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Minutes of an ordinary meeting of Council held in the
Council Chambers at Otago Regional Council on
Wednesday 1 November 2017, commencing at 10:30 am

Membership

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

Welcome

Cr Woodhead welcomed councillors, members of the public, media and staff to the meeting.

1. APOLOGIES

There were no apologies advised. The Leave of Absence for Cr Deaker was noted.

2. LEAVE OF ABSENCE

Resolution

That the request for leave of absence from Cr Laws be accepted.

Moved: Cr Woodhead
Seconded: Cr Hope
CARRIED

3. ATTENDANCE

Peter Bodeker	(CEO)
Nick Donnelly	(Director Corporate Services)
Sian Sutton	(Director Stakeholder Engagement)
Tanya Winter	(Director Policy, Planning & Resource Management)
Gavin Palmer	(Director Engineering, Hazards and Science)
Scott MacLean	(Director Environmental Monitoring and Operations)
Sally Giddens	(Director People & Safety)
Lauren McDonald	(Committee Secretary)
Marian Weaver	(Item 11.3)
Mark Peart	

4. CONFIRMATION OF AGENDA

The agenda was confirmed as tabled.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

No public forum was held.

7. PRESENTATIONS

1. Manuherikia Catchment Water Strategy Group – report back on funding from the Bulk Water Fund by former Chairman, Mr Allan Kane.
2. Otago Peninsula Biodiversity Group – report back on funding from the Environmental Enhancement fund by current Chairman, Rod Morris and past chairman, David Chalmers and Project Manager, Ursula Ellenberg.

The presentations commenced at 1:15pm.

Mr Kane outlined the background to the formation of the Manuherikia Catchment Water Strategy Group (MCWSG) and the feasibility studies undertaken by the MCWSG on land area, water and climate to assist to define options for the catchment community to consider. He advised the full reports were available to view on the website www.mcwater.co.nz. He acknowledged the funding support from the ORC, which allowed the MCWSG to receive matching funding from the Crown for the feasibility studies. The next phase was for the community discussion on the irrigation option to be advanced and the development of a water company through an amalgamation agreement with irrigators. The feasibility studies would be able to be used as "guiding principles" to the company. Mr Kane confirmed that the ORC was not involved in funding for stages beyond the feasibility studies.

Mr Kane responded to questions from councillors.

Councillors acknowledged and thanked Mr Kane for his dedication to the MCWSG and the group achievements to date. *Mr Kane left the meeting at 1:55pm.*

"Towards a Pest Free Otago Peninsula" - Ms Ellenberg outlined the work undertaken by the Otago Peninsula Biodiversity Group through the funding assistance received through the ORC Environmental Enhancement Fund. She advised the group's intent was to strive to change and make the Otago Peninsula a better environment to live through community participation and involvement in managing co-ordinated pest

control. She highlighted the activities undertaken with the group in monitoring, trapping, tertiary and public education trips and events.

Discussion was held on work towards a predator free Otago Peninsula including completion of predator deterrent fencing for rabbits and possums in the buffer zone between the peninsula and the city suburbs.

Mr Morris, Chalmers and Ms Ellenberg responded to questions from councillors on the project work, achievements and future plans.

Ms Ellenberg was thanked for her informative presentation.

The presentations concluded at 2:43pm.

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the Council meeting held on 27 September 2017 be received and confirmed as a true and accurate record.

Moved: Cr Kempton
Seconded: Cr Hope
CARRIED

9. ACTIONS

Status report on the resolutions of Council. No current items for action.

10. CHAIRPERSON'S AND CHIEF EXECUTIVE'S REPORTS

10.1. Chairperson's Report

The report outlined meeting activities for the period 20 September to 27 October, including: Zone 5 and 6 meeting in Cromwell; Kai Tahu ki Otago (KTKO) 20th anniversary; Fonterra update of annual result; Lake snow public consultation session; Queenstown Public Transport; Hawea Flat groundwater and the Chief Executive's end of contract.

Cr Woodhead advised that Kai Tahu Ki Otago (KTKO) announced the rebranding of the organization to "Aukaha" originating from *kia kaha, au kaha* meaning to unite, bind together.

Hawea Flat groundwater - Cr Woodhead and Cr Lawton to attend an initial meeting with farmers in regard to ground water levels. Dr Palmer confirmed the ongoing ground water monitoring in the area (including water quality testing). The data to be used to inform the Plan Change on allocation levels for aquifers.

Cr Woodhead then asked Mr Bodeker to present his final report as Chief Executive and to provide councillors the opportunity to offer their thanks and comments to him.

10.2. Chief Executive's Report

Mr Bodeker provided an end of contract review for his term as Chief Executive and highlighted the main areas of achievement during his role as CE, including: the establishment of Civil Defence Emergency Management Otago, (CDEM Otago), based at ORC; greater engagement with communities; improved public transport and health and safety processes, and appointment of a harbourmaster. He acknowledged and thanked his executive management team for the positive gains made for the organization during his time as Chief Executive.

Individual councillors offered Mr Bodeker their thanks and acknowledged his leadership role in the establishment of Otago CDEM, commitment to Health & Safety, staff management and strategic vision and for the improved relationship with stakeholders, resulting in a positive Council culture.

Cr Woodhead thanked Mr Bodeker for the passion and energy he had provided to Council on behalf of the region and for the good health of the organization and staff.

Resolution

That the Chairperson's and Chief Executive's reports be received.

Moved: Cr Woodhead

Seconded: Cr Lawton

CARRIED

11. MATTERS FOR COUNCIL DECISION

11.1. Māori Representation/Constituencies

The report outlined the three options available for Council decision on any resolution for the region to be divided into Maori constituencies.

Option 1 - Council to not establish one or more constituencies.

Option 2 - Council establish one or more constituencies

Option 3 - Council may resolve at any time to hold a poll on whether the region should be divided into Maori constituencies.

Discussion was held on investigating options for encouraging and improving Maori participation in Council processes.

Resolution

That Council:

a) *Receive this report;*

b) *Adopt Option 1 and decide it is not necessary to establish a Maori constituency for the Otago Region.*

Moved: Cr Neill

Seconded: Cr Brown

CARRIED

Resolution

That Council seek options for improving engagement for Maori participation in Council processes.

Moved: Cr Laws
Seconded: Cr Lawton
CARRIED

11.2. Local Government Leaders' Water Declaration

The report provided the background to the Local Government Leaders' Water Declaration and sought approval for ORC Chairperson to include his signature to the declaration.

Resolution

That Council support the Local Government Leaders' Water Declaration and authorise the Chairperson to add his signature to the declaration.

Moved: Cr Woodhead
Seconded: Cr Hope
CARRIED

11.3. Delegations under the Resource Management Act 1991, Soil and Rivers Control Act 1941, Crown Minerals Act 1991, Building Act 2004, Marine Transport Act 1994, Local Government Act 2002, Biosecurity Act 1993, Civil Defence Emergency Management Act 2002,

The report provided the recent amendments to the Resource Management Act in 2017 with an update of the delegations for approval by Council.

Discussion was held on current CE delegations in relation to:

S299 & S305	To initiate an appeal to the High Court on a question of law.
S308	To initiate an appeal to the Court of Appeal on a question of law

Resolution

That the Chief Executive is removed from delegation for Sections 299, 305 and 308.

Moved: Cr Laws
Seconded: Cr Scott
CARRIED

That Council approve the schedule of delegations (as amended) in the report.

Moved: Cr Laws
Seconded: Cr Noone
CARRIED

12. MATTERS FOR NOTING

No items were tabled.

13. REPORT BACK FROM COUNCILLORS

Cr Kempton spoke on the launch at the Regional Land Transport Committee meeting, on 27 October of the road safety campaign "*Any number is too many*" to encourage the start of conversations around driver behaviour on the roads to reduce the death rate on New Zealand roads.

Cr Lawton advised of her attendance at the Zone 5&6, Guardians of Lake Hayes and Hawea Flat meetings. She thanked Dr Palmer for addressing the meeting of the Guardians of Lake Hayes on remediation options for the lake. She also attended the public transport meetings in Queenstown held on 19 and 20 October and commented on the predicted increase in airport passenger numbers to Queenstown by 2045 to 5 million and the impact this would have on the Wakatipu Basin.

Cr Laws advised his attendance of the Queenstown public bus information meeting held in Frankton on 19 October, with approximately 100 attendees.

14. NOTICES OF MOTION

No Notices of Motion were advised.

15. RECOMMENDATIONS ADOPTED AT COMMITTEE MEETINGS HELD ON 18 OCTOBER 2017

15.1. Recommendations of the Policy Committee:

Director's Report on Progress to October 2017

That this report be noted.

National direction for clean water and Otago

That Council:

- a) *Note the Clean Water 2017 changes with respect to freshwater management (Attachment 1);*
- b) *Note the findings of three recent reviews of Council's implementation of the National Policy Statement for Freshwater Management by:*
 - *the Ministries for the Environment and Primary Industries;*
 - *Pattle Delamore Partners Ltd; and*
 - *the National Institute of Water and Atmospheric Research;*
- c) *Endorse the actions underway and proposed by Council to implement the National Policy Statement for Freshwater Management*
- d) *be provided six weekly progress reports on table 1 and table 2 (steps identified to reflect NPS-FM 2014 amendments in the Otago Water Plan).*

15.2. Recommendations of the Regulatory Committee:

Director's Report on Progress for the period 26 August to 27 September.

That this report is received.

Harbour ByLaws

- a) *That this report be received.*
- b) *That the timetable for adopting the bylaw be endorsed*

Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 enforcement activities.

That this report is noted.

Consent processing, consent administration and Building Control Authority Update

That this report is noted.

15.3. Recommendations of the Communications Committee:

Stakeholder Engagement Report – October 2017

That the report is noted.

15.4. Recommendations of the Technical Committee:

Director's Report on Progress

That the report is noted.

Air Quality Research Opportunities

- a) *That this report be noted.*
- b) *That the ideas presented in this report are endorsed for consideration for inclusion into the 2018/28 Draft Long-Term Plan.*

15.5. Recommendations of the Public Portion of the Finance and Corporate Committee:

Director's report – October 2017

- a) That this report be received.
- b) That the payments and investments summarised in the table above and detailed in the payment schedule, totalling \$5,787,442.25, be endorsed.

Public Transport Update – October 2017

- a) *That this report be received.*
- b) *The Finance and Corporate Committee endorse the Queenstown Integrated Transport Programme Business Case*

Financial Report – August 2017

That the report is received.

16. CLOSURE

The meeting adjourned at 11:39 am and recommenced at 1:15 pm with Item 7 – the Manuherikia Catchment Water Strategy and the Otago Peninsula Biodiversity Group presentations.

The meeting was declared closed at 2:43pm.

Chairperson

Minutes of an extraordinary meeting of Council held in the
Council Chambers at Otago Regional Council on
Wednesday 29 November 2017, commencing at 10:34 am

Membership

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

Welcome

Cr Robertson welcomed Councillors, members of the public, media and staff to the meeting.

The councillors extended their condolences and sympathy to Cr Woodhead and his family on his recent bereavement.

Moved Cr Deaker
Seconded Cr Noone
CARRIED

1. APOLOGIES

Resolution

That the apologies for Crs Woodhead and Kempton be accepted.

Moved: Cr Noone
Seconded: Cr Deaker
CARRIED

2. LEAVE OF ABSENCE

Leave of Absence for Cr Laws noted.

3. ATTENDANCE

Nick Donnelly, (Acting CE, Director Corporate Services)
Sian Sutton, (Director Stakeholder Engagement)
Tanya Winter, (Director Policy, Planning & Resource Management)
Gavin Palmer, (Director Engineering, Hazards and Science)
Lauren McDonald, (Committee Secretary)

4. CONFIRMATION OF AGENDA

The agenda was confirmed as tabled.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. MATTERS FOR COUNCIL DECISION

6.1. Delegations to Acting Chief Executive Officer

Resolution

That the Council delegate to the Acting Chief Executive Officer all functions, powers and duties previously delegated to the office of the Chief Executive of Council until the new Chief Executive Officer commences employment and additionally in situations where the Chief Executive Officer is absent from duty.

Moved: Cr Scott
Seconded: Cr Brown
CARRIED

7. MATTERS FOR NOTING

Nil

8. NOTICES OF MOTION

No Notices of Motion were advised.

9. CLOSURE

The meeting was declared closed 10:37am.

Chairperson



Introducing our work programme – *Water management*



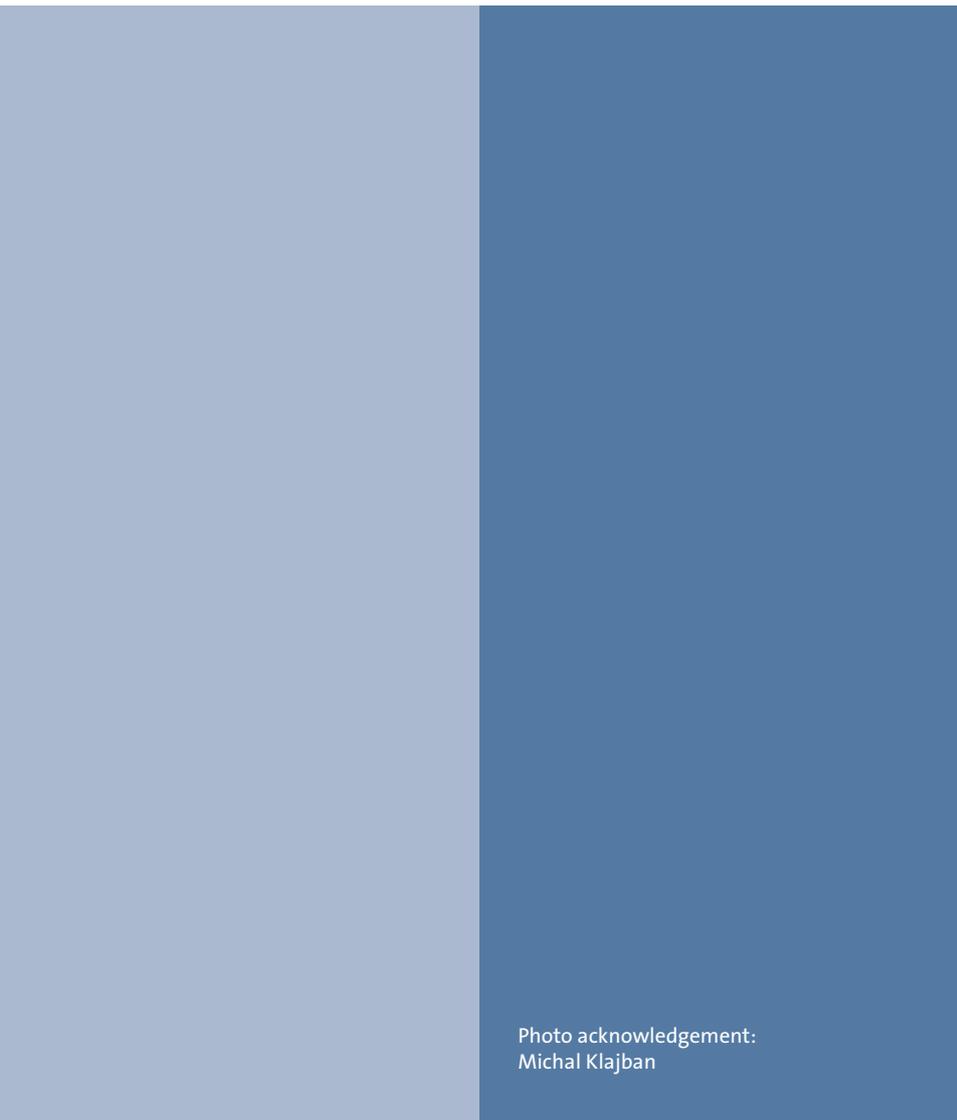


Photo acknowledgement:
Michal Klajban

Introducing our work
programme – *Water
management*

October 2017

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Introduction

New Zealanders rely on water for our health, our economy, and our lifestyle. For Māori, water is an important spiritual and cultural resource that is regarded as a taonga. The oceans that surround us and our lakes and rivers are a strong part of our landscape and identity. They are vitally important to our health and our economy, we enjoy them in our recreational pursuits, they support our biodiversity, and they form part of our international appeal.

It is essential that water resources are well managed. The way we are living and how we are meeting our economic and social aspirations are affecting this critical natural resource. An increasing population, the way we produce our food, how and where we live, ageing infrastructure, and climate change effects are just some of the challenges facing public sector organisations¹ in carrying out their water management roles and responsibilities.

We will consider how well organisations are carrying out their water management responsibilities, to understand how New Zealand is positioned for the future.

The last year has included many water management issues, including the Havelock North drinking-water contamination, the flooding of Edgumbe, and their consequent inquiries. The Government has advanced its “Clean Water” proposals, released reports about the state of the marine environment and freshwater under the Environmental Reporting Act 2015, is reviewing water allocation issues, and has begun a review of “three waters” services – drinking water, stormwater, and wastewater.

Media reports are increasingly focused on New Zealanders’ concerns about the state of our water resources and how well they are managed. Water concerns are not the same in all areas, but there has been considerable public interest in topics such as bottling water to sell overseas, the proposed Ruataniwha water storage scheme, the aftermath of flood events, and the “swimmability” of our lakes and rivers.

In deciding to make water management a theme of our work, we were mindful of not duplicating the work of others, such as Local Government New Zealand and the Parliamentary Commissioner for the Environment. We do not have a role in commenting on policy decisions, nor do we plan to second-guess the science associated with water management.

What we bring to the topic is the independence that enables us to look at the water management system as a whole – across central and local government and beyond political cycles. We audit many organisations involved in water

management – such as the Ministry for the Environment, the Ministry for Primary Industries, regional councils, city and district councils, the council-owned companies that manage drinking water, wastewater, and stormwater, district health boards, and the Ministry of Health – and this allows us to draw on our existing knowledge and previous work.

Starting in 2017/18, we will look at water management activity in several organisations, focusing on drinking water, freshwater, stormwater, and the marine environment.

We intend to provide independent assurance to Parliament, the organisations that we audit, and New Zealanders about the state of water management. We will highlight any improvements that are needed in the public management of water and in the accountability and transparency of organisations for their decision-making and performance.

At the end of our work on water management, we will produce a report that draws together our observations and recommendations.

A handwritten signature in black ink, consisting of a stylized 'G' followed by a series of horizontal strokes.

Greg Schollum
Deputy Controller and Auditor General

19 October 2017

Why is the Auditor-General interested in water management?

1

1.1 In this report, we:

- explain why we are looking at water management;
- highlight the issues associated with water management;
- identify the main themes we want to explore through our work; and
- provide an overview of our work and explain why we chose to look at drinking water, freshwater, stormwater, and the marine environment.

Ko te wai te ora ngā mea katoa

1.2 The quotes that we use from other agencies' reports do not represent our views. We have included them to show some of the challenges that others have identified and associated with water management.

What do we mean by “water management”?

1.3 We use the term “water management” in this report to cover the roles and responsibilities given to organisations (mainly government departments and local authorities) through government policy or legislation. The main pieces of legislation are the Resource Management Act 1991 and the Local Government Act 2002.

1.4 These roles and responsibilities include:

- setting strategic priorities and policy;
- implementing government policy, including Treaty settlements that affect water bodies;
- regulating use of water and the effects of activities on water (plan-making and consenting);
- monitoring and enforcing compliance with the standards that organisations set and the consents they grant;
- monitoring the state of the environment;
- providing “three waters” services to communities – drinking water, stormwater, and wastewater;
- providing funding for projects to supply water for irrigation and clean freshwater bodies and marine water; and
- conducting research and reporting on the state of New Zealand’s water resources.

1.5 We have taken a broad view of water – freshwater resources (with a focus on rivers, lakes, streams, and aquifers), the marine environment (excluding fisheries), and three waters services delivered to communities.

1.6 The overarching question that will guide our work is this:

How well are publicly funded organisations managing water resources and delivering water-related services, for the benefit of New Zealanders now and in the years to come?

Why are we looking at water management?

- 1.7 Water is a significant natural resource that all New Zealanders rely on for their physical, economic, environmental, social, and cultural wellbeing. If you rely on something, you need to manage it well over the long term.
- 1.8 Our role is to provide independent assurance to Parliament and the public that organisations funded by taxes and rates are operating, and accounting for their performance, in keeping with Parliament's intentions.
- 1.9 Parliament has given some of these organisations roles and responsibilities for water management. Significant investment is made in managing water and delivering water-related services. The organisations are accountable to Parliament (and, for councils, accountable to their communities) for how they use these powers and spend taxpayer and ratepayer funds.
- 1.10 Parliament and the public expect organisations to exercise their water management roles and responsibilities, and spend taxpayer and ratepayer funds, in the best interests of New Zealanders.
- 1.11 There are many challenges in managing water and delivering water-related services, which we outline in Part 2. They include legacy issues associated with land use (both rural and urban), providing infrastructure for growing communities, ageing infrastructure, and the challenges associated with responding to change – including climate change and changing regulatory standards.
- 1.12 We are interested in how these challenges are dealt with from a public management and accountability perspective:
- how organisations are meeting their obligations;
 - whether they are spending taxpayer and ratepayer funds wisely; and
 - how well they are communicating with New Zealanders on what they plan to do, how they intend to achieve their plans, and how well they are performing.
- 1.13 Our independent position means we can take a long-term view and look at the whole public management system. We cannot comment on the policies of organisations such as government departments and local authorities – to do so

would mean we are no longer acting independently. We have also chosen not to second-guess the science associated with water, particularly water quality. This is the domain of others. However, as appropriate, we might comment on the implications of the scientific results we consider during our audits.

