8 – Urban was held in March 2022, and a decision released in July. No appeals have been received and the provisions of PC8-urban, will be operative, subject to Council endorsement, from 3 September 2022.</p>
<p><i>By November 2020, a complete review of the current RPS that is publicly notified, with the intention that it be made operative before the review of the LWRP is notified</i></p>	<p>The Summary of Decisions Requested on the proposed RPS21 was released for further submissions on 30 October, with the period for submissions running from 1 – 12 November 2021. A corrigendum was released on 17 November and open for further submissions until 1 December 2021.</p> <p>59 further submissions were received in total, with 55 submissions received by the closing date.</p> <p>On 11 November 2021 the ORC advised the Chief Freshwater Commissioner (CFC) of its two Commissioner nominees to sit on the Freshwater Hearing Panel. ORC also advised on this date of its intention to provide the pRPS21 as a Freshwater Instrument in its entirety.</p> <p>On 2 December 2021 the ORC advised the CFC of the local tangata whenua nominee.</p> <p>The CFC (Professor Skelton) appointed 4 of the members of the Freshwater Hearing Panel in December 2021, and the Chair, Judge Newhook appointed the fifth and final member on 17 January 2022.</p>	<p>In relation to the proposed RPS, the s42A reports have been available since 4 May 2022. At the direction of the Panel, meaningful but informal discussions, by chapter, have occurred across June and July. These discussions were intended to either provide more rationale for Council's position or understand submitters positions, and where possible settle or narrow points of difference. As a result of the discussions, amended s42A reports were being prepared (as supplementary evidence) and were to be filed with the Freshwater Panel by 5 August.</p> <p>The Freshwater Panel had issued alternative timetabling directions to accommodate the supplementary evidence however this timetable has been overtaken by the High Court declaration, as noted earlier.</p> <p>The High Court declaration hearing on whether the proposed RPS 21 is a freshwater instrument in its entirety was heard in February 2022, with the decision released in July. The consequences of the decision have been set out earlier, but in short, there will now be two separate processes to hear each part of</p>

	<p>The Freshwater Hearings Panel appointed is:</p> <ul style="list-style-type: none"> • Judge Laurie Newhook - Chair and Freshwater Commissioner • Ron Crosby - Freshwater Commissioner • Bianca Sullivan – ORC nominated panel member • Allan Cubitt - ORC nominated panel member • Rauru Kirikiri - tangata whenua nominated panel member. <p>The Panel issued its first Minute and Directions on 1 March, with the hearings on the pRPS set to commence on 30 May 2022 and sit every second week until approximately October 2022.</p> <p>The High Court declaration hearing on whether the proposed RPS 21 is a freshwater instrument in its entirety was heard in February 2022, with the decision reserved.</p> <p>This process presents some risk to the RPS if the Court does not agree that the RPS is a freshwater instrument in its entirety. Such a decision may impact the timeframe for progressing the RPS. AS noted above, the pRPS hearings will have commenced before a decision is made.</p> <p>With regard to the partially operative RPS, the Court of Appeal dismissed Port Otago Limited's (PoL) appeal. PoL have now sought leave to apply to the Supreme Court on the same matter. No decision on that leave application has yet been made.</p>	<p>the proposed RPS – the parts of the proposed RPS that are freshwater, and the parts that are non-freshwater.</p> <p>For the non-freshwater parts, a new Hearings Panel will need to be appointed. Once that has occurred, a new timetable will be able to be issued to parties.</p> <p>For the freshwater parts, the first step is to determine how to separate the proposed RPS. Once Council has approved the delineation and agreed to renotify the freshwater parts of the proposed RPS, the process as provided for in s80A will take place – Council nominates Commissioners, the Chief Freshwater Commissioner receives the relevant documents, appoints a Panel, and sets out a timetable.</p> <p>All of these decisions around the proposed RPS impact on the timelines however staff and Councillors are working to progress as quickly as reasonably possible.</p> <p>With regard to the partially operative RPS, the Court of Appeal dismissed Port Otago Limited's (PoL) appeal. PoL sought leave to appeal to the Supreme Court. Leave to appeal was granted, the approved question being “whether the Court of Appeal was correct to dismiss the appeal”. The hearing was held on 11 and 12 May. No decision has yet been released.</p>
<p><i>By 31 December 2023, a new LWRP for Otago that includes objectives, strategic policies, region-wide activity policies, & provisions for each of the FMU's, covering all catchments within the region</i></p>	<p>The Policy Team are leading the first-round consultations and working in partnership with iwi on the overarching policy direction for the LWRP.</p> <p>Consultation summaries for Upper Lakes and Catlins FMU are now finalised.</p> <p>Staff have now commenced work in all remaining Freshwater Management Units and/or rohe.</p> <p>The first round of consultation for the Dunstan, and Roxburgh rohe and the Clutha Mata-au FMU were undertaken in late February and early March. This consultation was undertaken online, in accordance with ORC's response to the current Covid- 19 Traffic Light settings.</p> <p>The first round of consultation for North Otago, Dunedin and Coast and Taieri FMU's are scheduled for mid-March and will also be undertaken online.</p>	<p>The first round of consultations in every Freshwater Management Unit (FMU) or rohe has now occurred, and summaries of the consultation feedback has been made available.</p> <p>Good progress has been made on confirming the regional provisions policy direction with the Strategy and Planning Committee, with all topics having a confirmed policy direction via a series of workshops with Councillors and formal papers to the Strategy and Planning Committee. Consultation on the region wide provisions is due to commence from September.</p> <p>The second round of consultation across all FMU's was intended to commence from August however the release of the Ministry for the Environment's Periphyton Guidelines has created challenges that the science team are working through. The periphyton guidelines under protect Otago's rivers</p>