- 1.14 We cannot cover all water management issues. We have chosen eight topics that span drinking water, freshwater, stormwater, and the marine environment. They enable us to consider the challenges outlined in Part 2 and the themes described in Part 3. Although we are not explicitly covering wastewater management as a topic in its own right, it is likely to feature in some of our other work because of the effects of wastewater discharges on freshwater quality and the relationships between wastewater and stormwater networks.
- 1.15 We intend to be constructive in the work we do on water management, to identify any required improvements in how water resources are managed and water-related services are delivered. We can do this by sharing good practice and innovation, highlighting where entities are working well together. We will also identify any issues, risks, and opportunities that the organisations we audit are grappling with in carrying out their water management roles and responsibilities.
- 1.16 We have reported on water management previously, including the following reports:
- *Water and roads: Funding and management challenges* (in 2014);
 - *Managing freshwater quality: Challenges for regional councils* (in 2011);
 - *Local authorities: Planning to meet the forecast demand for drinking water* (in 2010); and
 - *Horizons and Otago Regional Councils: Management of freshwater resources* (in 2005).
- 1.17 Water is a topic of increasing interest internationally, with many countries experiencing significant pressures on their water resources. Many other audit offices have carried out audit work on water-related topics – the availability of safe drinking water; competing demand for limited water supplies; dealing with drought and flooding; the quality of rivers, lakes, and other surface water; the marine environment; adequacy of data; and the effects of climate change.
- 1.18 We have been involved in developing international guidance for audit offices on auditing water issues and fisheries management. We lead the Pacific Association of Supreme Audit Institutions' regional working group on environmental auditing. The purpose of this group is to encourage and build capacity for environmental audits. We have supported co-operative audits by colleagues in Pacific Island audit offices on environmental topics, including water and marine topics.²

2

Challenges associated with water management

- 2.1 In this Part, we highlight some of the main challenges now facing organisations in managing water and delivering water-related services, and the challenges expected in the years ahead.
- 2.2 The interconnectedness of the water cycle, the relationship between land use and water quality, and the place that water plays in our physical, economic, social, and cultural well-being are at the heart of the challenges associated with water management.
- 2.3 There are several factors that make governance in the public sector complex and challenging. Organisations are set up for a defined purpose and are limited by what their enabling legislation allows them to do. There can be conflicting objectives and priorities throughout the public sector. Also, our water management system devolves a significant level of responsibility for implementation from central to local government.
- 2.4 Decisions about how water is managed and how water-related services are delivered are made within a specific legal, political, and institutional context. We expect organisations to base their decisions on reliable information, to be transparent about how they arrived at decisions, and to be transparent in reporting on their performance. Organisations must also consider the limits of the resource itself, the values of water users, and the costs of meeting community expectations.

He taura whiri kotahi mai anō te kopunga tae noa ki te pu au

Addressing legacy issues

Water and land use

- 2.5 New Zealand is facing legacy issues associated with how we have used our land and water resources to support our economy.
- 2.6 Our water resources are of particular importance to our primary sector and tourism – the two most significant contributors to our economy. Conversely, our economy has an effect on the water resources it relies on – for example, diffuse pollution from steady increases in intensive

The impacts of past and present water uses on water quality have yet to manifest fully. In some instances ... it can take years for the nutrients to affect water quality. The lag between the initial water pollution and water quality deterioration means that the current situation is only a partial representation of the real water quality problem.

NZIER public discussion paper – Water management in New Zealand, March 2014, page 13

farming, irrigation requirements, and sedimentation from land development generally.

- 2.7 Addressing these adverse effects and delivering outcomes that could take generations is challenging to achieve in short political cycles, and when multiple organisations are working to deliver these outcomes.
- 2.8 It is also hard to find clear information about the costs of improving water quality, even though transparency about costs and benefits of policy and investment choices and any trade-offs is essential for making good decisions.

Investment in water infrastructure

- 2.9 A significant proportion of our water infrastructure was built after World War II and is coming towards the end of its expected life. It is likely that much of the water-related infrastructure owned by local authorities will need to be repaired or replaced between 2040 and 2060.³ In June 2016, the estimated replacement value for the infrastructure that delivers three waters services was \$54.7 billion.⁴
- 2.10 We have reported that local authorities might not be reinvesting enough in three waters assets, suggesting that these assets could be deteriorating to an extent that they are unable to meet the levels of service that their communities expect.⁵ We will continue to explore and report on this matter.
- 2.11 Many local authorities are facing potentially significant costs associated with ensuring that their water services infrastructure meets changing environmental standards.

Responding to change

- 2.12 The environment in which we live is changing at a rapid pace – including climate change effects, changing demographics, new technology, the values our communities place on the environment, the services communities expect from the public sector, and shifting regulatory settings. These changes are affecting how organisations manage water resources and deliver three waters services.

Climate change impacts

- 2.13 The average temperature over New Zealand has warmed by about 0.9°C since 1900.⁶ A new report commissioned by Greater Wellington Regional Council shows that the Wellington region could see a temperature rise of up to another 3°C by

³ Office of the Auditor-General (2014), *Water and roads: Funding and management challenges*, page 7.

⁴ Department of Internal Affairs' analysis of local authorities' 2016 annual reports.

⁵ Office of the Auditor-General (2017) *Local government: Results of the 2015/16 annual audits*.

⁶ New Zealand Climate Change Centre (undated), *IPCC Fifth Assessment Report New Zealand findings*.

2090 – which would make Wellington’s climate more like that of present-day Sydney, Australia.⁷

- 2.14 Although there is variability from year to year, rainfall totals have increased in the southwest of the South Island and have decreased in the north of the North Island. Some heavy rainfall events have become more intense because higher temperatures allow the air to carry more moisture. Global sea levels have risen about 19cm since the start of the 20th century, and are almost certain to rise at a faster rate in the future.⁸
- 2.15 New Zealand is particularly sensitive to the effects of climate change. Many New Zealanders live on the coast and on floodplains, we rely on the availability of freshwater, and we are surrounded by oceans.

Natural hazards

- 2.16 New Zealand is vulnerable to natural hazard events – earthquakes, flooding, and land slips. Developing resilient communities, including the water infrastructure to enable them to survive and thrive, is important to the public sector. The Ministry of Civil Defence and Emergency Management is preparing a new *National Disaster Resilience Strategy*, in collaboration with local and central government and other agencies with a role in preparing for and responding to natural hazard events.

Changing demographics

- 2.17 Our population is increasing and ageing, with more of us living in cities. New Zealand is among the most urbanised countries in the world. In 2014, 86% of the population lived in towns of 1000 or more people.⁹ This increasing urbanisation is putting pressure on our water resources and the infrastructure to deliver three waters services.
- 2.18 The \$1 billion Housing Infrastructure Fund has recently been divided between five high growth areas – Auckland, Te Kauwhata (in the Waikato), Hamilton, Tauranga, and Queenstown. The Fund recognises the limitations of rates as the principal funding stream for investing in infrastructure and enables councils with high growth to advance infrastructure projects, such as three waters services, that are important to increasing housing supply.
- 2.19 Conversely, there are areas in New Zealand that are experiencing declining populations. There, councils have to make difficult choices about whether to

7 See the climate change section of Greater Wellington Regional Council’s website, at www.gw.govt.nz/climate-change/.

8 See *Climate Change Implications for New Zealand*, The Royal Society of New Zealand, April 2016, page 11.

9 OECD (2017), *OECD Environmental Performance Reviews: New Zealand 2017*, OECD Publishing, Paris, page 43.

reinvest in their water assets or consider new ways of delivering services to their communities.

Changing technology

- 2.20 Technology may allow us to overcome some of the challenges associated with water management – for example, more efficient use of water and mitigating water pollution. It may also lead to new ways of delivering water-related services to communities.
- 2.21 The *National Science Challenge: Our Land and Water – Toitū te Whenua, Toiora te Wai*, was launched in January 2016 with government investment of about \$97 million over 10 years. The objective of the challenge is to enhance primary sector production and productivity while maintaining and improving New Zealand’s land and water quality for future generations. The research includes a focus on innovative and resilient use of land and water.

Changing community expectations

- 2.22 The public sector needs to consider and respond to changing community expectations about the state of our environment and water-related services, when developing regulation and spending taxpayer and ratepayer funds. The sector is ultimately accountable to New Zealanders.
-
- ... we need to ensure that when we set goals for how clean we want our freshwater resources to be, that we are also talking about the cost to our communities of doing this, the economic trade-offs that might need to be made, and how we pay for it.*
- 2.23 In a 2016 survey, the state of New Zealand’s water resources was identified as the most important environmental issue facing New Zealand. Many of the respondents (59%) considered that farming was the main cause of damage to our freshwater resources, followed by sewage and stormwater (43.5%).¹⁰
-
- Local Government New Zealand
media release, 14 March 2017*
-
- 2.24 There is some public opposition to water-bottling companies profiting from a natural resource that they do not have to pay for, and similar opposition to water use for irrigators. Asking whether people should pay for the water, instead of or as well as paying for its supply, can raise the more difficult question of who owns water and who should benefit from any pricing regime.

Changing regulatory setting

- 2.27 The regulatory framework to manage our water resources and deliver three waters services has changed and is continuing to change in response to environmental, economic, social, and cultural conditions. The Government has started a review of how to improve management of the three waters to better support New Zealand's prosperity, health, safety, and environment.¹¹ Reviews of the contamination in 2016 of Havelock North's drinking water and the Edgecumbe flood event in 2017 could also lead to regulatory reform. The Government amended the National Policy Statement for Freshwater Management in August 2017 as part of the *Clean Water Package 2017* (see paragraph 4.33).
- 2.28 A significant level of responsibility for implementing regulation is devolved from central to local government. For example, regional councils are responsible for giving effect to the National Policy Statement for Freshwater Management through their regional planning documents, while city and district councils are responsible for ensuring that delivery of three waters services meets environmental standards. Consequently, local government must respond to any regulatory changes to the water management system.
- 2.29 Although we will not comment on policy or second-guess the science that supports water management, we have been mindful of regulatory change as we determined the shape of our work programme and identified the themes that we want to explore through our work.

What themes will we explore?

- 3.1 There are many strongly held and often conflicting opinions about how water resources should be managed. Water is also a broad topic, with many angles, issues, and risks that we could look into. The topics we have chosen – drinking water, freshwater, stormwater, and the marine environment – will enable us to explore themes that fall within our mandate and areas of expertise:

He waka eke noa

- the role of information in water management;
- innovative approaches that organisations are using and examples of good practice;
- how organisations balance competing interests and priorities;
- how organisations make investment decisions;
- how organisations work together and with others;
- how organisations work with iwi/Māori; and
- the capacity and capability of the public sector to address water management challenges.

The role of information in water management

- 3.2 Good management and use of information is essential to providing effective and efficient public services. Information held by organisations can be used to improve service delivery, to support evidence-based policy development and decision-making, and to accurately measure performance and effectiveness.

Overall, the community expects its water management and services to be effective, efficient, collaborative, democratically controlled, and oriented toward serving the national interest.

- 3.3 Having good information is critical for managing risk, for making decisions about what to invest in, to make the costs and benefits of policy choices and trade-offs explicit, and to enable accurate and timely performance reporting. Good information depends on collecting the right data (and determining the right data to collect), which in turn depends on having the right questions to answer.

Governance of Water: A proposal from the Turnbull Group, 2009, page 5

- 3.4 There are gaps in the understanding of New Zealand's water resources, including the health of those resources and what is having an adverse effect on them. For

example, the report *Our fresh water 2017*¹² has identified gaps in New Zealand's understanding of freshwater resources. The report *Our Marine Environment 2016*, also published under the Environmental Reporting Act 2015, included similar findings about gaps in national data about the marine environment.

- 3.5 Similarly, local authorities have variable understanding of the three waters assets.
- 3.6 There are good examples of progress in filling these gaps – for example, the Land, Air, Water Aotearoa (LAWA) website displays water quality data collected by regional councils at more than 1100 sites throughout New Zealand. LAWA is a collaborative effort between regional councils, the Cawthron Institute (an independent science organisation), and the Ministry for the Environment, with support from Massey University and the Tindall Foundation.
- 3.7 We are interested in understanding how organisations are using information to identify risk, prioritise activities, make investment decisions, and monitor and report on performance in water management.

Innovation and good practice

- 3.8 We are interested in identifying where innovative approaches are used to address water management challenges and the activities of organisations that are considered to be examples of good practice. For example, we might see:
- useful non-regulatory and cost-effective approaches; and
 - practical actions that are making a positive difference to how water resources are managed.

Balancing competing interests and priorities

- 3.9 Our water work will consider how organisations make decisions to balance competing interests and priorities.
- 3.10 Both central and local government must balance competing interests when setting strategies and policy, developing regulation, and in deciding how best to implement those strategies, policies, and regulations. They must strike a balance between protecting and preserving resources and meeting the needs of current and future generations – the recently enacted “swimmability” targets are an example of this aim.
- 3.11 There is no single organisation accountable for managing water in New Zealand. Striking a balance is particularly challenging when roles and responsibilities are spread between organisations and each organisation has its own statutory mandate.

Making decisions about investment

- 3.12 Organisations have important decisions to make about how they will use ratepayer and taxpayer funds in managing water resources and delivering three waters services.
- 3.13 In a 2014 report, we noted:
*Making good choices about where we spend our scarce resources is critical to ensuring that the public sector delivers the right services. Prioritising is vital in making good choices.*¹³
- 3.14 Increasing regulatory standards, changing demographics and community expectations, climate change, and affordability issues are some of the matters that organisations need to consider when deciding what to invest in, where, and when.
- 3.15 Organisations will often need to make trade-offs when making investment decisions and need to consider when best to invest. Councils make their investment decisions in consultation with their communities through the long-term planning process under the Local Government Act 2002.
- 3.16 Parliament and the public expect to see a return on the investment made – whether that be improvements in freshwater quality, protecting people from flooding, or making sure that towns and cities have the infrastructure needed to support a growing population.
- 3.17 We are interested in how organisations make their investment decisions and consider the benefits from that investment – for example, what information do they use, how do they juggle different priorities, how do they communicate the issues, choices, and implications of a proposed investment, and how do they measure the return from their investment?

How organisations work together and with others

- 3.18 Organisations in both central and local government play critical roles as policy makers and regulators in managing water and delivering water-related services. There are many examples of organisations working collaboratively in carrying out these roles.
- 3.19 We made the following observation in a 2017 report:
- The way central and local government work together to consider the challenges and make decisions is likely to become more rather than less important. Local authorities will need to not only engage effectively with their communities but also with central government about the options, costs, and associated trade-offs.*¹⁴
- 3.20 Our work will consider how organisations are engaging with each other and their communities (including iwi/hapū) in setting strategic priorities and making investment decisions regarding water management, how they are working together in carrying out their roles and responsibilities and in delivering programmes of work, and what regulatory and non-regulatory approaches they are using.

Working with iwi/Māori

- 3.21 Many organisations have obligations under legislation to consider the Crown/Māori relationship under the Treaty of Waitangi when carrying out their water management roles and responsibilities.
- Our wai (water) is an inseparable part of our whakapapa and our identity, and is a fundamental part of what drives our very existence. The future health and wellbeing of our waters are a matter of utmost importance to all iwi, as well as all New Zealanders.*
- 3.22 As well as these statutory obligations, some Treaty settlements include co-management and co-governance arrangements between iwi/Māori and other organisations – for example, the Waikato-Tainui settlement and the Te Arawa Lakes settlement. There are likely to be more co-management and co-governance arrangements in the future.
- Iwi Chairs Forum, Freshwater kaupapa*
- 3.23 How organisations give effect to the relationship with iwi/Māori will vary according to the legislative requirements, the existing relationship between iwi and the organisation, the issues they are managing, and the broader community context.
- 3.24 We will explore how well organisations are meeting their obligations as they carry out their water management roles and responsibilities.

Capacity and capability to address the challenges

- 3.25 We will consider the public sector's capacity and capability to address water management challenges, and what actions are being taken to address any gaps and barriers.
- 3.26 We plan to assess:
- Whether the local government sector has the resources and tools it needs to meet regulatory requirements set by central government – are organisations able to effectively and efficiently carry out their water management and service delivery roles and responsibilities?
 - The role that central government plays in supporting local government in managing water and delivering three waters services – for example, through regulatory and non-regulatory measures, guidance on implementing government policy, provision of funding, and research.

4

Our water management work programme

4.1 Starting in 2017/18, we will be looking at how well a range of organisations are carrying out their water management roles and responsibilities. We chose the following topics because they enable us to discuss the full range of themes outlined in Part 3 – which relate to some of the most significant water management challenges facing New Zealand.



Topic	What will we look at?	What themes can we explore through this work?	What organisations will be involved?
Drinking water			
Protecting drinking-water sources	How well local authorities are protecting drinking-water supply sources to ensure that there is enough safe and reliable drinking water, now and in the future.	Risk management Role of information How organisations work together	Selection of councils Ministry for the Environment Ministry of Health
Optimising demand and supply	How local authorities develop strategies to balance demand for and supply of drinking water to ensure adequacy of drinking-water supply on a financially sustainable basis, now and in the future.	Role of information Innovation and good practice Making decisions about investment	Selection of councils
Freshwater			
Quality management	The progress Waikato, Taranaki, Horizons, and Southland Regional Councils have made in managing impacts to their freshwater quality since our last audit in 2011.	Role of information Balancing competing interests and priorities How organisations work together Working with iwi/Māori Capability and capacity of local authorities to address challenges	Waikato, Taranaki, Horizons, and Southland Regional Councils



Note: The freshwater icon is a modified version of the creek icon by Dan Hetteix (United States of America), see thenounproject.com.

Topic	What will we look at?	What themes can we explore through this work?	What organisations will be involved?
Clean-up spending	How the Ministry for the Environment selects and monitors the performance of the organisations that it funds to improve and recover water quality. Whether Crown funding delivers measurable and sustainable improvements in water quality at a reasonable cost.	Investment decision-making Role of information How organisations work together	Ministry for the Environment Lake Taupo Protection Trust Waikato River Authority Potentially, MPI Irrigation Acceleration Fund And others
Monitoring irrigation	How effective the Resource Management (Measurement and Reporting of Water Takes) Regulations 2010 have been in creating opportunities for better and more efficient use of water.	Role of information Innovation and good practice	Marlborough District Council Canterbury Regional Council Northland Regional Council Hawke's Bay Regional Council Bay of Plenty Regional Council
Stormwater			
 Reducing the effects of flooding	How well local authorities are managing their stormwater networks to reduce flood risk, with a focus on setting attainable and affordable levels of service in consultation with their communities.	Role of information Making decisions about investment How organisations work together Capability and capacity	Selection of councils

Note: The stormwater icon is a modified version of the flood icon by Iconathon (United States of America), see thenounproject.com.



Topic	What will we look at?	What themes can we explore through this work?	What organisations will be involved?
Marine environment			
Reserve proposals	The decision-making processes for considering whether to designate marine reserve status for a body of water.	Innovation and good practice Balancing competing interests and priorities How organisations work together Working with iwi/Māori	Department of Conservation Ministry for Primary Industries Ministry for the Environment
Spatial plan for the Hauraki Gulf	How one multi-sector group is trying to balance competing water issues through taking a place-based approach to addressing the pressures on an area of national significance – the Hauraki Gulf.	Balancing competing interests and priorities How organisations work together Working with iwi/Māori	Ministry for Primary Industries Department of Conservation Auckland Council, Hauraki Gulf Forum, Waikato Regional Council

Note: The marine environment icon is a modified version of the coral icon by Freepik, see flaticon.com.

Details of our work programme

- 4.2 Under each section that follows, we provide a broad overview of the legislative framework and roles and responsibilities for water management.
- 4.3 Central government has roles and responsibilities for setting strategic priorities, developing policy and standards, enacting legislation, providing funding, conducting research, and monitoring and reporting on the activity of councils.
- 4.4 New Zealand has a decentralised system of environmental governance, meaning that most policies are implemented at the regional and local levels. Councils respond to and implement the frameworks set by central government by:
- establishing their own standards in keeping with Government regulation (through, for example, regional plans) to manage water use and activities that can affect water;
 - giving consent to different activities; and
 - monitoring and enforcing compliance with the standards they set and the consents they grant.

- 4.5 Councils are also responsible for delivering three waters services to their communities. Councils set the levels of service they aim to meet when delivering these services, in consultation with their communities, and they make investment decisions that are reflected in their 10-year long-term plans under the Local Government Act 2002.
- 4.6 Central and local government organisations gather information about water and its use, measure and report on their performance in carrying out these roles, and engage with the public in their decision-making processes.

Delivering a safe and reliable drinking-water supply

- 4.7 Four main Acts set the legislative framework for drinking-water supply – the Health Act 1956, the Local Government Act 2002, the Building Act 2004, and the Resource Management Act 1991.
- 4.8 New Zealand applies the internationally accepted “multiple barrier” approach to manage the risk of contamination in the water supply – this involves protecting the water source, treating the water taken, and ensuring that water does not get contaminated before reaching people’s taps.
- 4.9 The administration or implementation of legislation aimed at delivering safe drinking water is mainly carried out by the Ministry of Health, the Ministry for the Environment, councils, and district health boards.
- 4.10 The Ministry of Health is responsible for the regulation of public health, including the overview of drinking-water supplies, to ensure that the water from these supplies can be consumed without causing illness. The Ministry administers the drinking-water provisions of the Health Act 1956 and develops and administers the *Drinking-water Standards for New Zealand 2005 (revised 2008)* (the drinking-water standards) that set public health standards for drinking-water quality and criteria for checking the performance of water suppliers.
- 4.11 The Ministry for the Environment is responsible for the development and administration of the *National Environmental Standard for Sources of Human Drinking Water* (NES), a regulation under the Resource Management Act 1991. The NES requires regional councils to ensure that effects of activities on drinking-water sources are considered in decisions about resource consents and regional plans.
- 4.12 City and district councils are responsible for the supply of drinking water to a significant proportion of the country’s population. The Ministry of Health’s annual report on drinking-water quality finds about 3.8 million New Zealanders (out of a population of 4.7 million) are on networked water (including council, community,

and private water supplies).¹⁵ Councils take the water from source, treat it if need be to remove risks or contaminants, then distribute it to consumers through a reticulation system made up of pipes, water storage facilities (reservoirs), and other components up to the property boundary. Under the drinking-water standards, councils are expected to test the water regularly to show that it is safe.

- 4.13 In their capacity of drinking-water suppliers, councils are required to prepare a water safety plan for water supplies serving more than 500 people. The purpose of a water safety plan is to identify the public health risks associated with the drinking-water supply, identify the critical points on the supply, and identify mechanisms to both prevent risks arising and reduce or eliminate risks that do arise.
- 4.14 Some councils have contracted out the operational and maintenance services, while others have set up council-controlled organisations to manage water supply – Watercare Services Limited in Auckland and Wellington Water Limited (owned by Wellington City, Hutt City, Upper Hutt City, and Porirua City Councils, and Greater Wellington Regional Council).
- 4.15 District health boards ensure, through drinking-water assessors, that city and district councils are maintaining appropriate water quality. In a serious health risk situation, the Medical Officer of Health may serve a compliance order to require a water supplier to stop (or not start) doing anything that may create a health risk from the water supply.
- 4.16 The Ministry publishes, on its website, an annual report on the quality of drinking water, including compliance with the drinking water provisions of the Health Act 1956 and the drinking-water standards for New Zealand.
- 4.17 We will be carrying out two performance audits to look at different aspects of delivering a safe and reliable drinking-water supply:
- protecting the sources of drinking water; and
 - optimising drinking-water demand and supply.

Drinking water 1: Protecting the sources of drinking water

- 4.18 Having access to safe and reliable drinking water is core to human health and economic well-being. A good-quality drinking-water supply brings many direct and indirect benefits to communities and the country by helping to prevent the outbreak and spread of waterborne diseases.
- 4.19 Protecting the source water is possibly the most important step for effectively managing the risk of water supply contamination. This is because it reduces the contaminants that subsequent water treatment has to remove.

- 4.20 There are several organisations with a role in source protection. Regional councils ensure that the effects of activities on drinking water sources are considered in decisions on resource consents and regional plans in terms of the National Environmental Standard for Sources of Human Drinking Water (NES). The Ministry for the Environment is responsible for administering the NES, which are regulations made under the Resource Management Act 1991.¹⁶ The NES came into effect on 20 June 2008. The Ministry for the Environment developed guidance materials to support implementation of the NES (although one document is still in draft form), and has indicated its intention to conduct a review of the implementation and effectiveness of the NES in 2017/18.
- 4.21 We decided to focus on source protection because information about compliance with the drinking-water standards (see paragraph 4.10) is publicly and widely available through the Ministry of Health's website and the website of Institute of Environmental Science and Research Limited. Councils also publish their water-supply monitoring and compliance information. Information about compliance with the NES is not as accessible and transparent.
- 4.22 This topic will enable us to consider councils' approaches to risk management, the role of information in managing risk, and how organisations work together to achieve a shared outcome.

What will we look at?

- 4.23 We are interested in understanding how effective councils' activities are in ensuring the protection of drinking-water supply sources. Our focus may include:
- regional councils' consent decision-making and plan-making activities in relation to their compliance with the NES;
 - the Ministry for the Environment's role in monitoring the implementation of the NES;
 - the practices used to protect the integrity of drinking-water sources; and
 - how well organisations are working together to ensure the effective protection of drinking water sources.

Drinking water 2: Optimising drinking-water demand and supply

- 4.24 Councils use a variety of tools and methods to balance demand for, and supply of, drinking water to ensure that they can deliver a safe water supply in a financially sustainable manner. Climate change and changing demographics will have an increasing influence on how councils achieve this balance, along with the need to deliver sustainable water supply services.

- 4.25 Councils need to strike a balance between demand and supply, and identify the optimal approach to adopt, so that their communities are not investing too early or too late in new infrastructure.
- 4.26 In 2010, we reported on how well councils were planning to meet the forecast demand for drinking water. Our report was based on a performance audit of eight councils. We followed up this work in 2012, looking at the extent to which councils in general have responded to the recommendations in our 2010 report. We found that the main challenge was in providing security of supply for the years ahead.
- 4.27 Councils are required to prepare infrastructure strategies setting out how they will manage their infrastructure assets. In preparing these strategies, they are required to take into account the need to provide for the resilience of infrastructure assets by identifying and managing risks from natural hazards and making appropriate provision for those risks.
- 4.28 This work will allow us to consider how councils use information and make investment decisions. It will also enable us to talk about the importance of demand-management strategies to the timing of infrastructure reinvestment and any innovative approaches being applied in balancing demand and supply.

What will we look at?

- 4.29 We will look at how a selection of councils prepare their strategies to balance demand and supply of drinking water.
- 4.30 We will also consider how they are addressing resilience issues through their long-term planning processes.

Managing freshwater

- 4.31 Freshwater management responsibilities primarily fall on the Ministry for the Environment, which sets the policy and regulatory framework, and the regional councils that implement this framework. Other agencies involved are the Ministry for Primary Industries and the Ministry for Business, Innovation and Employment.
- 4.32 In 2011, the Minister for the Environment released the National Policy Statement for Freshwater Management, which directs regional councils, in consultation with their communities, to set objectives and limits to maintain or improve the quality of water in lakes, rivers, wetlands, and aquifers. This was updated in 2014 to introduce national standards for freshwater quality.
- 4.33 The latest government work programme to improve New Zealand freshwater management is the *Clean Water Package 2017* (the Clean Water Package), which

was consulted on from February to May 2017. The Clean Water Package proposed a national target of 90% of rivers and lakes swimmable by 2040, changes to the National Policy Statement for Freshwater Management, and criteria for the Freshwater Improvement Fund. Changes to the National Policy Statement for Freshwater Management were confirmed on 7 August 2017.

- 4.34 The National Policy Statement for Freshwater Management also now incorporates Te Mana o te Wai – an expression of the cultural significance of water:
- Te Mana o te Wai represents the innate relationship between te hauora o te wai (the health and mauri of water) and te hauora o te taiao (the health and mauri of the environment), and their ability to support each other, while sustaining te hauora o te tāngata (the health and mauri of the people).*
- 4.35 Together, the Ministry for the Environment and the Ministry for Primary Industries are responsible for co-leading the policy initiatives to deliver the Clean Water Package.
- 4.36 The Ministry for Primary Industries is responsible for administering the Irrigation Acceleration Fund, which provides government funds for irrigation schemes. The Ministry for Business, Innovation and Employment is responsible for administering the National Science Challenge, which includes research to enhance primary sector productivity to meet future demands while protecting water quality and recognising environmental constraints.
- 4.37 Two Crown Research Institutes – Institute of Environmental Science and Research Limited (ESR) and National Institute of Water and Atmospheric Research Limited (NIWA) – conduct research into freshwater. ESR specialises in science about people and communities, including improving the safety of freshwater and groundwater resources, while NIWA's role focuses on enhancing the economic value and sustainable management of New Zealand's environment.
- 4.38 Regional councils' primary roles and responsibilities in managing freshwater are under the Resource Management Act 1991, including implementing the National Policy Statement for Freshwater Management, through their regional planning documents, and giving consent for discharges to water and land, and water takes.
- 4.39 City and district councils are responsible for managing land use. They set the urban growth agenda by developing rules for where and what development can occur – the location and type of development affects waterways through, for example, sedimentation from earthworks and run-off from more hard surfaces and roads.

Freshwater 1: Progress since 2011 in managing the quality of freshwater

- 4.40 The quality of water in New Zealand's rivers and lakes is increasingly a cause of public concern. In 2011, we released an audit report on management of freshwater quality in four regions (Taranaki, Waikato, Manawatu-Wanganui, and Southland), identifying various shortcomings. Since then, the Government has introduced the National Policy Statement for Freshwater Management (see paragraph 4.32), which requires regional councils to establish objectives and limits for freshwater quality and quantity in line with community values.
- 4.41 This work will enable us to consider how organisations balance competing interests and priorities and work with others in addressing freshwater quality. The work will also allow us to look at the role of information and the capability and capacity of councils to address freshwater quality challenges.

What will we look at?

- 4.42 We will look at how well the four regional councils we audited in 2011 are managing their freshwater quality. Our work will revisit important aspects of our 2011 work, in the context of a new regulatory environment. It will also look at how regional councils have changed and adapted their management approaches since 2011, and identify any difficulties they might have encountered.

Freshwater 2: Spending on cleaning up significant waterways

- 4.43 Since 2000, several hundreds of millions of dollars of Crown funds have been spent on initiatives to improve and recover water quality in significant water bodies in New Zealand. This is a significant part of the Government's approach to managing freshwater. The Ministry for the Environment has been responsible for funding these initiatives either directly, or indirectly through other parties (such as regional councils, entities established as part of Treaty settlements, and community organisations), who then fund the providers of specific initiatives.
- 4.44 If the Ministry's procurement processes and/or the subsequent service delivery are sub-optimal, there is the potential for public funds allocated to improving or recovering water quality to be wasted, and for slower or ineffective improvements in water quality.
- 4.45 The work should be of interest beyond the environment sector, to any organisations involved in procurement/contract management/grant funding, especially where there is a time lag between funding and outcomes. We can also share any good practice we find.

What will we look at?

- 4.46 We will look at the Ministry for the Environment's procurement, monitoring, contract management, relationship management, and reporting processes. This will involve reviewing monitoring and accountability reports on selected projects; discussions with project managers, governors, and funded organisations; and observations and reviews of new Freshwater Improvement Fund decision-making processes.
- 4.47 We are considering contrasting the approach taken to funding projects under the Irrigation Acceleration Fund.

Freshwater 3: Monitoring how water is used for irrigation

- 4.48 From 10 November 2016, all consented taking of water that happens at a rate of 5 litres each second or more is required to be measured and recorded – see the Resource Management (Measurement and Reporting of Water Takes) Regulations 2010. Theoretically, this should create a valuable data set to help manage water as a resource.
- 4.49 Reliable information and data is required for ensuring that the water resource is managed as effectively, efficiently, and fairly as possible, given its limited nature (at certain locations and times of the year) and the increasing demand for it.
- 4.50 An increase in the use of irrigation, the significant amount of freshwater allocated to irrigation, government investment in irrigation, and negative perceptions about the effects of irrigation on the environment were among our reasons for choosing this topic.
- 4.51 Current information about use appears patchy and fragmented between various irrigation schemes and regulatory agencies, without this information being unified for better decisions about allocation and investment. The decision to focus on metering is because measurement is fundamental to the management of resources.
- 4.52 Through our work on irrigation we will consider the role information plays and provide examples of innovation in the gathering and use of data in water management.

What will we look at?

- 4.53 We will look at how effective the implementation of water metering has been to create opportunities for better and more efficient use of water.

Managing stormwater networks

- 4.54 Stormwater networks collect and take to the shore or safely disperse the rainwater that runs off from private property, public reserves, and roads. The main function of a stormwater network is to protect people and property from flooding by transporting water through a piped network (the drainage network) and/or to designated overland flow paths (where the water is designed to go when the piped network cannot cope; for example, roads and parks).
- 4.55 The main Acts dealing with flood risk and stormwater management are the Resource Management Act 1991, the Local Government Act 2002, and the Building Act 2004.
- 4.56 Under the Resource Management Act 1991 and the Local Government Act 2002, councils set regional and local policies for managing flood risks and stormwater through their long-term plans, regional policy statements, regional plans, and district plans. That policy direction is implemented through asset and flood management plans and the provision of flood, river management, stormwater, and drainage infrastructure.
- 4.57 Three Acts (the Soil Conservation and Rivers Control Act 1941, the River Boards Act 1908, and the Land Drainage Act 1908) empower councils to address flooding and drainage issues through physical works, such as constructing stopbanks, maintaining and clearing channels, and draining land.
- 4.58 Land-use controls to reduce flood risk and the use of soil conservation practices, such as planting in erosion-prone catchments, are covered by the Resource Management Act 1991, the Soil Conservation and Rivers Control Act 1941, and the Building Act 2004.
- 4.59 Roles and responsibilities for flood risk management are divided:
- Central government focuses on assisting communities to prepare and recover from large events (civil defence), providing local government with the necessary powers, funding the science system, and providing weather forecasts and warnings.
 - Regional councils and city and district councils carry out the daily management and funding of flood risk management, in consultation with the local community. Regional councils are responsible for flood protection activities and catchment (river) management. City and district councils are responsible for land use management and the management of stormwater networks.

Stormwater 1: Managing stormwater networks to reduce the effects of flooding

- 4.60 Flooding is New Zealand's most frequent natural hazard. Flooding creates significant economic, environmental, and social costs. Climate change and increasing urbanisation are expected to increase the risk of flooding in the years ahead.
- 4.61 Managing stormwater networks is important in managing the risk of flooding. However, the investment in these networks is typically lower than the investment councils make in their water supply and wastewater networks. Urban stormwater is often referred to as the "poor cousin" of the three waters.
- 4.62 We expect our work to be of interest to councils and the wider public sector, particularly any comments we might make about organisations' roles in understanding and managing risk, how they make investment decisions, and how organisations work together. We will share examples of innovation and best practice, and identify any capability and capacity issues.

What will we look at?

- 4.63 We are interested in understanding the approaches that councils use to establish attainable and affordable levels of service to protect people and property from flooding. We will focus on urban stormwater network management.

Managing the marine environment

- 4.64 Our marine environment comprises the territorial sea from the shore out to 12 nautical miles, the Exclusive Economic Zone (EEZ) from 12 to 200 nautical miles from the shore, and the continental shelf (the area where New Zealand's submerged landmass extends beyond the EEZ). New Zealand has one of the largest EEZ areas in the world, covering more than four million square kilometres. This is more than 20 times the size of New Zealand.
- 4.65 The Ministry for the Environment is responsible for developing environmental policy and administering the legislation and regulations applying to the EEZ and territorial sea. This includes the Exclusive Economic Zone and Continental Shelf (Environmental Effects) Act 2012 and the Resource Management Act 1991.
- 4.66 Under the Resource Management Act 1991, the Department of Conservation is responsible for administering the New Zealand Coastal Policy Statement, which promotes the sustainable management of the natural and physical resources of the foreshore, seabed, coastal water, and airspace from the high tide mark to the 12 nautical mile limit. The Department of Conservation is responsible for New

Zealand's marine reserves and marine mammals. Marine protected areas are an important tool in ensuring that marine biodiversity is maintained in a healthy state.

- 4.67 Regional councils are responsible under the Resource Management Act 1991 for managing the effects of activities on the environment in territorial waters. The Environmental Protection Authority is responsible for managing the effects of specified restricted activities in the EEZ and the continental shelf.
- 4.68 The Ministry for Primary Industries is responsible for the management of fisheries and aquaculture and biosecurity. The Ministry for Primary Industries and the Department of Conservation have joint responsibility for developing and implementing the Marine Protected Areas Policy. The Government consulted on a Marine Protected Areas Bill in January-March 2016 but this has not progressed into law.
- 4.69 We will carry out two performance audits that will explore how central and local government manage competing priorities and interests in the marine environment:
- how proposals for marine reserves are considered; and
 - marine spatial planning in the Hauraki Gulf.

Marine environment 1: How proposals for marine reserves are considered

- 4.70 Although the public generally supports the concept of marine protection, people can oppose specific marine reserve proposals when they consider that their interests or perceived rights will be adversely affected.
- 4.71 The Government released a Marine Protected Areas policy in 2005 that provides the main framework for establishing marine reserves. The framework was designed to be inclusive and transparent. The policy led to the creation of regionally based collaborative groups responsible for considering marine protection in their region, including the possibility of proposing marine reserves.
- 4.72 The objective of the Marine Protected Areas policy is to protect marine biodiversity by establishing a network of protected areas that is comprehensive and representative of New Zealand's marine habitats and ecosystems. Marine reserves are considered a core tool in the development of that representative network.
- 4.73 The decision about whether a marine reserve proposal is accepted is, in effect, prioritising access to, and the use of, a particular body of water and its resources. Consequently, the decision-making process for designating marine reserves needs to consider various rights and perspectives on what can be a contentious matter.

- 4.74 Our work will focus on how the public sector balances competing priorities and interests and works with others.

What will we look at?

- 4.75 We will consider the processes used to consider marine reserve proposals that led to recommendations to Ministers about whether to designate marine reserve status to a body of water.

Marine environment 2: Marine spatial planning for the Hauraki Gulf

- 4.76 We are interested in understanding how competing interests are balanced in the marine environment. We will use the case study of marine spatial planning in the Hauraki Gulf to explore these issues.

- 4.77 The organisations involved in the marine spatial planning are the Ministry for Primary Industries and the Department of Conservation, along with Auckland Council, Waikato Regional Council, and the Hauraki Gulf Forum.

What will we look at?

- 4.78 We are interested in the process to develop and implement this first attempt at a marine spatial plan in New Zealand. We will highlight any lessons learnt for balancing competing interests in the coastal marine environment, such as aquaculture, fishing, water quality, marine protected areas, cultural values, and recreation.

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ATTACHMENT

Activity proposed to be added to Table X in the Otago RLTP 2015-21

Activity Class 12 - New and Improved Local Roads - Otago														
Item No	Organisation Name	Project Name	Project Description and Objective	Phase Type	RLTP Objective	Cost 2015/16	Cost 2016/17	Cost 2017/18	Cost 2018/19	Cost 2019/20	Cost 2020/21	Total Cost For 3 Years	Total Cost For 6 Years	Regional Priority
tbc	Queenstown-Lakes DC	Streetlight LED Upgrade	Conversion of high pressure sodium streetlight luminaires to LEDs, resulting in reduced energy consumption, providing cost efficiencies through lower on-going maintenance costs.	Programme Business Case	Ensuring safety	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	3
				Construction		\$0	\$0	\$2,900,000	\$0	\$0	\$0	\$2,900,000	\$2,900,000	

4 Month Review to 31 October 2017

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Key

	Target is being achieved, either to date, or in total.
	Target progress is marginal, or target partially achieved.
	Target has not been achieved.
	Target not due to commence until a later date

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EXECUTIVE SUMMARY

Introduction

This document provides a summary of progress made on the achievement of our activities to the end of October 2017, along with details of how those activities are tracking against budgets.

Activity Achievement - Environment

Water

Activities undertaken during the first four months of the year included our ongoing monitoring of water quality, commencing desk top assessments and a pilot project for our rural water quality environmental risk assessment work, and working with industry groups, farmers, and other working groups to promote rural water quality.

An accelerated programme of work to progress the establishment of minimum, groundwater and environmental flows, involving monitoring, science and policy work has continued during the four month period. Science work is progressing well for a number of catchments. Mediation has continued on the Lindis River minimum flow appeal, and a number of economic and social impact assessments are in progress for various rivers.

Around 35 meetings have been held during the first four months with groups of water users looking to replace their expiring mining privileges, and a second round of meetings has commenced.

Air

Air quality monitoring was undertaken as scheduled. With the exception of Dunedin, all sites monitored over the 2017 winter months, did not comply with the National Environmental Standard air quality standards.

A draft air strategy was adopted for consultation with external stakeholders.

Land

Work continued on monitoring compliance with the Pest Management Plan provisions for pest plants and animals, and responding to 51 pest complaints received. Where non-compliance was found, follow up action was undertaken.