	<p>A second round of community engagement is scheduled to commence mid-2022.</p> <p>The science work programme is well underway, with contracts in place to support internal staff with modelling for water quality and water quantity. The science approach was adopted by Council in June 2021 and the agenda link is copied here for your assistance (agenda-council-20210623.pdf (orc.govt.nz)).</p> <p>The science programme includes quality modelling to undertake analysis of future mitigation scenarios for nitrogen, phosphorus, sediment and <i>E.coli</i> at the regional scale. The quality models will assess the effectiveness of a series of on-land mitigation strategies at reducing instream contaminant levels at regionwide scale. This modelling approach will draw on and refine work published by Our Land and Water programme as a part of the National Science Challenge.</p> <p>The quantity modelling commissioned to date includes bespoke modelling in 15 catchments where detailed analysis is required. All other catchments will be covered by a region wide model. This modelling is also supported by ecological habitat model development in some catchments, although this work may not be completed this summer as river flows have persisted at unseasonably high levels.</p> <p>With regard to the Manuherekia rohe, the Technical Advisory Group are continuing to work to an agreed set of tasks, and likely to report back to Council in May this year.</p> <p>The economics work programme includes an Industry Action work stream, a Farmer Grower work stream, and a Māori economy workstream. The Industry Action Group has been set up to provide comments on the set of actions (mitigations) developed by ORC to deliver on the ground changes. Those actions will also be reviewed by an independent consultant with specific expertise in on farm mitigations. The Farmer Grower workstream is being developed in conjunction with the Ministry for Primary Industries (MPI) and industry good groups from across agriculture, horticulture and viticulture to develop robust industry knowledge for Otago. Technical experts will use the information to test the impacts of different actions on rural businesses in terms of profitability, production and employment.</p>	<p>and our science team have made attempts to enhance the model to better represent what we understand is happening in our rivers. The guidelines are having a meaningful impact on the overall timeline.</p> <p>In July staff presented additional timeline options to the LWRP GG that would enable some additional work on periphyton modelling to occur however since that time, updated timelines have been discussed with the Governance Group, taking into consideration the Ministers' latest (July) correspondence.</p> <p>The science programme to support the pLWRP is progressing well. As advised in the last update, the programme includes quality modelling to undertake analysis of future mitigation scenarios for nitrogen and phosphorus (periphyton), sediment and <i>E.coli</i> at the regional scale. and draws on and refines work published by the Our Land and Water programme as a part of the National Science Challenge.</p> <p>Regional sediment models are still being pursued with results expected late September. <i>E.coli</i> models have been explored, but have been discounted as any model would not be able to develop outputs with any reasonable certainty.</p> <p>Work on wetlands protection provisions and delineation are well underway. Conversations with stakeholders and landowners have begun in the Upper Taieri Catchment.</p> <p>The quantity modelling commissioned to date includes bespoke modelling in 15 catchments where detailed analysis is required. All other catchments will be covered by a region wide model. This modelling is also supported by ecological habitat model development in some catchments, although this work was not completed this summer as planned as river flows have persisted at unseasonably high levels.</p> <p>The Science Team are planning to establish habitat models as early as possible in 2022/23. This work is dependent on flows and is a risk that is being actively managed for the project. The key catchments that are impacted are the Taieri and several North Otago Catchments such as the Shag, Wainakarua and Kakanui.</p> <p>With regard to the Manuherekia rohe, the Technical Advisory Group are continuing to work to an agreed set of tasks, and</p>
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	<p>The economics work also includes Catchment Stories which is designed to allow communities to showcase their voice, outlining the on the ground actions already occurring within their catchments.</p> <p>The Māori economy work - Te Ōhanga ki Kai Tahu – has been designed to provide Aukaha and Te Ao Marama to consider their ōhanaga (both historical and present day) as part of their mahi on the implications of the Land and Water Regional Plan for Kai Tahu. They will also look to highlight the kaitiakitanga and manaakitanga of mana whenua in catchments ki uta ki tai (from the mountains to the sea). The final part of the economics programme at this stage is to prepare a Regional Economic Profile for Freshwater. This project is about exploring the economy's use of water as inputs and outputs, the value of that use (as income and employment) and connections between industries.</p> <p>A contract for delineating Outstanding Water Bodies is about to be awarded, and legal services are being procured.</p>	<p>likely to report back to Council later this year. The work has been delayed as a key input; a hydrological model has not yet been delivered. TAG is still on track to complete this work to feed into the Land and Water Regional Plan.</p> <p>The economics team presented an overview of the programme supporting the pLWRP in a workshop with Councillors on 13th July.</p> <p>The Industry Advisory Group has continued to meet every 3 weeks – it has been providing information and advice on the baseline economic status report, which is in draft form and expected to be complete by the end of September.</p> <p>The industry groups are scoping work to model policy impacts, and contracts are in place for all but two groups. Communication is ongoing internally with the policy and science teams as this is critical to the economics at this stage to ensure that the modelling is appropriate to provide the outputs required for impact assessment. Workshops of the industry groups with the science and policy teams are expected in the next few weeks to finalise the scoping of the modelling, which needs to be completed by the end of November.</p> <p>The catchment stories field phase has been completed and a draft report is under preparation, expected to be complete by the end of September. Knowledge from that report about actions and their effectiveness, is also actively being fed into the industry group modelling process. The Economic Profile of Land and Water project is progressing well, with a contract to relate and map land use and water demand through irrigation recently underway. The report on this workstream is also expected to be complete by the end of the year.</p> <p>The Māori economy project has also commenced, with Aukaha working in house to collect and collate information.</p> <p>The work on delineating Outstanding Water Bodies is progressing, noting that ORC will be only the second regional council to undertake this work under the NPSFM 2020.</p>
<p><i>Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning & consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with</i></p>	<p>The final decision on Plan Change 7 was released on 17 November 2021, after an interim decision approving the plan change was released on 22 October 2021. Appeals on the interim and final decisions closed in November and December 2021 respectively. No appeals were received and Plan Change 7 was approved by Council in February and operative on and from 5 March 2022.</p> <p>This action is now considered</p>	<p>With regard to consent processing, applications covered by Plan Change 7 are being processed in a staging plan that has been agreed with consultants and applicants. This also allows for people to be working on one part of the region at once and allows time for the water use analysis to be completed for permits in a similar area at one time.</p> <p>We are continuing to actively process these as the amendments are lodged and to follow up on lodgement dates for the</p>