An educational campaign is being developed for rabbit management, and work continues on the development of a Biodiversity Strategy.

Two applications to the Environmental Enhancement Fund were approved, and five further applications have been received.

River Management

Inspection of scheduled rivers is underway, and all reported blockages have been investigated and actioned appropriately.

Environmental Incident Response

During the period, council received 623 incident complaints, and all were responded to within the required time frames. Work with the territorial authorities is continuing on a contaminated sites database.

Activity Achievement - Community

Council's statutory timeframes and requirements were met when completing the Annual Report, and we are on track to meeting the timeframes for the 2018-28 Long Term Plan.

Council continued its liaison with iwi representatives throughout the year.

Funding contributions continue to be made to the Otago Rescue Helicopter.

Activity Achievement - Regulatory

All but two appeal topics on the Regional Policy Statement have been resolved through mediation. A court hearing is scheduled for February on the outstanding matters.

To date around 165 consent applications have been received. To date, compliance monitoring for performance monitoring shows a 96% compliance rate with consent conditions, and consent audits show an 83% compliance rate. Enforcement work is being undertaken as necessary.

A new harbour master commenced work during the period. Drafting of harbour bylaws has been completed, and preparation for consultation of the bylaws is underway.

Activity Achievement - Flood protection and control works

The flood and drainage schemes performed as designed to during the period. Damage from the July flood event has been identified, prioritised, and repairs are continuing. Construction of the Union to Leith footbridge stage of the Leith Flood Protection Scheme continued.

Activity Achievement - Safety and hazards

Work continues on planning and being ready in the emergency management activity. Otago now has five nominated Group Controllers in place.

The warning system and dissemination of information for the July flood event operated effectively, with information being provided through the Waterinfo website, text alarms, ring lists and media releases.

Work on natural hazards continued, including working with the Dunedin City Council on the South Dunedin Future programme, and working with Queenstown Lakes District Council on a flood awareness campaign in Queenstown and Wanaka.

Activity Achievement - Transport

Dunedin network improvements to bus services were implemented during the period.

Wakatipu network tender and contract negotiations were undertaken, and services commenced in November.

Systems design and development is underway for the ticketing system replacement scheduled for 2018.

Statutory processes (designations) are underway for the Dunedin bus hub.

Financial Achievement

Actual and budgeted costs and their revenue sources are shown below:

Estimated, Forecast and Actual Cost

Activities	Actual to 31 October \$000s	Estimated to 31 October \$000s	Variance () = Over budget	Annual Plan Estimated to 30 June 2018 \$000s
Water	2,466	3,378	912	9,848
Air	139	175	36	423
Land	883	1,316	433	4,113
River management	451	549	98	1,889
Enviro. incident	551	509	(42)	1,411
Community	1,557	1,669	112	5,024
Regulatory	1,259	1,243	(16)	3,684
Flood protection	3,151	2,028	(1,123)	7,382
Safety & hazards	1,344	1,285	(59)	3,741
Transport	5,633	7,431	1,798	25,183
Total costs	17,434	19,583	2,149	62,698

Variances in actual versus estimated expenditure are discussed within each section of this report.

Estimated and Actual Revenue

Revenue	Actual to 31 October \$000s	Estimated to 31 October \$000s	Variance () = Over budget	Annual Plan Estimated to 30 June 2018 \$000s
Total project costs	17,434	19,583	2,149	62,698
Funded by:				
General rates*	6,018	6,030	12	17,448
Targeted rates	5,948	4,964	(984)	13,784
Fees and charges	537	1,143	606	3,425
Infringement fines	122	170	48	510
Grants	2,653	3,626	973	11,925
Internal charges	72	105	33	315
Other income	1,242	1,975	733	7,602
General reserves	61	181	120	807
Other reserve	781	1,389	608	6,882
Total revenue	17,434	19,583	2,149	62,698

*before applying dividends and interest income to reduce the general rate requirement.

ENVIRONMENT

Water Quality

Level of service – Maintain or improve water quality		Achieved
Measure:	State of the Environment monitoring.	
Performance target:	Monitor to assess that water quality that meets thresholds set out in the Regional Plan: Water continues to be met.	
Achievement to date:	Schedule 15 monitoring work is ongoing (SoE monitoring). A draft 5 year state and trends report indicates water quality decline at some sites in Otago (especially for phosphorus, sediment, E. coli). This report will be finalised and presented to council in the new year.	●
Expected at year end:	Schedule 15 monitoring will be undertaken throughout the year and results will be reported in the 2017/18 annual report.	●

Water quality thresholds for surface water have been set in Schedule 15 of the Regional Plan: Water.

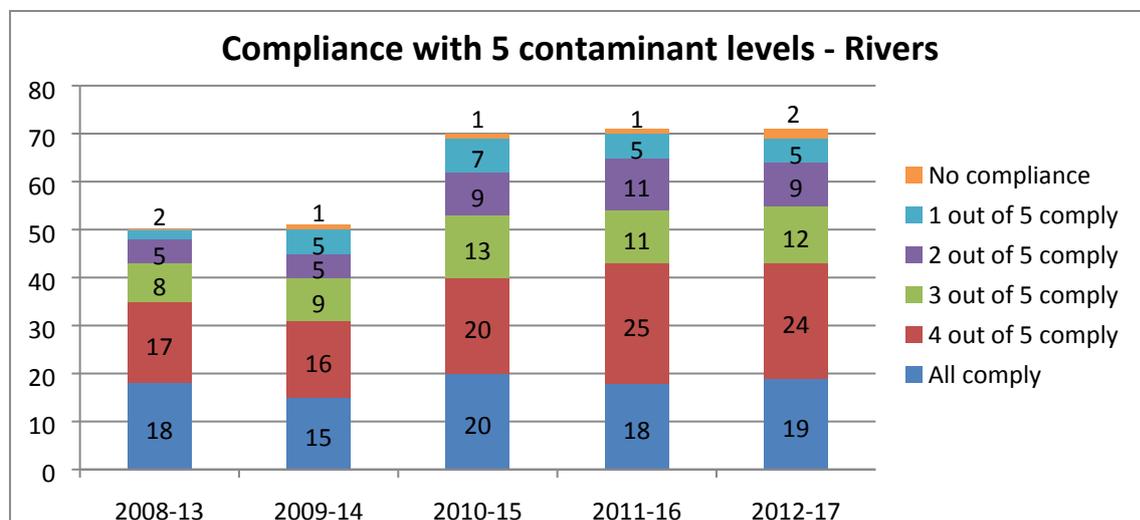
The contaminants measured for rivers are:

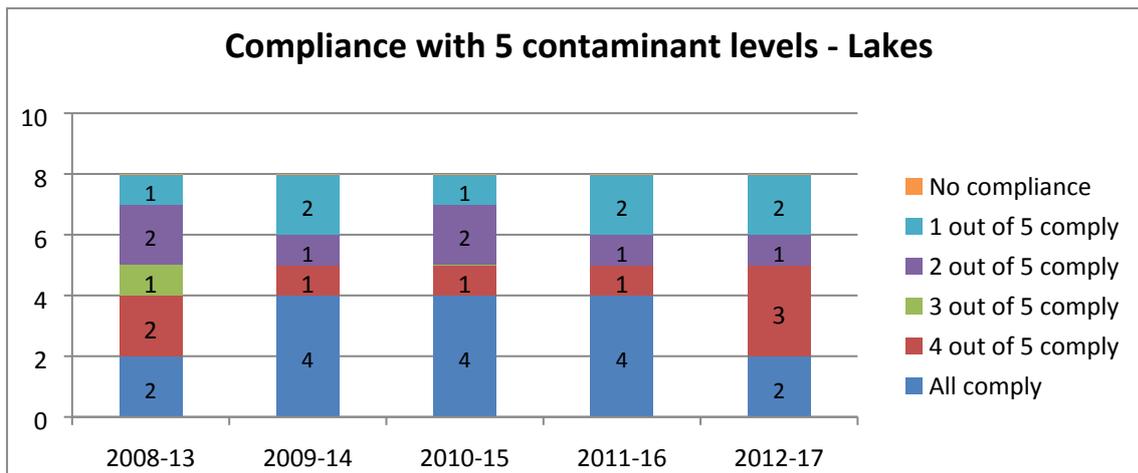
- Nitrite-nitrate nitrogen
- Dissolved reactive phosphorous
- Ammoniacal nitrogen
- Ecoli
- Turbidity

The contaminants measured for lakes are:

- Total nitrogen
- Total phosphorous
- Ammoniacal nitrogen
- Ecoli
- Turbidity

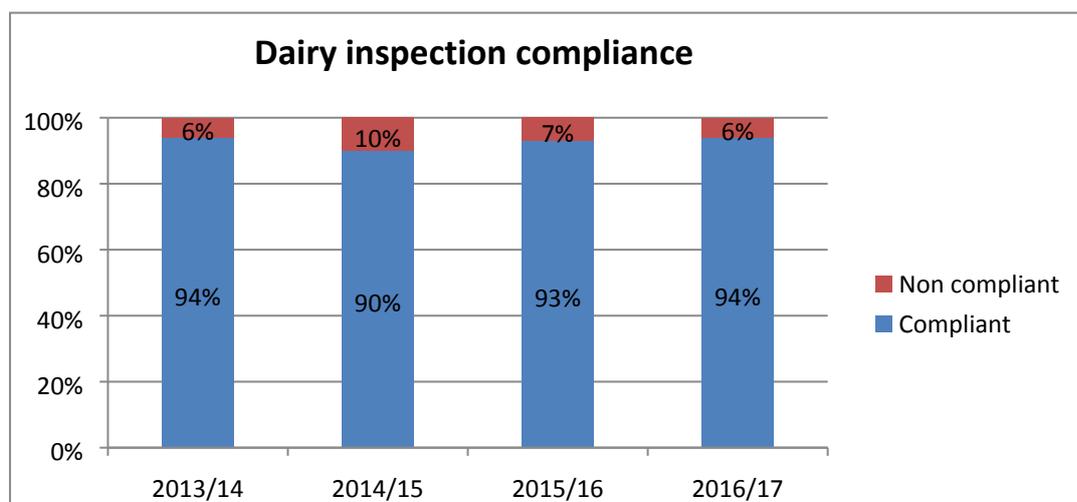
For rivers, water quality is measured as a five year 80th percentile (when flow is at or below median flow), and lakes are measured as a five year 80th percentile, at State of Environment monitoring sites. The results from our monitoring for the last five reporting periods are shown below. Monitoring results for the 2018 year will be reported on at the year end.





Level of service – Maintain or improve water quality		Achieved
Measure:	Dairy inspection and other farm monitoring.	
Performance target:	Using a risk based approach, 148 dairy farms will be visited on at least two occasions each, and assessed for compliance with prohibited activity rules. .	
Achievement to date:	Inspections for the 2017/18 year commenced in November 2017.	
Expected at year end:	All dairy properties with risk ranking 2 and 3 will be inspected over the 2017/18 season.	

Compliance results for previous years are as follows:



Other initiatives undertaken to promote water quality include:

Measure:	Sustainable environmental flows and allocation limits set on rivers levels, streams, and groundwater resources.	
Performance target:	Monitor compliance with set minimum flows/environmental levels.	
Achievement to date:	Compliance with set minimum flows / environmental levels has been undertaken during the period, with no non-compliance found.	●
Expected at year end:	Compliance with set minimum flows/ environmental levels will be undertaken throughout the year.	●

Specific areas of work:

1. Undertake preliminary consultation on a plan change to address human sewage, including on-site treatment system discharges on water quality.

The draft consultation plan is being prepared.	●
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2. Undertake preliminary consultation to address the effects of stormwater discharges on water quality.

The draft consultation plan is being prepared, in parallel with wastewater.	●
---	---

3. Commence and complete plan changes for minimum flows, allocation regimes and aquifer regimes (work will take multiple years from commencement to completion).

<i>Lindis</i>	Council decision on the minimum flow was released on 13 August 2016. One appeal was received with 13 parties to the appeal. Mediation started 7-8 December 2016. A report back to the Environment Court on 28 April 2017 provided requested science information. Court facilitated expert conferencing of the science witnesses took place on 6 June 2017 and a report back was provided to the Environment Court. Further mediation occurred 4 July 2017 and a report is being provided to the Court.	●
<i>Cardrona</i>	Request for tenders for undertaking an Economic Impact Assessment (EIA) and a Social Impact Assessment (SIA) were issued in September. One consultant submitted a proposal to undertake an EIA but with an extended timeframe for completion. The consultant undertaking the SIA is reliant on the findings from the EIA study. Science report has been completed, and presented to the November committee meeting.	●

<i>Waikouaiti River</i>	Estuary monitoring report was presented to Council mid 2017. Monitoring on the Waikouaiti Estuary will be ongoing for the next two years.	
<i>Ettrick</i>	Data collection for an Ettrick aquifer study is progressing well.	
<i>Manuherikia</i>	Two rounds of consultation were undertaken during the 2016/17 year. Stage one of an economic impact assessment is underway, and will help determine what hydrological and surety of flow work needs to be commissioned. Full economic and social assessments will follow. A draft plan change will then be consulted on, followed by notification.	
<i>Clutha</i>	The first round of consultation will be completed by 5 December 2017.	
<i>Arrow</i>	Economic and Social Assessments are being undertaken. A stakeholder consultation session was held on 14 November 2017. The second round of community consultation is scheduled for 7/ 8 December 2017.	

Other initiatives undertaken to manage water quantity include:

- 35 meetings have been held with groups of water users who are looking to replace their expiring mining privileges, and a second round of meetings has commenced.
- Information about permit configuration and historic water use is provided on request.
- Staff gave a paper about deemed permits at a Law Society Conference in Queenstown in October.

Estimated and Actual Costs - Water

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Regional Plan: Water				
- Operating cost	120	319	199	1,093
Water quality & quantity (SOE)				
- Operating cost	805	779	(26)	2,184
- Capital cost	62	39	(23)	117
Total cost	867	818	(49)	2,301
Rural water quality				
- Operating cost	525	1,056	531	2,988
- Capital cost	19	11	(8)	32
Total cost	544	1,067	523	3,020
Deemed Permits				
- Operating cost	85	172	87	528
- Capital cost	-	9	9	26
Total cost	85	181	96	554
Coastal strategy				
- Operating cost	33	205	172	530
- Capital cost	-	4	4	11
Total cost	33	209	176	541
Minimum flows				
- Operating cost	716	702	(14)	2,094
- Capital cost	9	-	(9)	-
Total cost	725	702	(23)	2,094
Bulk rural water				
- Operating cost	92	82	(10)	245
Total costs	2,466	3,378	912	9,848

Estimated and Actual Revenue - Water

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	2,376	3,315	939	9,662
Funded by:				
General rates	1,857	2,472	615	6,914
Targeted rates	270	460	190	1,381
Internal charges	72	72	-	217
Scheme reserves	85	172	87	205
General reserves	-	57	57	172
Water management reserve	92	82	(10)	773
Total funding	2,376	3,315	939	9,662
Capital costs	90	63	(27)	186
Funded by:				
Asset replacement reserve	90	63	(27)	186
Total revenue	2,466	3,378	912	9,848

Comments:

Regional Plan: Water is under budget by approximately \$199,000. Commencement of some plan changes has been reliant on the adoption of the Urban Water Quality Strategy. It is expected that the budget will be spent by the year end.

The rural water quality activity is under spent by approximately \$523,000. Delays in this activity have occurred due in part to the flood event in July, impacting on our dairy inspection work. In addition, a review of the way the environmental risk assessment is being delivered needed to be undertaken before work could start. Desk top assessments have commenced, and a pilot project is currently being outsourced.

Deemed permit work is under budget by approximately \$96,000. This is a timing issue, noting there was some seasonal inactivity for lambing and calving that was not taken account of in the budget timing.

The coastal strategy activity is under spent by approximately \$176,000. The priority of this activity has been reconsidered as part of the 2018-28 Long Term Plan planning process, and as a result, it is proposed that preparation of a strategy be undertaken in later years. Work is still continuing on planning a coastal forum in March/April 2018, and on monitoring the health of the Kaikorai and Tokomairiro estuaries.

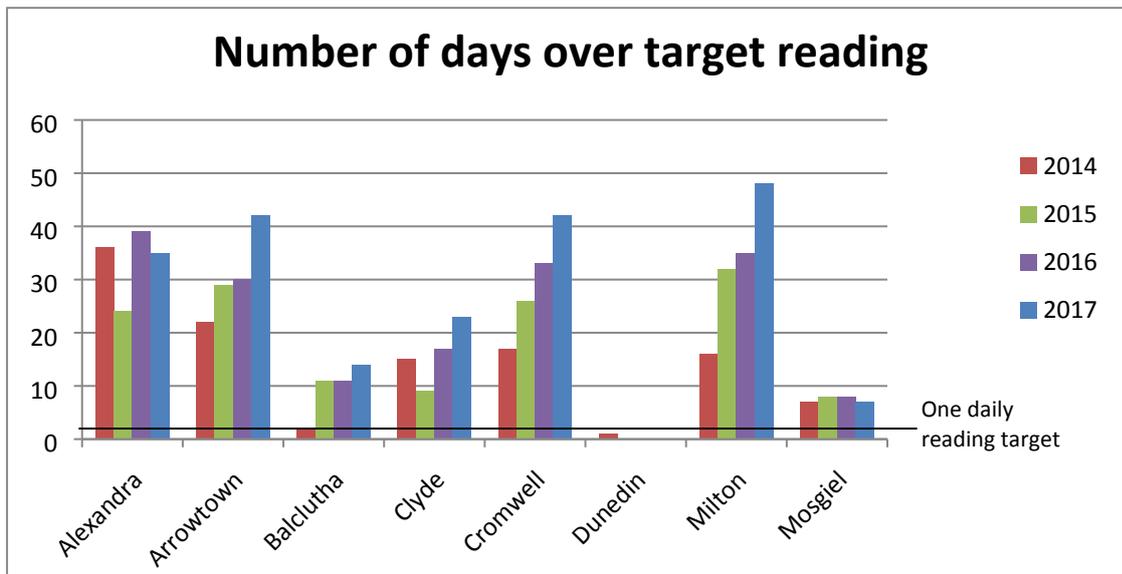
Air

Level of service – Improve air quality		Achieved
Measure:	Ambient (PM ₁₀) air quality in targeted towns.	<div style="display: flex; flex-direction: column; align-items: center; gap: 10px;"> ● ● </div>
Performance target:	Monitor air quality to assess compliance with the NES requirement of no more than one daily average reading of PM ₁₀ per annum to be higher than 50 micrograms per cubic metre (50 mg/m ³).	
Achievement to date:	Required monitoring continuing.	
Expected at year end:	Expect to meet target.	

Ambient air quality has been monitored for the winter of 2017 (April to September) in the following targeted towns:

- Alexandra
- Arrowtown
- Balclutha
- Clyde
- Cromwell
- Dunedin
- Milton
- Mosgiel
- Palmerston

The requirement of no more than one daily above 50 mg/m³ was not achieved in any location except for Dunedin, which had no readings above 50 mg/m³. The graph below shows the number of days where the daily average reading of PM₁₀ was higher than 50 mg/m³, for the last four years.



Report 11.3.2017 Air Quality Results presented to the technical committee on 29 November provides commentary about the results for the 2017 winter period.

Specific areas of work:

1. Support through funding, the installation of clean heating appliances in targeted towns (Airzone 1 and Milton).

Support is provided as applications are received. Nine clean heating appliances were applied for and installed during the period.

**Estimated and Actual Costs - Air**

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Air monitoring				
- Operating cost	66	103	37	256
- Capital cost	3	12	9	35
Total cost	69	115	46	291
Clean heat clean air				
- Operating cost	19	51	32	103
Air strategy				
- Operating cost	51	9	(42)	29
Total costs	139	175	36	423

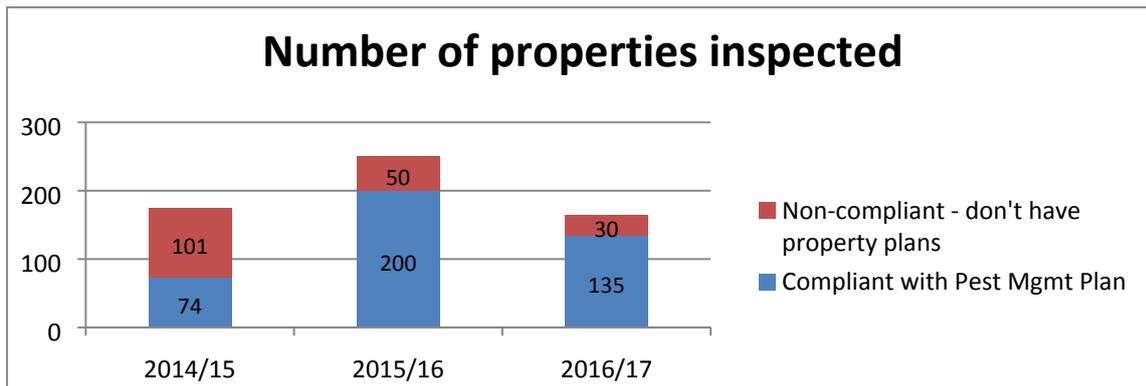
Estimated and Actual Revenue - Air

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	136	163	27	388
Funded by:				
General rates	117	112	(5)	285
Scheme reserves	19	51	32	103
Total funding	136	163	27	388
Capital costs	3	12	9	35
Funded by:				
Asset replacement reserve	3	12	9	35
Total revenue	139	175	36	423

Land

Level of service – Require control of pest animals and pest plants		Achieved
Measure:	Level of rabbit populations in rabbit prone areas.	 
Performance target:	Non-compliance of rabbit numbers over MAL3 will be followed up, to ensure property management plans are in place to reduce rabbit numbers.	
Achievement to date:	Inspections will commence in the next reporting period. Reminder letters were sent to 14 property owners who are required to send in a property management plan.	
Expected at year end:	All non-compliance found will be followed up to ensure property management plans are in place to reduce rabbit numbers.	

The graph below shows the number of properties inspected over the last three years, and their results:



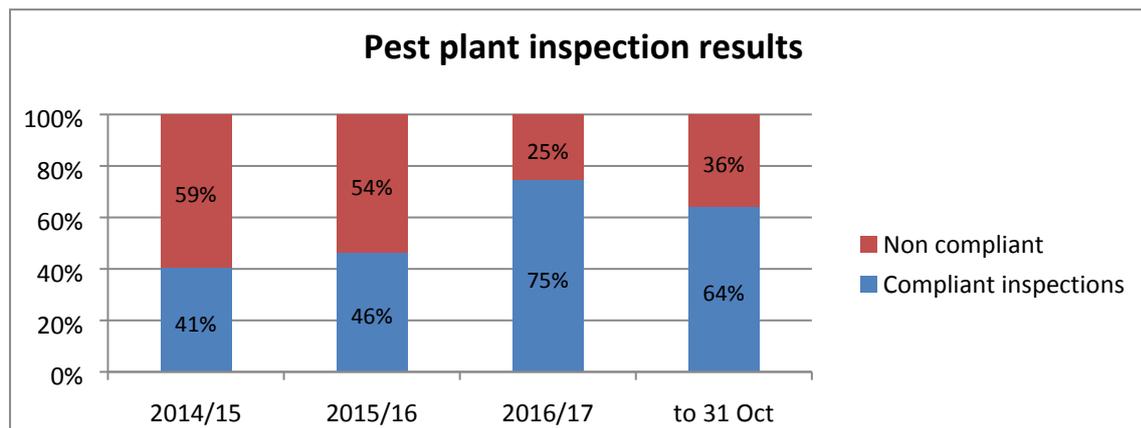
Property inspections had not commenced this reporting period due to the lambing season.

Level of service – Require control of pest animals and pest plants		Achieved
Measure:	Level of pest plants found at known sites.	 
Performance target:	Non-compliance of pest plants will be followed up, to ensure control works to remove pest plants have been undertaken.	
Achievement to date:	All non-compliance found has been followed up to ensure compliance with the RPMS.	
Expected at year end:	All non-compliance found during the year will be followed up.	

During the period plant inspections included the following:

	To 31 October	2016/17	2015/16	2014/15
Bomarea	-	472	447	153
Old Man's Beard	269	3,390	1,140	499
Contorta	-	12	61	14
Total number of properties inspected	269	3,874	1,648	666

Results of these inspections are shown below.



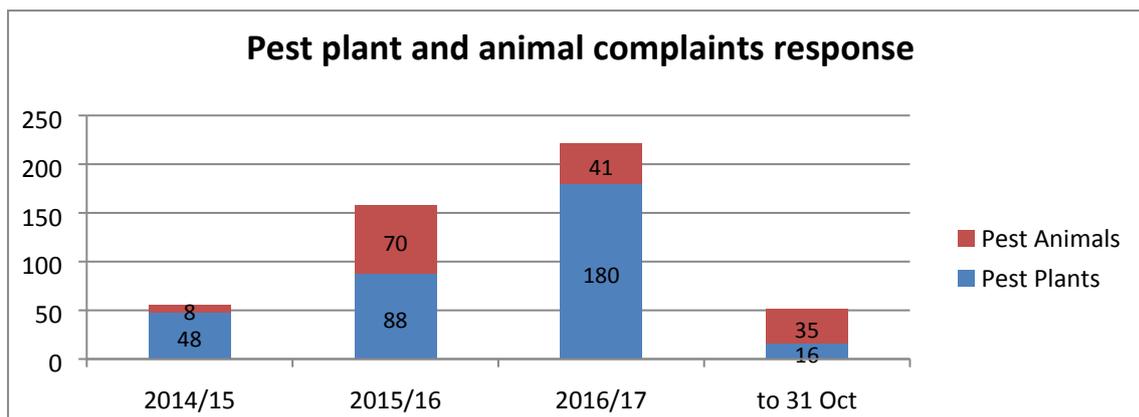
Specific areas of work:

1. Prepare a new Pest Management Plan for Otago.

Proposed Pest Management Plan will be notified by end of the financial year.	●
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Other initiatives undertaken include:

- An educational campaign is being developed for rabbit management, so the community can understand responsibilities and options.
- New resources for pest plants being developed as needed.
- Regular meetings held with the Wakatipu, Dunstan and Wanaka groups, with LINZ and NIWA representation re lagarosiphon.
- Wetlands compliance work is ahead of schedule.
- Drafting of outcomes and issues is in progress towards the development of a Biodiversity Strategy.
- Staff responded to pest complaints as follows:



Complaints received related to the following:

	To 31 October	2016/17	2015/16	2014/15
Pest plants	16	180	88	48
Rabbits	25	21	41	7
Wallabies	8	19	25	1
Rooks	-	1	2	-
Possums	2	-	2	-
Total	51	221	158	56

All complaints have been followed up where a breach of the Pest Management Plan has been identified.

Estimated and Actual Costs - Land

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Biodiversity	151	72	(79)	219
Pest mgmt. strategy implement.	336	440	104	1,359
Pest control	-	10	10	85
Contracting	42	168	126	395
Pest plan review	107	58	(49)	211
Environmental enhancement	39	137	98	411
Wilding trees	209	431	223	1,433
Total operating costs	883	1,316	433	4,113

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue - Land

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	883	1,316	433	4,113
<i>Funded by:</i>				
General rates	623	607	(16)	1,955
Targeted rates	200	131	(69)	200
Fees & charges	77	195	118	520
Grants	8	300	292	1,200
Other income	17	-	(17)	-
Enviro enhancement fund	10	83	73	250
Scheme reserve	-	-	-	33
General reserves	(52)	-	52	(45)
Total revenue	883	1,316	433	4,113

Comments:

The pest management strategy implementation is underspent by approximately \$104,000 due to timing. It is expected that the budget will be fully spent by the year end.

Less rabbit contracts were undertaken than budgeted for in the contracting project, which has resulted in less fees and charges being received.

Environmental enhancement is under spent by approximately \$98,000. Two applications from the environmental enhancement fund, totalling \$20,000 have been approved, and a further five applications totalling \$179,000 have been received.

Wilding tree under spend is due to timing of Ministry for Primary Industries work, resulting in less grant funding being received.

Rivers & Waterway Management

Level of service – Ensure waters can flow without obstruction		Achieved
Measure:	Time taken to investigate and action reported blockages.	 
Performance target:	Investigate all reported blockages obstructing scheduled rivers within 10 working days and action appropriately.	
Achievement to date:	Dunedin, Wakaitpu, Wanaka - all reported blockages have been investigated and actioned appropriately. Clutha, Central, Waitaki - no reported issues.	
Expected at year end:	All reported blockages will be actioned appropriately within 10 working days.	

Specific areas of work:

1. Implement the developed River Morphology and Riparian Management Plans (RMRMP).

<i>Strath Taieri</i>	Implementation is ongoing.	
<i>Pomahaka River</i>	Implementation is ongoing.	
<i>Cardrona River</i>	RMRMP for the Cardrona River is expected to be completed early in the new calendar year, and then implementation will commence.	
<i>Kakanui River</i>	Implementation is on-going.	
<i>Shag & Waianakarua rivers</i>	RMRMP expected to be completed early in the new calendar year, and then implementation will commence.	

2. Develop a strategy for the management of the Lindsay Creek erosion hazard.

Strategy development is planned later this year.	
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3. Develop a strategy for the management of the Waitati River flood and erosion hazard.

Strategy development is planned later this year.	
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Other initiatives undertaken include:

- Response to the July flood event.

Estimated and Actual Costs – River Management

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Central Otago	101	74	(27)	263
Clutha	43	72	29	271
Dunedin	134	191	57	629
Lower Waitaki	47	50	3	139
Waitaki	49	97	48	332
Wakatipu	45	26	(19)	111
Wanaka	32	39	7	144
Total for all projects	451	549	98	1,889

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue – River Management

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	451	549	98	1,889
<i>Funded by:</i>				
General rates	5	5	-	14
Targeted rates	446	544	98	1,557
Scheme reserves	-	-	-	318
Total funding	451	549	98	1,889

Comment:

The July flood event has resulted in some overspending in the Dunedin area. \$40,000 has been spent to date on aligning rivers and channels which were damaged during the event.

Environmental Incident Response

Level of service – Council will be ready and able to respond to all environmental incidents		Achieved
Measure:	Time taken to respond.	 
Performance target:	Acknowledge and assess the necessary actions of reported incidents within 0.5 hours of receipt.	
Achievement to date:	For the period 1 July 17 - 31 Oct 17 a total of 623 incidents were received and responded to with 0.5 hours.	
Expected at year end:	Council will continue to respond to reported incidents.	

Specific areas of work:

1. Continue to work with Otago territorial authorities to develop a central contaminated sites database for regional use.

A contaminated sites database continues to be developed as more data is collected. QLDC has recently provide a copy of their landfill hazard GIS layer for integration into the database.	
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Estimated and Actual Costs – Environmental Incidents

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Incident response	359	285	(74)	740
Contaminated sites	43	35	(8)	108
Enforcement	149	189	40	563
Total operating costs	551	509	(42)	1,411

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue – Environmental Incidents

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	551	509	(42)	1,411
<i>Funded by:</i>				
General rates	429	322	(107)	851
Infringements/fines	122	170	48	510
Fees & charges	-	17	17	50
Total funding	551	509	(42)	1,411

Comments:

The incident response budget is over spent due to the higher number of reported incidents being received by council. If this trend continues, the budget will be overspent at year end.

Other initiatives undertaken for our community include:

- Funding contributions have been made to the Otago Rescue Helicopter.
- Administering EMaR/LAWA on behalf of the National Office.
- Significant work undertaken on the development of the 2018-28 Draft Long Term Plan.
- 36 media releases were made during the period.
- Four issues of Waterlines newsletter were produced, and one issue of OnStream e-newsletter.
- A communications campaign was undertaken on Dunedin bus changes, and on the new bus services in Queenstown.
- A lake snow public information session was held in Wanaka.
- Pamphlet updates included Clean Heat, Clean Air, and monitoring resource consents.

Estimated and Actual Costs - Community

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Democracy	504	521	17	1,570
Public information & awareness	720	668	(52)	2,012
Financial contributions	117	117	-	350
LAWA	179	142	(37)	427
Dunedin Head Office replacement	28	221	193	665
Regional economic develop	9	-	(9)	-
Total for all projects	1,557	1,669	112	5,024

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue - Community

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	1,557	1,669	112	5,024
<i>Funded by:</i>				
General rates	1,312	1,268	(44)	3,817
Fees & charges	1	5	4	130
Other income	138	149	11	334
Building reserves	28	221	193	665
Other reserves	69	26	(43)	78
General reserves	9	-	(9)	-
Total funding	1,557	1,669	112	5,024

REGULATORY

Policy Development

Specific areas of work:

1. Address any appeals made on the Regional Policy Statement and make operative.

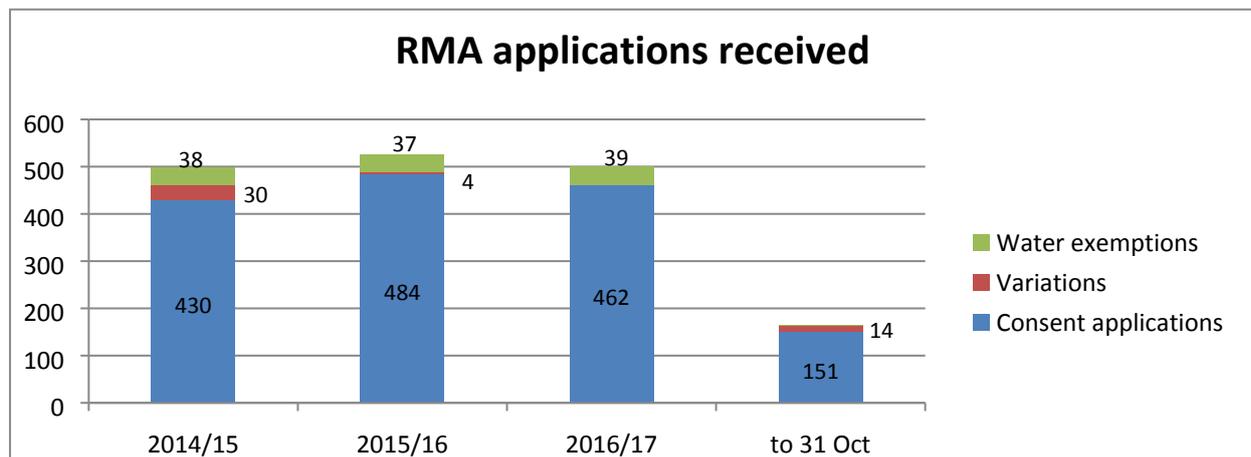
All but two appeal topics have been addressed through mediation. Court hearing is schedule for mid February 2018.



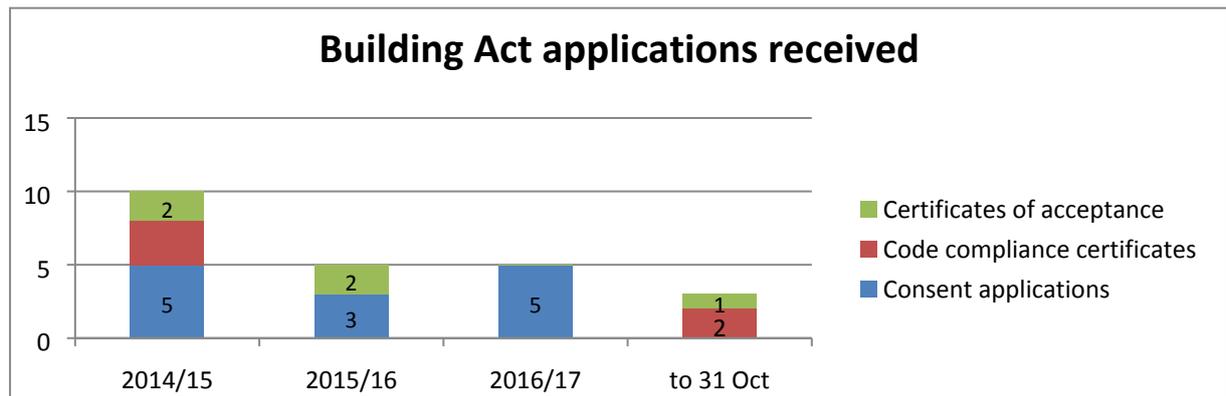
Consents & Compliance

Level of service – Process resource consent applications in a timely manner.		Achieved
Measure:	RMA and Building Act statutory time frames.	
Performance target:	100% of consents are processed within the statutory timeframes.	
Achievement to date:	All consents processed within statutory time.	
Expected at year end:	Meeting targets requires staff resources to be maintained	

The graph below shows the trend in numbers of RMA applications received.



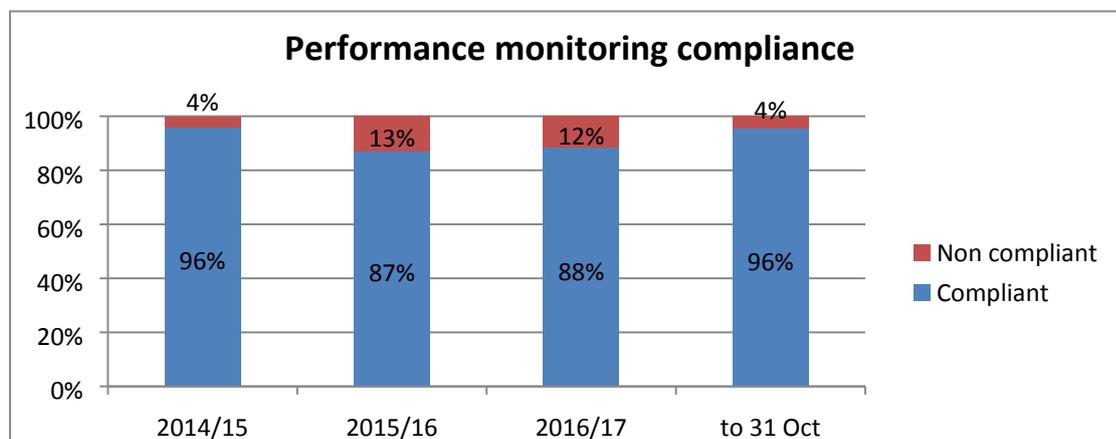
The graph below shows the number of Building Act applications received.



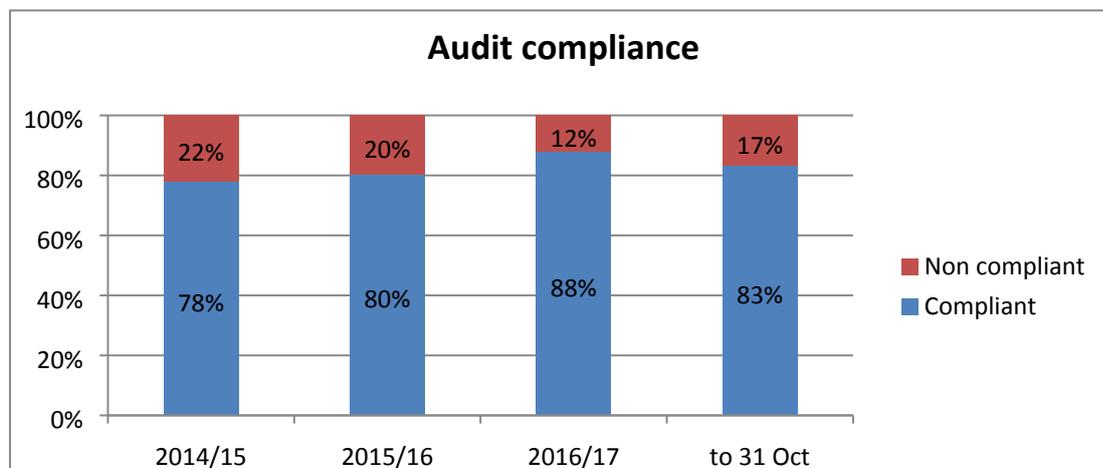
Level of service – Ensure consent conditions for the use of Otago’s air, water and coastal resources are complied with		Achieved
Measure :	Performance monitoring returns show compliance with consent conditions.	● ●
Performance target:	100% of performance monitoring data received will be assessed for compliance with consent conditions.	
Achievement to date:	PM monitoring data is being assessed for compliance as it is received.	
Expected at year end:	Target will be ongoing throughout the year as PM data continues to come in.	

To date 4,464 performance monitoring returns were assessed (2016/17: 5,336 returns; 2015/16: 4,086 returns; 2014/15: - 3,616 returns). The level of returns is high due to significant work being completed in respect of water metering returns.

The graph below shows the level of compliance with consent conditions in respect of performance monitoring returns.



To date, 362 audits have been undertaken to date (2016/17: - 744 audits; 2015/16: - 1,099 audits; 2014/15: - 420 audits). The graph below shows the level of compliance with consent conditions in respect of audits undertaken.



Measure:	Enforcement of non-compliance found through audits and performance monitoring returns.	
Performance target:	All non-compliance found (grade 4 and 5) will be followed up and enforced in accordance with Council procedures.	
Achievement to date:	Seven consents received 5 non-compliance grades this reporting period. All were water permits. The grades were received due to exceedances in consented take thresholds. Recommendations for enforcement actions have been made where appropriate.	●
Expected at year end:	Significant non-compliance found will be followed up.	●

Enforcement action undertaken to date compared to previous years was as follows:

	to 31 Oct	2016/17	2015/16	2014/15
Infringement notices	1	40	14	19
Prosecutions authorised	1	14	3	6
Abatement notices	1	3	-	2

Specific areas of work

1. Review consents for a catchment, subcatchment or aquifer within two months of a minimum flow or water quality standard being operational to assess water allocation.