<p><i>requirements in the NPSFM.</i></p>	<p>complete.</p> <p>With regard to consent processing, applications covered by Plan Change 7 are being processed in a staging plan that has been agreed with consultants and applicants. This also allows for people to be working on one part of the region at once and allows time for the water use analysis to be completed for permits in a similar area at one time. Work on the Manuherekia consents has continued by the project team set up to process the permits. These applications were 'on hold', at the request of the consent holders, waiting for a decision on Plan Change 7. The applications are being processed by an external consultant, with internal project leadership. Staff are currently undertaking the water use analysis for these takes and providing these reports to the Manuherekia applicants. The applicants will then use these to help inform amendments to their applications.</p> <p>There have been concerns raised by some councillors about the cost of the deemed permit replacement consents in light of the PC7 decision and the subsequent short terms on these consents. Staff continue to apply charges consistent with the RMA.</p>	<p>amendments of the outstanding applications. Some applicants are using the restricted discretionary pathway provided for under PC7, with most using the controlled pathway. The applications still to progress are generally in the Manuherekia, Taieri, Lowburn, and Bannockburn areas, as well as the Trustpower ones. This is in line with the staging plan mentioned above.</p>
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Summary of Freshwater Resource Consenting Activity – for the period 1 March 2022 - 31 July 2022