Waiwera has been completed, no others expected this year.	●
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Harbour Management

Level of service – Safe recreational use and navigation for all users of the Otago harbour.		Achieved
Measure:	Respond to harbour incidents in a timely manner.	 
Performance target:	Respond within one hour of notification from Harbour Control.	
Achievement to date:	No incidents reported in the period.	
Expected at year end:	Expected to fully comply with target	

Level of service – Council will be ready to respond to oil spills and ensure restoration.		Achieved
Measure:	Respond to oil spills in a timely manner.	 
Performance target:	Respond within 1.5 hours of notification.	
Achievement to date:	Two marine pollution event reported. These events did not require a tier 2 response	
Expected at year end:	Will continue to respond to reported event.	

Specific areas of work:

1. Hold one desk top and one field exercise for marine oil incident response.

A significant oil spill and pollution exercise was held on 14 September 2017. This included staff from Maritime NZ and the Regional On Scene Commander from West Coast Regional Council taking part in the exercise. Our response times, including deployment of oil spill response gear was tested at the oil transfer wharf. Council also tested our wildlife response to simulate a realistic scenario.	
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2. Draft a scoping document and consult on harbour bylaws for Otago.

Drafting of bylaws complete. Currently under legal review before Council endorses for public consultation.	
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Estimated and Actual Costs – Regulatory

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Regional Policy Stmt	193	63	(130)	191
Consents	447	625	178	1,798
Compliance Monitoring	364	422	58	1,289
Harbour safety	255	133	(122)	406
Total for all projects	1,259	1,243	(16)	3,684

This activity has no budgeted capital expenditure.

Estimated and Actual Revenue – Regulatory

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	1,259	1,243	(16)	3,684
<i>Funded by:</i>				
General rates	814	413	(401)	1,175
Grants	33	18	(15)	55
Internal charges	-	33	33	98
Fees and charges	412	779	367	2,356
Total funding	1,259	1,243	(16)	3,684

Comments:

Regional Policy Statement over spent due to two the appeals received. Experts are being engaged and evidence prepared.

Consents are a demand driven activity. Fewer applications received than budgeted for.

The contracting out of interim harbour master services has been higher than budgeted resulting in the over spend in harbour safety.

FLOOD PROTECTION & CONTROL WORKS

Alexandra flood protection

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.		Achieved
Measure:	Respond to flood events or damage.	 
Performance target:	Flood damage identified, prioritised and repaired.	
Achievement to date:	No flood events occurred during the period.	
Expected at year end:	In the event of a flood, will respond as required.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	 
Performance target:	Contain all floods up to 142.75m (above mean sea level) at Alexandra Bridge with 0.5m freeboard, corresponding with a flood flow of approximately 4,350 m ³ /s and being equivalent to the greatest recorded flood (in 1878) but with the Lake Hawea control gates closed.	
Achievement to date:	No flood events during the period. Highest level reached during the period was 133.86 m.	
Expected at year end:	Expect to contain floods up to specified level of 142.75 m.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	 
Performance target:	Pump capacity will be available 320 out of 365 days per annum*.	
Achievement to date:	All Alexandra Pumping Stations pump capacity available for period.	
Expected at year end:	Expected to meet target.	

*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.

Specific areas of work:

1. Undertake total overhaul of the three Linger and Die pumps.

Overhaul programme for the three pumps to start in the new calendar year.	
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Leith flood protection

Level of service – Reduce the flood risk to people and property by maintaining flood protection works to agreed standards.		Achieved
Measure:	By 2019/20, increase capacity to 171 m ³ /s (measured at St David Street footbridge). Represents 1 in 100 year flood with freeboard.	 
Performance target:	Undertake works between Union Street and Leith Street (including Leith Street bridge and the ITS building/bend).	
Achievement to date:	Works are progressing, with buried asbestos and left bank stability issues largely resolved.	
Expected at year end:	Works will be completed by June 2018.	

Measure:	By 2019/20, increase capacity to 171 m ³ /s (measured at St David Street footbridge). Represents 1 in 100 year flood with freeboard.	 
Performance target:	Complete investigations and design works at Dundas Street bridge.	
Achievement to date:	Engineering options study has been completed for increasing hydraulic capacity at the Dundas Street Bridge. Physical hydraulic model has been constructed and calibration is ongoing. Hydraulic investigation of proposed modifications to the Dundas Street Bridge will be completed in December 2017. Detailed design will follow the completion of the physical hydraulic model with construction works undertaken in the summer of 2018/19.	
Expected at year end:	Detailed design completed and construction works out for tender.	

Lower Clutha flood and drainage

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.		Achieved
Measure:	Respond to flood events or damage.	 
Performance target:	Flood damage identified, prioritised and repaired.	
Achievement to date:	Flood damaged has been identified and prioritised. In some instances repairs from July 2017 flood are ongoing. Risks are being managed.	
Expected at year end:	Will continue to monitor and respond as required. Repairs for flood damage from July 2017 event will be completed.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	 
Performance target:	No flooding of Barnego in all flows up to 2,850 m ³ /s, Kaitangata, Inch Clutha and Paretai up to 4,000 m ³ /s, and Balclutha up to 5,400 m ³ /s (all flows measured at Balclutha) based on past observed floods.	
Achievement to date:	No flooding occurred during the period. Highest flow for the period was 1,101 m ³ /s on 26 September 2017.	
Expected at year end:	Expected to contain floods within given flow levels.	

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.		Achieved
Measure:	Respond to events or damage.	 
Performance target:	Damage identified, prioritised and repaired.	
Achievement to date:	No flood damage to drainage works for the period.	
Expected at year end:	Will continue to monitor and respond as required.	

Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Provide drainage modulus of 7.5mm per day pumped drainage capacity for Matau District, 9mm per day for Inch Clutha, and 10mm per day for Paretai District.	
Achievement to date:	14 mm of rainfall on 17 September measured at Inch Clutha. Drainage modulus for all districts achieved.	●
Expected at year end:	Will continue to monitor and respond as required.	●

Measure:	Maintain and renew drainage works to ensure design standards are met.	
Performance target:	Pump capacity will be available at each station 320 out of 365 days per annum.*	
Achievement to date:	Paretai Pump 2 out for repair 56 days to date, delay due to procuring required parts. Re commissioned 18 October 2017	●
Expected at year end:	Pump capacity should be available at each station 320 out of 365 days per annum with the exception of the Paretai Pump 2 not achieving this target. Other pumps in Clutha will meet target.	●

*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.

Specific areas of work:

1. Complete altering the drainage infrastructure of Lake Tuakitoto/Robsons Lagoon to improve wetland ecosystem values.

Design and consenting for automatic gate progressing. Consultation with affected landowners ongoing.	●
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2. Construct the improvements to the Koau right floodbank at Factory Road (Paretai) that reduce the risk of floodbank failure at that location.

Detailed design completed and consent application lodged for these works. Work is expected to be undertaken in the summer of 2018/19.	●
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Lower Taieri flood protection

Level of service – Reduce the flood risk to people and property by maintaining, repairing and renewing flood protection works to agreed standards.		Achieved
Measure:	Respond to flood events or damage.	 
Performance target:	Flood damage identified, prioritised and repaired.	
Achievement to date:	Flood damaged has been identified and prioritised. In some instances repairs from July 2017 flood are ongoing. Risks are being managed.	
Expected at year end:	Will continue to monitor and respond as required. Flood damage from July 2017 repairs will be completed.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	 
Performance target:	No flooding of the East Taieri upper ponding area from Taieri River flows up to 800 m ³ /s or Silver Stream flows up to 160 m ³ /s.*	
Achievement to date:	There was no flooding of the East Taieri upper ponding area from Taieri River flows up to 800 m ³ /s or Silver Stream flows up to 160 m ³ /s.*	
Expected at year end:	Expect to contain flows up to Design levels	

*Taieri River flows measured at Outram, Silver Stream flows measured at Gordon Road, being equivalent to the 1980 flood, nominally a 100 year event.

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	 
Performance target:	No flooding of the East Taieri lower ponding area from Taieri River flows up to 2,500 m ³ /s or Silver Stream flows up to 260 m ³ /s.	
Achievement to date:	There was no flooding of the East Taieri lower ponding area from Taieri River flows up to 2,500 m ³ /s or Silver Stream flows up to 260 m ³ /s.	
Expected at year end:	Expect to contain flows within design levels.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	● ●
Performance target:	No flooding of West Taieri from Taieri River flows up to 2,500 m ³ /s.	
Achievement to date:	No flooding occurred in the West Taieri scheme from Taieri River flows. All flows contained within design scheme specifications. Peak flows at Outram for the period reached 181 cumecs on 19 September 2017.	
Expected at year end:	Expect to contain flows within design levels.	

Measure:	Maintain and renew flood mitigation works to ensure design standards are met.	● ●
Performance target:	No flooding of Mosgiel from Sliver Stream flows up to 260 m ³ /s	
Achievement to date:	No Flooding in the Mosgiel area from the Silver stream Peak flow at Silverstream this period reached 65 cumecs on 18 September 2017. Peak flow at Silverstream reached 176 cumecs on 22 July 2017.	
Expected at year end:	Expect to contain flows within design levels.	

Specific areas of work:

1. Undertake design and obtain approvals and consents (if required), for constructing a new upper/lower pond link spillways or the alternative option of relocating the floodbank(s) through the chute of the Taieri River.

This work is now on hold, to allow for a review of project objectives and consideration of issues arising during the July 2017 flood.	●
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West Taieri drainage

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.		Achieved
Measure:	Respond to events or damage.	●
Performance target:	Damage identified, prioritised and repaired.	
Achievement to date:	Flood damaged has been identified and prioritised. In some instances repairs from July 2017 flood are ongoing. Risks are being managed.	

Expected at year end:	Will continue to monitor and respond as required. Flood damage from July 2017 repairs will be completed.	
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Measure:	Maintain and renew drainage works to ensure design standards are met.	 
Performance target:	Provide drainage modulus of 10mm per day pumped drainage capacity.	
Achievement to date:	The drainage moduli were provided over the period. Daily rainfall exceeded 10 mm on 3 days, measured at Riccarton Road with 61 mm being recorded on 18 September 2017.	
Expected at year end:	Expect level of service target to be achieved.	

Measure:	Maintain and renew drainage works to ensure design standards are met.	 
Performance target:	Pump capacity for Waipori, Ascog and Henley will be available 320 out of 365 days per annum*.	
Achievement to date:	Level of service target achieved.	
Expected at year end:	Expect level of service target to be achieved.	

*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.

East Taieri drainage

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.	Achieved
Measure:	Respond to events or damage.
Performance target:	Damage identified, prioritised and repaired.
Achievement to date:	Flood damaged has been identified and prioritised. In some instances repairs from July 2017 flood are ongoing. Risks are being managed.
Expected at year end:	Will continue to monitor and respond as required. Flood damage from July 2017 repairs will be completed.

Measure:	Maintain and renew drainage works to ensure design standards are met.	● ●
Performance target:	Provide drainage modulus of 8mm per day pumped drainage capacity for East Taieri upper ponding area and 18mm per day for East Taieri lower ponding area.	
Achievement to date:	Level of service target achieved.	
Expected at year end:	Expect level of service target to be achieved.	

Measure:	Maintain and renew drainage works to ensure design standards are met.	● ●
Performance target:	Pump capacity will be available 320 days out of 365 days per annum.*	
Achievement to date:	Level of service target achieved.	
Expected at year end:	Expect level of service target to be achieved	

*Planned maintenance on pumps will require the pump to be out of service during the maintenance period, timing of which will be managed through risk assessment.

Specific areas of work:

1. Undertake design and consenting (if required), of drainage improvements for the upper pond.

This work is now on hold, to allow for a review of project objectives and consideration of issues arising during the July 2017 flood.	●
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Tokomairiro drainage

Level of service –Improve the productive capability of land by maintaining, repairing and renewing land drainage works to agreed standards.		Achieved
Measure:	Respond to events or damage.	●
Performance target:	Damage identified, prioritised and repaired.	
Achievement to date:	Flood damaged has been identified and prioritised. In some instances repairs from July 2017 flood are ongoing. Risks are being managed.	

Expected at year end:	Will continue to monitor and respond as required. Flood damage from July 2017 repairs will be completed.	
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Measure:	Existing land drainage works perform to agreed standards, and drainage works are monitored and maintained to agreed standards.	 
Performance target:	The drains and channel flow paths within the scheme are maintained to ensure hydraulic capacity.	
Achievement to date:	Drains are being maintained. Inspections and repairs ongoing from July 2017 flood.	
Expected at year end:	Expect maintenance target to be achieved.	

Shotover River Delta

Level of service –Ensure waters can flow without undue obstruction.		Achieved
Measure:	Difference between actual and target profiles for surface.	 
Performance target:	Surface of Shotover river delta is consistent with the target profile.	
Achievement to date:	Analysis of the current delta surface is being undertaken. Cross section survey results expected early in new calendar year	
Expected at year end:	Delta surface will be compared to target profiles	

Estimated and Actual Costs – Flood protection & control works

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Alexandra flood protection				
- Operating cost	49	117	68	278
Leith flood protection				
- Operating cost	298	146	(152)	440
- Capital cost	885	578	(307)	2,553
Total cost	1,183	724	(459)	2,993
Lower Clutha flood & drainage				
- Operating cost	408	321	(87)	1,078
- Capital cost	11	251	240	755
Total cost	419	572	153	1,833
Lower Taieri flood				
- Operating cost	340	116	(224)	479
- Capital cost	5	7	2	20
Total cost	345	123	(222)	499
East Taieri drainage				
- Operating cost	334	134	(200)	543
- Capital cost	-	39	39	117
Total cost	334	173	(161)	660
West Taieri drainage				
- Operating cost	773	155	(618)	587
- Capital cost	-	89	89	268
Total cost	773	244	(529)	855
Tokomairiro drainage				
- Operating cost	31	27	(4)	99
- Capital cost	-	10	10	45
Total cost	31	37	6	144
Shotover river delta				
- Operating cost	8	23	15	72
Land drainage response				
- Operating cost	9	15	6	48
Total costs	3,151	2,028	(1,123)	7,382

Estimated and Actual Revenue – Flood protection & control works

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	2,250	1,054	(1,196)	3,624
<i>Funded by:</i>				
General rates	189	195	6	588
Targeted rates	1,911	569	(1,342)	2,239
Fees & charges	47	115	68	272
Other	92	92	-	275
Kuiwao reserve	11	83	72	250
Total operating funding	2,250	1,054	(1,196)	3,624
Capital costs				
Capital costs	901	974	73	3,758
<i>Funded by:</i>				
Scheme reserve	61	-	(61)	1,995
Targeted rates	840	974	134	1,763
Total capital funding	901	974	73	3,758
Total revenue	3,151	2,028	1,123	7,382

Comments:

The overspend in relation to Lower Taieri, East and West Taieri mainly results from the July 2017 flood response and subsequent repair and maintenance activities.

The capital underspend in relation to the Lower Clutha Flood & Drainage Scheme is predominately a timing issue in relation to Factory Road remedial works.

The capital overspend in the Leith Flood Protection scheme is a timing issue mainly to do with construction of the Union to Leith footbridge stage. Works planned for the 2016/17 year continued into the 2017/18 financial year because of flood events and the discovery of buried asbestos.

2. Complete the development of the Group Risk Reduction Strategy and implement it.

Risk Reduction Register and Programme is now completed and available in Objective	
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3. Develop and implement a group dam failure plan.

Dam failure plans will be ongoing multi-year activities but will not commence until the 2nd half of 2017-18	
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Natural hazards

Level of service – Work proactively with communities to improve understanding of the risks posed by natural hazards so that informed decisions and responses can be made.		Achieved
Measure:	Information to be available.	 
Performance target:	Provide natural hazards information to the public via an effective web based Otago Natural Hazards database.	
Achievement to date:	A comprehensive review of information displayed in the Natural Hazards Database (NHDB) and supporting information has been completed. Areas that need attention have been identified. Updates on the database are now in progress.	
Expected at year end:	Initial work to update the database will be completed. Work will be ongoing to manage and maintain the NHDB (i.e. keep internal spatial information and supporting material up to date) and ensure the most current information is displayed within it.	

Level of service – Provision of accurate and timely flood warnings.		Achieved
Measure:	Warnings of flood events when alarm status is reached.	
Performance target:	Provide rainfall and river flow information to the public when flood levels reach alarm status.	
Achievement to date:	Warnings of flood events, rainfall and flow information has been disseminated to the public mainly through the Waterinfo website, and through text alarms, ring lists and media releases during heavy rainfall events.	

<p>Expected at year end: Warnings of flood events, rainfall and flow information will continue to be disseminated to the public using appropriate tools.</p>	
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Specific areas of work:

1. Undertake a joint ORC/QLDC flood awareness campaign in Queenstown, Wanaka, Glenorchy and Kingston.

<p>Campaign completed at the end of October/early November. Visits were made to businesses in Queenstown and Wanaka CBD, in addition to drop in sessions. Visits were undertaken in association with CDEM. Meetings in Glenorchy and Kingston are planned for later in the year.</p>	
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2. Work with the Dunedin City Council on the South Dunedin Future programme.

<p>Arrangements are being made to scope the modelling that will complement the NZ Sea Rise programme.</p>	
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3. Report on the location and characteristics of known geological faults in Otago.

<p>The report on known geological faults in Otago has not started yet. This project may need to be transferred to next year once GNS has completed the investigation on CODC/QLDC faults.</p>	
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Estimated and Actual Costs – Safety & hazards

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Emergency management				
- Operating costs	856	824	(32)	2,412
- Capital costs	9	-	(9)	-
Total cost	865	824	(41)	2,412
Natural hazards				
- Operating costs	250	412	162	1,179
Flood risk management				
- Operating costs	229	49	(180)	150
Total costs	1,344	1,285	(59)	3,741

Estimated and Actual Revenue – Safety & hazards

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	1,335	1,285	(50)	3,741
Funded by:				
General rates	463	421	(42)	1,210
Targeted rates	842	824	(18)	2,412
Kuriwao Reserve	3	23	20	69
Other income	27	17	(10)	50
Total operating funding	1,335	1,285	(50)	3,741
Capital costs	9	-	(9)	-
Funded by:				
Asset replacement reserve	9	-	(9)	-
Total revenue	1,336	1,285	(59)	

Comments:

The July flood event has resulted in more time and resources being spent on flood risk management, and assessment of the events and its effects on rivers and flood protection schemes, causing delays to work being done in the natural hazards activity. At this stage, it is expected that the delayed work will be completed by the end of the financial year.

TRANSPORT

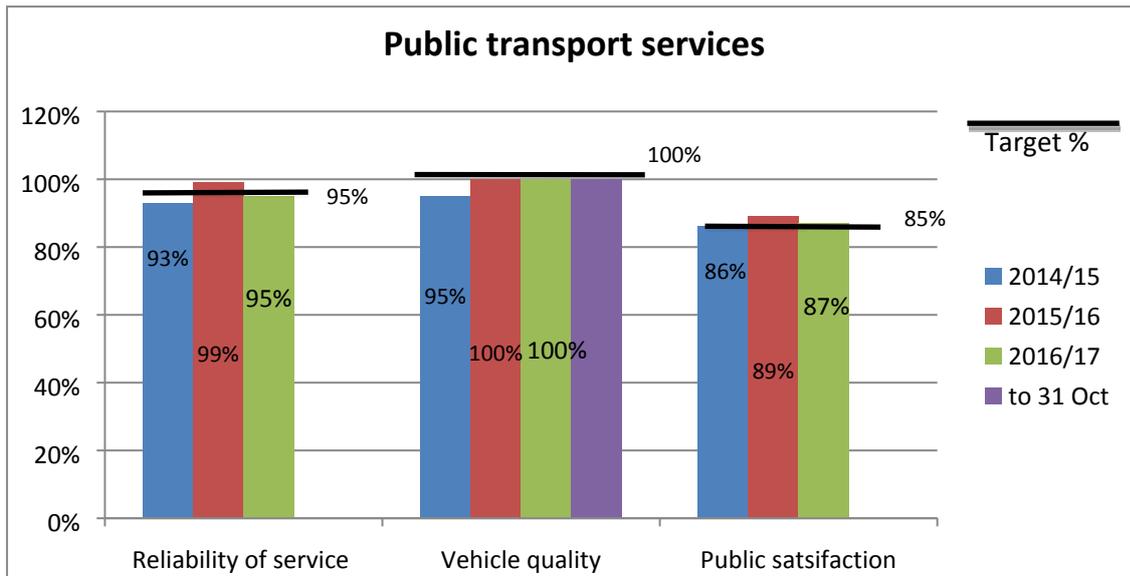
Regional transport planning & public passenger transport

Level of service –Provide passenger transport services that meet community need.		Achieved
Measure:	Reliability of service.	
Performance target:	95% of services monitored depart from the terminus on time.	
Achievement to date:	Survey will be completed in May 2018 for Dunedin, and in April 2018 for Queenstown.	
Expected at year end:	Expect target to be met.	

Measure:	Vehicle quality.	
Performance target:	100% of vehicles (PTOM contracts) comply with Regional Passenger Transport Plan Vehicle Quality standards.	
Achievement to date:	Target being achieved.	
Expected at year end:	Target will continue to be achieved.	

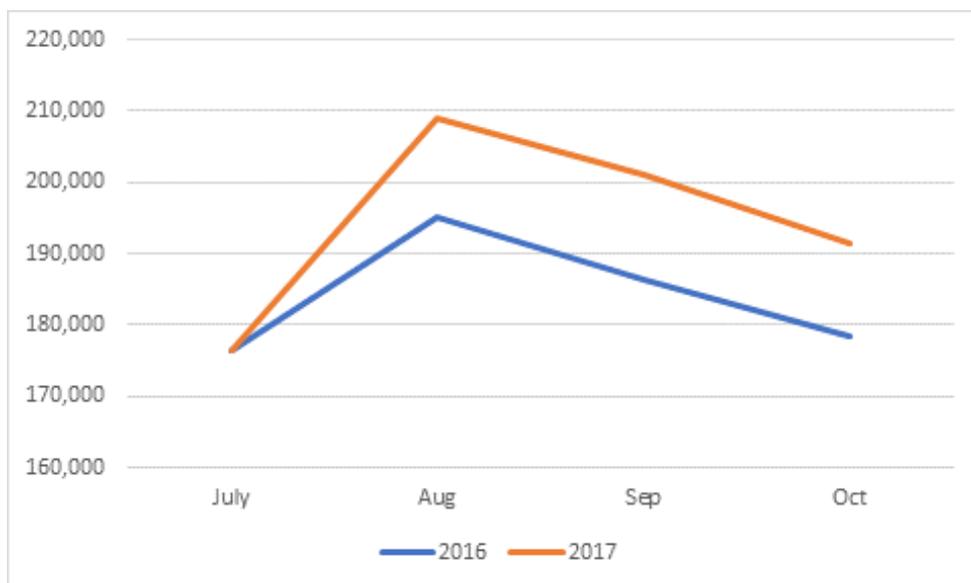
Measure:	Public satisfaction.	
Performance target:	Survey shows at least 85% of bus users are satisfied with overall standard of service.	
Achievement to date:	Survey will be completed in May 2018 for Dunedin, and in April 2018 for Queenstown.	
Expected at year end:	Expect target to be met.	

The graph below shows the results for the 2017/18 year to date.



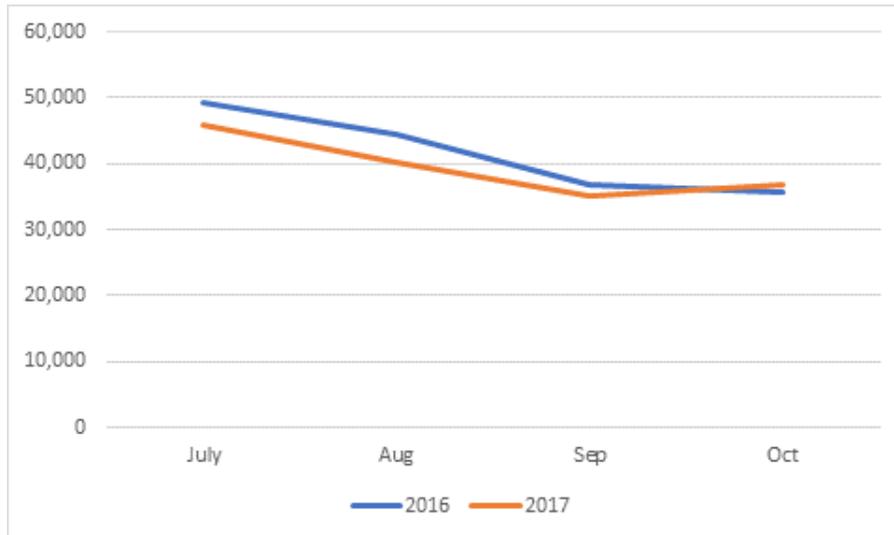
Measure:	Patronage growth.	● ●
Performance target:	In Dunedin, maintain patronage In Wakatipu, 8% growth.	
Achievement to date:	Dunedin patronage for the first quarter of this financial year has increased by 5.65% compared to the first quarter of the last financial year. Refer to graph and table below. For the same period, Wakatipu patronage decreased overall by 4.9%. Refer to graph and table below.	
Expected at year end:	Targets will be achieved.	

Dunedin patronage:



Patronage by year and month	July	August	September	October	Year Total
2016	176,498	195,133	186,220	178,428	736,279
2017	176,401	209,030	200,936	191,510	777,877
% variance	-0.05%	7.12%	7.90%	7.33%	5.65%

Wakatipu patronage:



Patronage by year and month	July	August	September	October	Year Total
2016	49,267	44,479	36,959	35,569	166,274
2017	46,027	40,185	35,157	36,761	158,130
% variance	-6.58%	-9.65%	-4.88%	3.35%	-4.90%

Patronage through the first quarter of this financial year highlights the concerns previously acknowledged by Council and reinforces the need for the changes to be implemented in November.

Specific areas of work:

1. Complete the construction of a central bus hub in Dunedin.

The statutory process for designation is in progress. Construction is expected to commence in the first half of the 2018 calendar year.	●
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2. Complete the implementation of a replacement ticketing system.

Bus equipment has been ordered. System design and build is continuing.	●
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Estimated and Actual Costs - Transport

Projects	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Regional transport planning				
- Operating cost	102	109	7	317
Public passenger transport				
- Operating cost	5,511	7,195	1,684	24,357
Stock truck effluent disposal				
- Operating cost	16	27	11	83
- Capital cost	4	100	96	426
Total cost	20	127	107	509
Total for all projects	5,633	7,431	1,798	25,183

Estimated and Actual Revenue- Transport

Funding sources	Actual to 31 October \$000s	Estimate to 31 October \$000s	Variance () = Over budget	Estimated to 30 June 18 \$000s
Operating costs	5,629	7,331	1,702	24,757
Funded by:				
General rates	209	215	6	639
Targeted rates	1,420	1,411	(9)	4,232
Grants	2,610	3,257	647	10,453
Scheme reserves	422	699	277	2,393
Fees and charges	-	32	32	97
Other	968	1,717	749	6,943
Total operating funding	5,629	7,331	1,702	24,757
Capital costs	4	100	96	426
Funded by:				
General reserves	2	49	47	209
Grants	2	51	49	217
Total capital funding	4	100	96	426
Total revenue	5,633	7,431	1,798	25,183

Comments:

The public passenger transport budget is under spent due to the timing of service commencements, with Dunedin improvements implemented in September, and the Wakatipu services commencing in November. These were budgeted to commence in July and October respectively. Timing on the bus hub and new ticketing system have also contributed to the under spend. These timing matters have resulted in a lower level of grant income, and fare income (other) being received to the end of October.



Draft Minutes of a meeting of the
Policy Committee held in the e
Council Chambers at Otago Regional Council on
Wednesday 29 November 2017, commencing at 3:30pm

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	

Welcome

Cr Robertson welcomed Councillors, members of the public and staff to the meeting.

1. APOLOGIES

Resolution

That the apologies for Crs Kempton and Woodhead be accepted.

Moved: Cr Neill
Seconded: Cr Lawton
CARRIED

2. LEAVE OF ABSENCE

Leave of Absence for Cr Laws was noted.

3. ATTENDANCE

Nick Donnelly	<i>(Acting CEO, DCS)</i>
Tanya Winter	<i>(DPPRM)</i>
Sian Sutton	<i>(DSHE)</i>
Gavin Palmer	<i>(DEHS)</i>
Ian McCabe	<i>(Executive Officer)</i>
Lauren McDonald	<i>(Committee Secretary)</i>
Sylvie Leduc	for Item 10.2
Nick Donnelly, (Acting CE, Director Corporate Services)	

4. CONFIRMATION OF AGENDA

The agenda was confirmed as tabled.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

No public forum was held.

7. PRESENTATIONS

No presentations were held.
NIL

8. CONFIRMATION OF MINUTES

9. ACTIONS

No current items for action.

Status report on the resolutions of the Policy Committee.

10. MATTERS FOR COUNCIL DECISION

Director's report on Progress

The report provided an overview of significant activities undertaken by the Policy Directorate for the period 6 September to 10 November 2017.

Ms Winter advised that the planned community consultation meeting for the Clutha/Matau-Au minimum flow plan change for Roxburgh on 4 December has been postponed due to the flood event and would be be rescheduled.

Resolution

That this report be noted.

Moved: Cr Noone
Seconded: Cr Hope
CARRIED

Draft Air Quality Strategy

The report presented the draft Air Quality Strategy for consultation, and the proposed consultation strategy for endorsement.

Resolution

That Council adopts the Draft Air Quality Strategy and consults in accordance with its consultation plan.

Moved: Cr Noone
Seconded: Cr Bell
CARRIED

11. MATTERS FOR NOTING

NIL

12. NOTICES OF MOTION

No Notices of Motion were advised.

13. CLOSURE

The meeting was declared closed at 4:11pm.

Chairperson

Draft Minutes of a meeting of the
Regulatory Committee held in the
Council Chambers at Otago Regional Council on
Wednesday 29 November 2017, commencing at 10:39 am

Membership

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

Welcome

1. APOLOGIES

Resolution

That the apologies for Crs Kempton and Woodhead be accepted.

Moved: Cr Noone
Seconded: Cr Lawton
CARRIED

Resolution

2. LEAVE OF ABSENCE

Leave of Absence for Cr Laws was noted.

3. ATTENDANCE

Nick Donnelly	<i>(Acting CE, DCS)</i>
Tanya Winter	<i>(DPPRM)</i>
Sian Sutton	<i>(DSHE)</i>
Gavin Palmer	<i>(DEHS)</i>
Ian McCabe	<i>(Executive Officer)</i>
Lauren McDonald	<i>(Committee Secretary)</i>
Suzanne Watt	<i>Manager Strategic Communications</i>

4. CONFIRMATION OF AGENDA

The agenda was confirmed as tabled.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

No public forum was held.

7. PRESENTATIONS

No presentations were held.

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the meeting held on 18 October 2017 be received and confirmed as a true and accurate record.

Moved: Cr Scott
Seconded: Cr Hope
CARRIED

9. ACTIONS

Status report on the resolutions of the Regulatory Committee.

No current actions.

10. MATTERS FOR COUNCIL DECISION

NIL

11. MATTERS FOR NOTING

11.1. Director's Report on Progress

The report described the regulatory activity for the reporting period 29 September to 10 November 2017, including: biosecurity, compliance activities; freshwater biosecurity; environmental; risk assessment (ERA) programme, and the regional pest management plan review.

Discussion was held on wallaby incursion control at the Waitaki River, Otago boundary.

Resolution

That this report is received.

Moved: Cr Neill
Seconded: Cr Hope
CARRIED

11.2. Resource Management Act 1991, Biosecurity Act 1993 and Building Act 2004 Enforcement Activities from 23 September 2017 to 10 November 2017

The report detailed the Resource Management Act 1991, Biosecurity Act 1993 and the Building Act 2004 enforcement activities undertaken during the reporting period of 23 September to 10 November 2017.

Resolution

That the report be noted

Moved: Cr Robertson
Seconded: Cr Deaker
CARRIED

11.3. Consents and Building Control

The report outlined the consents and building control progress for the six week period 29 September to 10 November 2017.

A correction noted for Table 2 of the report.

Resolution

That this report is noted.

Moved: Cr Lawton
Seconded: Cr Robertson
CARRIED

11.4. Report on Deemed Water Permit Replacement

The report outlined the progress on the replacement of deemed and water permits for the reporting period.

Ms Winter confirmed the prime focus remained meeting with land owners to encourage moving into groups.

Resolution

That the report is noted.

Moved: Cr Hope
Seconded: Cr Noone
CARRIED

12. NOTICES OF MOTION

No Notices of Motion were advised.

12. CLOSURE

The meeting was declared closed at 11:21am.

Chairperson

Draft Minutes of a meeting of the
Communications Committee held in the
Council Chambers at Otago Regional Council on
Wednesday 29 November 2017, commencing at 11:24 am

Membership

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

Welcome

1. APOLOGIES

Resolution

That the apologies for Crs Kempton and Woodhead be accepted.

Moved: Cr Deaker

Seconded: Cr Hope

CARRIED

2. LEAVE OF ABSENCE

Leave of Absence for Cr Laws noted.

3. ATTENDANCE

Nick Donnelly, (Acting CE, Director Corporate Services)
Sian Sutton, (Director Stakeholder Engagement)
Tanya Winter, (Director Policy, Planning & Resource Management)
Gavin Palmer, (Director Engineering, Hazards and Science)
Lauren McDonald, (Committee Secretary)
Ian McCabe, (Executive Officer)

4. CONFIRMATION OF AGENDA

The agenda as tabled was confirmed.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

NIL

7. PRESENTATIONS

NIL

8. CONFIRMATION OF MINUTES

Recommendation

That the minutes of the meeting held on 18 October 2017 be received and confirmed as a true and accurate record.

9. ACTIONS

Status report on the resolutions of the Communications Committee.

No current actions.

Attachments

Nil

10. MATTERS FOR COUNCIL DECISION

10.1. Director's Report on Progress

The report outlined the stakeholder engagement activity for the period 30 September to 22 November 2017, including: collaborative partnerships; implementation of rural water quality programme, water management groups; policy consultation sessions; Enviroschools; public transport; environmental operations; science, hazards and engineering; biosecurity, and general public awareness activity.

Ms Sutton and her staff were thanked and acknowledged for their work in making the Queenstown Orbus launch a success.

Discussion was held on activities within the report including: meeting attendance options such as teleconferencing and video conferencing; collaborative partnerships; communications with stakeholders, on farm risk assessment readiness survey, and general public awareness issues.

Resolution

That this report is noted.

Moved: Cr Hope
Seconded: Cr Bell
CARRIED

11. MATTERS FOR NOTING

NIL

12. NOTICES OF MOTION

No notices of motion were advised.

13. CLOSURE

The meeting was declared closed at 12:14pm.

Chairperson



Draft Minutes of a meeting of the
Technical Committee held in the
Council Chambers at Otago Regional Council on
Wednesday 29 November 2017, commencing at 4:12 pm

Membership

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

Welcome

1. APOLOGIES

Resolution

That the apologies for Crs Kempton and Woodhead be accepted.

Moved: Cr Noone
Seconded: Cr Lawton
CARRIED

2. LEAVE OF ABSENCE

Leave of Absence for Cr Laws noted.

3. ATTENDANCE

Nick Donnelly, (Acting CE, Director Corporate Services)
Sian Sutton, (Director Stakeholder Engagement)
Tanya Winter, (Director Policy, Planning & Resource Management)
Gavin Palmer, (Director Engineering, Hazards and Science)
Lauren McDonald, (Committee Secretary)
Ian McCabe, (Executive Officer)

4. CONFIRMATION OF AGENDA

The agenda as tabled was confirmed.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

No public forum was held.

7. PRESENTATIONS

No presentations were held.

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the meeting held on 18 October 2017 be received and confirmed as a true and accurate record.

Moved: Cr Lawton

Seconded: Cr Hope

CARRIED

9. ACTIONS

Status report on the resolutions of the Technical Committee.

No current items for action.

10. MATTERS FOR COUNCIL DECISION	
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NIL

11. MATTERS FOR NOTING

11.1. Director's Report on Progress

The report provided an update on: the climate, river flow and groundwater situation and outlook for Otago; the review undertaken by NIWA of the weather which caused the July 2017 coastal Otago flood event; progress with key actions arising from the event, and progress with the design and construction of the Leith Flood Protection Scheme.

Dr Payan, Manager Natural Hazards provided an overview and key findings from the NIWA report.

Resolution

That this report is received and noted.

Moved: Cr Hope
Seconded: Cr Deaker
CARRIED

11.2. Rangitaiki River Scheme Review - April 2017 Flood Event

The report summarised the independent review commissioned by the Bay of Plenty Regional Council on the 6 April 2017 breach of the Rangitaiki River floodwall at Edgecumbe and the key issues for the Otago region arising from the review.

Resolution

- a) *This report is received and noted.*
- b) *The findings presented in the report Rangitaiki River Scheme Review - April 2017 Flood Event are noted.*

Moved: Cr Deaker
Seconded: Cr Hope
CARRIED

11.3. 2017 Air Quality Results

The report outlined the year-round State of the Environment (SoE) ambient air quality monitoring of PM10 for the towns of Alexandra, Arrowtown, Mosgiel and Central Dunedin, and the towns of Balclutha, Milton, Clyde and Cromwell for the period 1 May to 31 August. The report described the state of Otago air quality for the 2017 year, using key air quality indicators against current standards. The status of the National Environmental Standards - Air Quality (NESAQ) review was also provided.

Dr Mills responded to questions from councilors and discussion was held on the impediments to improving air quality in the region.

Resolution

- a) *That this report be received.*
- b) *That the state of air quality in Otago be noted.*
- c) *That a report back be provided on the reduction of the use of coal achieved in other areas of New Zealand.*

Moved: Cr Deaker
Seconded: Cr Scott
CARRIED

11.4. Continuous Environmental Monitoring: Opportunities and Challenges

The report outlined the environmental monitoring and data collection technologies used by the Otago Regional Council to measure water quality and quantity. It also outlined ORC's involvement in bringing emerging technologies to the Otago region.

Resolution

- a) *That this report is received.*
- b) *That the ideas presented in this report be considered for inclusion into the Long-term Plan.*

Moved: Cr Robertson

Seconded: Cr Scott

CARRIED

11.5. Management flow reports for the Cardrona and Arrow Rivers

The reported provided an update to the original 2011 report entitled "Integrated Water Resource Management for the Cardrona River" and the 2012 report "Management flows for aquatic ecosystems in the Arrow River". The update provided additional information on the Cardrona and Arrow catchments including: hydrology and existing water allocation; the in-stream aquatic values; presentation, analysis and interpretation of the results on instream habitat modeling undertaken by NIWA to estimate the flows required to maintain aquatic, ecological and natural character values.

Resolution

The technical reports are received and noted.

Moved: Cr Hope

Seconded: Cr Lawton

CARRIED

12. NOTICES OF MOTION

NIL

13. CLOSURE

Cr Robertson left the room at 5:05pm

The meeting was declared closed at 5:11pm.

Chairperson

Draft Minutes of a meeting of the
Finance and Corporate Committee held in the
Council Chambers at Otago Regional Council on
Wednesday 29 November, commencing at 12:17pm

Membership

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

Welcome

2. LEAVE OF ABSENCE

Leave of Absence for Cr Laws noted.

3. ATTENDANCE

Nick Donnelly	<i>(Acting CEO,DCS)</i>
Tanya Winter	<i>(DPPRM)</i>
Sian Sutton	<i>(DSHE)</i>
Gavin Palmer	<i>(DEHS)</i>
Ian McCabe	<i>(Executive Officer)</i>
Lauren McDonald	<i>(Committee Secretary)</i>
Gerard Collings	<i>(Manager Support Services) - Item</i>

4. CONFIRMATION OF AGENDA

A change to the order of the agenda was agreed with Item 11.2 taken as the first report of the agenda.

5. CONFLICT OF INTEREST

No conflicts of interest were advised.

6. PUBLIC FORUM

Queenstown Resort College re request for tertiary student concessions for Queenstown Orbus service.

Mr Phillips, CEO of the Queenstown Resort College advised he wished to see a tertiary fare recognized for the Queenstown area and suggested the fare should be the same as that currently received by high school pupils. He advised this would encourage youth support of the bus service. He outlined the number of enrolled pupils from the college likely to utilize the business services as between 150 - 350. He concluded by requesting that Council grant a tertiary student concession for Queenstown Orbus services.

Public forum concluded at 12:29pm.

7. PRESENTATIONS

No presentations were held.

8. CONFIRMATION OF MINUTES

Resolution

That the minutes of the (public portion of the) meeting held on 18 October 2017 be received and confirmed as a true and accurate record.

Moved: Cr Noone
Seconded: Cr Hope
CARRIED

9. ACTIONS

(Status report on the resolutions of the Finance and Corporate Committee)

No current actions.

10. MATTERS FOR COUNCIL DECISION

10.1. Director's Report

The report outlined the significant financial and corporate activity for the reporting period and presentation of the account payments to Committee for endorsement.

Resolution

- a) *That this report is received.*
- b) *That the payments summarised in the table above and detailed in the payments schedule, totalling \$11,322,698.94, be endorsed.*

Moved: Cr Noone
Seconded: Cr Hope
CARRIED

11. MATTERS FOR NOTING

11.1. Financial Report - September 2017

The report provided a summary of Council's financial performance compared to budget for the three months ended 30 September 2017, with a summary of the financial position as at that date.

Resolution

That this report is received.

Moved: Cr Brown
Seconded: Cr Noone
CARRIED

11.2. Passenger Transport Update

The report provided a summary of the significant public passenger transport activity including the September 2017 Dunedin network changes, a Human Rights Commission complaint regarding changes to the Dunedin network and fare concessions. The report also outlined the implementation of the Wakatipu Basin Public Transport network and a request for concession fares for pupils of the Queenstown Resort College.