The following is a summary of the freshwater resource consenting activity for the reporting period:

- Between 1 March 2022 and 31 July 2022, the Otago Regional Council received 24 applications for water take consents. These applications are being processed as 24 separate resource consents, with 15 for taking groundwater and 9 for taking surface water. Of the 24 applications, none relate to the replacement of Deemed Permits.
- From the 24 applications lodged between 1 March 2022 and 31 July 2022, Council issued 8 resource consents, 3 for taking groundwater and 5 for taking surface water. Of the remaining 13 resource consents, 11 are currently being processed and 2 have been rejected or withdrawn.
- The Council also issued a further 44 resource consents relating to applications lodged before 1 March 2021. These include 6 resource consent for taking groundwater and 38 for taking surface water. Of the 44 resource consents issued, 23 related to the replacement of 33 Deemed Permits.
- In total, the Council is currently processing 93 applications for water take consents. These applications are being processed as 179 Resource Consents, with 17 for taking groundwater and 162 for taking surface water. Of the 93 applications, 53 relate to the replacement of Deemed Permits.
- Between 1 March 2022 and 31 July 2022 no applications relating to taking water were publicly notified or limited notified.
- There are currently no active Deemed Permits in the Otago Region, excluding those operating under s124.

No new appeals relating to decisions on an application for new water permits relating to deemed permit, have been lodged with the Environment Court.

Formal Response to July 2022 letter from Minister Parker

ORC acknowledges the second report by Professor Skelton and the subsequent correspondence from the Minister. Council is committed to achieving the timelines as reconfirmed in the July letter. Those timelines have been formally endorsed at a meeting of the Strategy and Planning Committee on 24 August. The timelines confirm ORC is committed to achieving notification of the proposed LWRP by 31 December 2023. This timeline requires active and constant monitoring of all risks to the project, and staff will continue to escalate risks to the Land and Water Governance Group, and Council, as required.

ORC, along with our iwi partners, are working on timelines to achieve the renotification of the parts of the proposed RPS that are deemed to be freshwater instruments, by 30 September 2022. Once a new Hearings Panel has been appointed, the balance of the proposed RPS, being the non-freshwater parts, will have a new timetable set by that Panel, and Council is optimistic that hearings can commence in very early 2023.

Conclusion

ORC, along with our iwi partners, is committed to achieve its new planning framework, including the proposed Land and Water Regional Plan, in accordance with the agreed timelines originally set out in December 2019. The proposed RPS will continue to progress as two separate parts and will be made operative as soon as is reasonably practical, notwithstanding that a significant portion of the pORPS will be subject to appeal to the Environment Court.

The next 6 monthly report will be due to you in March 2023, at which time ORC will have a significantly refined understanding of timelines for both the proposed RPS and the proposed LWRP.

In the interim, if you have any questions or need further clarification, please don't hesitate to get in touch with Anita Dawe (anita.dawe@orc.govt.nz; or 021 445 993).

Yours sincerely

A handwritten signature in black ink, appearing to read 'P. Borren', followed by a long, wavy horizontal line extending to the right.

Pim Borren
Interim Chief Executive