Cr Noone acknowledged and thanked the staff involved in the implementation of the Wakatipu Basin Public Transport, a positive achievement for Council.

Mr Collings, Manager Support Services responded to question from councilors on concessions for the Wakatipu basin network and the \$2 flat fare. He advised any concession changes would require an amendment to be made to the Regional Public Transport Plan (RPTP).

Resolution

That the Finance and Corporate Committee recommend Council reject Queenstown Resort College's request to allow its students to receive a child concession on the Wakatipu Public Transport Network.

Moved: Cr Lawton
Seconded: Cr Robertson
CARRIED

The meeting adjourned at 12:50pm and reconvened at 3:00pm.

Resolution

That this report be received;

Moved: Cr Brown
Seconded: Cr Neill
CARRIED

Resolution

That this report be received;

Moved: Cr Brown
Seconded: Cr Neill
CARRIED

c) That the Finance and Corporate Committee recommend Council reject Queenstown Resort College's request to allow its students to receive a child concession on the Wakatipu Public Transport Network.

Moved: Cr Lawton
Seconded: Cr Robertson
CARRIED

12. NOTICES OF MOTION

No Notices of Motion were advised.

13. RECOMMENDATIONS OF MEETINGS

No recommendations to be tabled.

14. RESOLUTION TO EXCLUDE THE PUBLIC

Resolution

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

Item 4.1 Confirmation of the minutes of the public excluded section of the Finance and Corporate Committee meeting of 18 October 2017.

Item 10.1 Leith Flood Protection Scheme - Update on programme and costs for construction of the Union Street to Leith Footbridge stage. The report includes a recommendation for staff financial delegations for contract payments to the contractor for this stage of the Leith Flood Protection Scheme.

Also move that Dr Palmer and Mr Donnelly be permitted to remain at this meeting, after the public has been excluded, because of their knowledge of the Leith Flood Protection Scheme. This knowledge, which will be of assistance in relation to the matter to be discussed, is relevant to that matter because of their contract knowledge

Moved: Cr Brown

Seconded: Cr Noone

CARRIED

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution
4.1 Confirmation of the Minutes of the public excluded portion of the Finance and Corporate Committee meeting of 18 October 2017.	To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)	Section 48(1)(a); Section 7(2)(h) 7(2)(i)
10.1 Update on the programme and costs for construction of the Union Street to Leith footbridge stage of the Leith Flood Protection Scheme. The report also includes recommendations for staff financial delegations for contract payments.	To enable any local authority holding the information to carry out, without prejudice or disadvantage, commercial activities – Section 7(2)(h) To enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations) – Section 7(2)(i)	

After discussion of items 4.1 and 10.1.

Resolution

That the meeting resume in public session at 3:28pm.

Moved: Cr Brown
Seconded: Cr Noone
CARRIED

15. CLOSURE

The meeting was declared closed at 3:28pm.

Chairperson



Minutes of a meeting of the Otago and Southland Regional Transport Committees held in the Clutha District Council Chambers, 1 Rosebank Terrace, Balclutha on Friday 27 October 2017 commencing at 10.30am

- Present:**
- | | |
|---|---------------------------------|
| Southland Regional Transport Committee | |
| Cr E Roy | Environment Southland |
| Cr B Dillon | Southland District Council |
| Mr J Harland | New Zealand Transport Authority |
- Otago Regional Transport Committee**
- | | |
|---------------|--|
| Cr T Kempton | Otago Regional Council (Meeting Chair) |
| Cr G Percival | Waitaki District Council |
| Cr A Forbes | Queenstown Lakes District Council |
| Cr B Wills | Central Otago District Council |
| Cr J O'Malley | Dunedin City Council |
| Mr J Harland | New Zealand Transport Authority |
- In attendance:**
- | | |
|------------------|--------------------------------------|
| Dr Jane Turnbull | Otago Regional Council |
| Russell Hawkes | Environment Southland |
| Chris Bopp | Clutha District Council |
| Tanya Winter | Otago Regional Council |
| Gary Woock | Waitaki District Council |
| Anja McAlevey | Dunedin City Council |
| Tony Pickard | Queenstown Lakes District Council |
| Graeme Hall | NZ Transport Agency |
| Steve Higgs | NZ Transport Agency |
| Hartley Hare | Southland District Council |
| Russell Pearson | Invercargill City Council |
| Vin Smith | Environment Southland |
| Janet Favel | Otago Regional Council, Minute taker |

1. Welcome

Cr Kempton extended a welcome to those attending the meeting.

2. Apologies

Cr J McPhail (ES), Cr N Davis (GDC), Cr L Thomas (ICC), Cr G Bell (ORC), Cr B Graham (CDC).

The apologies were accepted on the motion of Crs Dillon and O'Malley.

3. Public Forum, Petitions and Deputations

There were no public forum items, petitions or deputations presented to the Committees.

4. Matters Arising from the Minutes of 16 June 2017 (circulated with the agenda)

Cr Dillon noted the discussion about Pyramid Bridge (Item 8, page 4 of the minutes), and requested that his comment be corrected to read: “He queried how the business case was drawn up, noting that it concentrated on ~~the amount of heavy freight usage, not~~ the number of cars, not the amount of heavy freight usage.”

Page 6 – correct to read “statutes”, not “statues”.

Cr Wills moved, Cr Roy seconded

That the minutes as amended be adopted.

Motion carried

Actions

- Item 6 – the proposed workshop on visitor pressures on transport was now to have a South Island focus. Dr Turnbull advised that TAG was commissioning research for the workshop, which would be held in early 2018. Mr Harland noted that a lot of information was available from central government, and Dr Turnbull was to liaise with him.
Action: Dr Turnbull to liaise with Mr Harland.
- Item 9 – Queenstown-Milford key corridor – NZTA and QLDC project.
Action: add to action list – responsibility Cr Forbes and Mr Harland.
- Item 10 – Mr Hall noted that the residue of R funds had to be spent by 30 June 2018:
 - Southland: Elles Road roundabout, Edendale realignment, Pyramid Bridge.
 - Otago: Tuckers Beach realignment.

5. Item 1 - Update on the 2015-18 prioritised programme in the 2015-21 RLTPs

The addition to the RLTP of the low cost/low risk activity class (LC/LR) (formerly minor improvements) was noted. The ceiling had been increased from \$250,000 to \$1m, and there was concern that this would result in less public visibility across a significant proportion of expenditure. Mr Harland noted that the details for these works would be included in TLAs’ activity plans, and reports were due to NZTA by 31 August each year on progress on these projects. Cr Kempton expressed concern about lack of visibility at the regional level of projects less than \$1M, and Mr Pearson noted that low cost/low risk projects did not need regional prioritisation. Mr Harland suggested that a regular report could be made to the Committees on these projects.

Action: refer to TAG for a suggested way forward.

Cr Kempton noted that the Port Chalmers cycleway was now included in safety improvements, and asked whether that would be the common approach for similar projects. Mr Hall explained that it was partly because there was funding available in the safety activity class nationally but not the walking and cycling activity class.

Cr Percival was disappointed that NZTA had not progressed the Deborah Realignment, and Hilderthorpe and Maheno Flood Mitigation projects included in the

proposed 2018/21 programme, despite having been discussed for many years. He also noted the very poor road surface between the Waitaki Bridge and Palmerston. Mr Hall advised that safety was a priority in the consideration of flood mitigation work. He commented that work was needed on road surface of this section of SH1, that Kakanui flood mitigation work could be moved forward, and that NZTA had resource consent to manage Big Kuri River at Hampden.

Mr Harland moved, Cr Percival seconded

That Otago Regional Council and Waitaki District Council work together to identify wider catchment issues.

Motion carried

In response to a question from Cr Percival, Mr Hall explained NZTA had held a series of meetings to develop an action plan for the most dangerous parts of SH1, including a business case for SH1 Dunedin to Picton. Cr Percival commented that WDC was not advised of the outcome of those meetings. Mr Hall advised that funding for the National Alliance works was available, and WDC would be advised of the work to be carried out.

Action: Mr Hall to forward the business case to WDC.

Cr Dillon noted a business case was being carried out to complete *Round the Mountain* cycleway, and asked whether funding was available.

Action: Mr Harland to put national cycleway specialists in contact with Cr Dillon.

Cr Wills moved, Mr Harland seconded

That the Regional Transport Committees note the report and provide direction on any actions they require, based on the information provided.

Motion carried

Item 2 - Consultation document for the RLTPs review and variation

Section 1 – Introduction and Summary

- Map –
 - corrections needed – **action:** Dr Turnbull.
 - have two maps instead on one, the second to show critical routes for tourism and freight.
- Drivers of change –
 - maturing forests, increase in industry volumes
 - **Add:** aging population means it is unlikely the rating base will increase.
- Transport of freight to Port Otago -
 - South Island chairs are to look at the potential for mode shift onto rail.
 - new government wants integrated transport system – **action:** staff to draft up section of the strategy to signal that want closer integration of rail and shipping.
- Population projections for Queenstown –
 - concern with set of Queenstown growth projections used – caveats needed to be added to the medium growth scenarios. Cr Forbes commented that the resident population growth was similar to the visitor growth, and the

population was predicted to double by 2045. It was agreed that the Rationale high growth scenario should be cited for Queenstown growth projections.

Section 2 - Strategy

- 2.2 **reword**: “externalities – especially road risk and the resultant trauma – are managed reduced adequately”.
- 2.2 – climate change –
 - cover this in intended long term results e.g. community resilience and/or externalities
- strategic results framework: – Mr Harland considered these subsections 2.2 and 2.3 had a number of layers and were confusing; he noted the need to be able to report on objectives and policies. Dr Turnbull noted that the full Plan met the requirements of NZTA and the Act. There was difficulty in linking the strategy (which is long term) and the problem statements (which are short term). It was suggested that the strategy be made clearer. It was noted that there was no major change to the basic premises of the Plan.
Action: Mr Higgs, Dr Turnbull and Mr Hawkes to redraft along the lines of the discussion.
- Better tourism integration between Te Anau/Milford/Queenstown (pp 51, 52). It was suggested that this matter be considered in this RLTP and strengthened in the next RLTP
Action: Staff to investigate.

The meeting adjourned at 12.27pm and reconvened at 12.56 pm.

Section 3 - Proposed policies and work programmes

(Draft prioritisation tables circulated separately – page numbers below refer to the handout.)

It would be helpful if the explanation as to why a project was a priority for a region was put into the context of the GPS. Dr Turnbull pointed out that this could not be finished until the new GPS under the new government was completed. Mr Harland noted that it was likely there would be greater emphasis on walking/cycling, the relationship between roads and rail, and urban development. Cr Roy suggested that the new Minister for Transport be asked to provide a scoping direction, and Mr Harland considered that this approach should be made by the President of LGNZ.

Action: staff to draft a letter to Mayor Cull, President LGNZ, requesting a scoping direction. The letter was to be signed by Crs Kempton and Roy, and Cr Kempton would follow up with Mayor Cull.

Southland Priority One projects (page 1)

- Edendale realignment will continue.
- Elles Road roundabout is committed.
- Milford Rockfall – high priority - result of climate change, safety very important, huge effect on tourist industry.

Above priorities **agreed**.

Otago Priority One projects (pages 2-5)

- The Queenstown projects were interlinked and all were assessed as Priority One.

Agreed that the Queenstown projects be assessed Priority One.

- Ballantyne Road seal extension – one death last year, some gravel surface, very narrow, visibility issues, alternative route into Wanaka, a lot of support by locals for this project to be carried out.
- Dunedin cycling projects - included in the DCC's LTP, already under way, connecting points between completed cycleways, high safety issue in Dunedin. The cycleways connected a loop right around the harbour, and the specific routes had yet to be confirmed.
- Crs Roy, Wills and Dillon were uncomfortable about making decisions on these projects as they did not know the full background.
- **Agreed** that the priority level of projects on pages 2-5 be confirmed.
- Hina Hina bridge replacement (page 5) - Council funds had been confirmed, and the project was now targeted for 2018-21. The business case would be carried out in 2019-21. The bridge was part of the wider Southern Scenic Route, and allowed emergency vehicle access to Jack's Bay.
Agreed Priority One.

- Dunedin Central City Safety and Accessibility Upgrade (page 5) – total rebuild from Knox Church to past Exchange. Components were urban design and transport, and safety; the transport component was costed at \$17m, the total project \$30m. Cr O'Malley commented that this work was under way, and he prioritised it over the cycleways. Mr Higgs noted the need to explain how these projects provided the benefits expected through the RLTP.

The meeting discussed the value of prioritising projects. Mr Harland explained that NZTA took note of the narrative around each project, and districts should sharpen up these stories.

- Dunedin Tertiary precinct (page 6) – linked to other projects in the area.
- Nevis Rockfall Protection (page 9) – critical route, regular inspections.

Otago Priority Two Projects

- Dunedin Public Transport Improvements (page 10) – Dr Turnbull advised that these projects were included in the RLTP as of right, and the components had to be prioritised.
Agreed: move both to Priority One.
- Shotover River Bridge (Arthur's Point) Duplication (page 10) – early investigative funding was requested.
- Oamaru-Dunedin SH1 Safety Improvements.
Agreed: move to Priority One.
- Maheno and Waikouaiti – low cost/low risk (LC/LR) - flooding every 2-3 years, a long distance for traffic to be rerouted. Mr Harland considered it was inappropriate to include LC/LR projects in the prioritisation table; they should be included as a narrative in the RLTP. These projects were in the existing Plan, and a narrative should be added stating that the situations would get worse if nothing was done.
Agreed: leave Oamaru-Dunedin and Waitaki projects at Priority Two.

Otago Priority Three

- Beaumont Bridge Replacement (page 14) – the current bridge was seen as a major impediment on the route into Central Otago, there were community concerns about recent suggestions to reroute the bridge, and the scaffolding currently in place was a visual embarrassment on a major tourism route.
Agreed: Raise to Priority Two.
- Waitati Curve Realignment – consider for 2021-24 cycle.
Action: Graeme Hall to liaise with Cr O'Malley next week.

Cr Roy moved, Cr Dillon seconded

That the Southland Regional Transport Committee, having considered the draft of the consultation document for the review of, and proposed updates to, the 2015-21 Southland RLTP, including the prioritisation of significant projects, agree the changes to the document discussed at the meeting should be made, before the document is adopted for consultation.

Motion carried

Cr Wills moved, Cr Forbes seconded

That the Otago Regional Transport Committee, having considered the draft of the consultation document for the review of, and proposed updates to, the 2015-21 Otago RLTP, including the prioritisation of significant projects, agree the changes to the document discussed at the meeting should be made, before the document is adopted for consultation.

Motion carried

Item 3 Updated timeline for the RLTP Review

The updated timeline for the RLTP review was noted, and Dr Turnbull advised that interested parties would be given advance notice in early December of the consultation period set down for 16 December to 31 January.

Mr Harland moved, Cr Wills seconded

That the Regional Transport Committees adopt the revised timeline for the review and update of the RLTPs.

Motion carried

Item 4 Update on the Road Safety Influencing Group project *Any Number is too Many*

Mr Hawkes explained that the project was designed around talking about road risk, using as its basis that any number of road deaths and injuries is too many. The approach was to create conversations about the problem, for example through announcers at sports venues talking about the program. Dr Turnbull encouraged members to tell their fellow councillors and Health and Safety providers about the project.

Cr Dillon moved, Cr Roy seconded

That the report be noted.

Motion carried

Item 5 Update on governance and strategic approach to cycling in Southland region

Mr Hawkes gave a verbal report on the Southland cycling strategy.

- A governance group had been formed of representatives from each of the councils, three members of the public, and an advisory group.
- The strategy was written from a tourism perspective, aligning it with the NZTA approach. It aims to align with the Queenstown Trails Trust.
- It was noted that it would be useful to have all cycle trusts work together, and to meet with RTCs.
- Mr Harland noted the importance of Port Otago to the Region in transporting produce, and suggested that ORC could be approached to make a contribution to the costs of this project through their dividend from Port Otago.

Next RTCs meeting Monday 4 December 2017.

The meeting closed at 2.58 pm.

Meeting Chairperson (Cr Trevor Kempton)

Date:

**Actions from Otago/Southland RTCs meeting
27 October 2017**

	Item source	Item	Responsible	Status
1.	RTC March 2016	Upload progress 'traffic lights' tables to ES and ORC websites on the RLTP, after each RCT meeting.	Russell Hawkes	Ongoing
2.	RTCs August 2016	Southern Road Safety Influencing group to report regularly to RTCs	Russell Hawkes	Ongoing
3.	RTCs 1Dec 2016	Roadshow to present information on the role of the RTCs in Council	Dr Turnbull Russell Hawkes	Ongoing: joint Southland Roadshow
4.	RTCs 17 Feb 2017	MBIE, DoC and tourism industry reps to be invited to a workshop that aims to identify short, medium and long-term visitor pressures and their transport implications	Jim Harland Dr Turnbull	Now to be a South Island workshop, as part of the SI RTC chairs initiative
5.	Workshop 17 Feb 2017	Check with the definition of "measures" in a RLTP	Jim Harland	Ongoing
6.	RTCs 31 March 2017	Update on the Queenstown to Milford key corridor	Jim Harland/ Cr Forbes	
7.	RTCs 16 June 2017	Provide to the next meeting an update on funding of the installation, operation and maintenance of stock truck effluent disposal sites.	Dr Turnbull	For 4 December 2017 RTCs meeting
8.	RTCs 27 October 2017	Visibility of low cost/low risk class (LC/LR) in the RLTPS and monitoring of progress in implement the RLTPS: - Refer to TAG for a solution	Dr Turnbull	
9.	RTCs 27 October 2017	Forward business case on SH1 work to WDC.	Graeme Hall	
10.	RTCs 27 October 2017	Put national cycleway specialists in contact with Cr Dillon.	Jim Harland	
11.	RTCs 27 October 2017	RLTPs: - Redraft sections 2.2 and 2.3 along the lines of the discussion.	Steve Higgs, Dr Turnbull, Russell Hawkes	
12.	RTCs 27 October 2017	Letter Minister of Transport - draft a letter to Mayor Cull, President LGNZ, requesting a scoping direction. Letter to be	Staff Crs Kempton and Roy	

		signed by Crs Kempton and Roy, and Cr Kempton to follow up with Mayor Cull.		
12.	RTCs 27 October 2017	Flooding Maheno and Waikouaiti –the two LC/LR projects	Graeme Hall to follow up with WDC	
13.	RTCs 27 October 2017	Waitati Curve Realignment – Mr Hall to liaise with Cr O'Malley	Graeme Hall	

**Minutes of the Otago and Southland Regional Transport Committees Meeting,
held in Clutha District Council Chambers, Balclutha, on
Monday, 4 December 2017 at 10.35 am**

Present:	Southland Regional Transport Committee	
	Cr B Dillon	Southland District Council
	Cr L Thomas	Invercargill City Council
	Mr J Harland	NZ Transport Agency
	Otago Regional Transport Committee	
	Cr T Kempton	Otago Regional Council (<i>Chair</i>)
	Cr G Bell	Otago Regional Council
	Cr B Graham	Clutha District Council
	Cr G Percival	Waitaki District Council
	Cr B Wills	Central Otago District Council
	Cr J O'Malley	Dunedin City Council
	Mr J Harland	NZ Transport Agency
In Attendance	Dr J Turnbull	Otago Regional Council
	Mr R Hawkes	Environment Southland
	Mr T Sizemore	NZ Transport Agency
	Mr G Hall	NZ Transport Agency
	Mr H Hare	Southland District Council
	Mr C Bopp	Clutha District Council
	Mr P Standing	Gore District Council
	Mr R Pearson	Invercargill City Council
	Mrs D O'Donnell	Environment Southland (<i>Minutes</i>)

1 Welcome

Cr Kempton welcomed everyone to today's meeting.

2 Apologies

Resolved:

Moved Cr G Bell, seconded Cr B Graham that apologies for absence be accepted on behalf of Cr N Davis (Gore District Council), Cr E Roy and Cr J McPhail (Environment Southland) and Cr A Forbes (Queenstown Lakes District Council).

Carried

3 Public Forums, Petitions and Deputations

Dr Alex Macmillan, from the University of Otago, attended the meeting to provide a presentation on access to outpatient services at Dunedin Hospital, in particular, and the issue in Otago Southland in general. The research had been undertaken by a group of medical students from Otago University.

The presentation outlined the ways in which patients currently accessed services at Dunedin Hospital and presented a number of recommendations to the DHB, for consideration when planning for the new hospital.

Following the meeting a copy of the presentation was distributed to all members of both Committees.

4 Confirmation of Minutes – 27 October 2017

Resolved:

Moved Cr B Dillon, seconded Cr J O'Malley that the minutes of the meeting of the Regional Transport Committee on 27 October 2017 be confirmed as a true and correct record.

Carried

At Cr Kempton's invitation, Mr Hawkes provided a brief update on the Road Safety Influencing Group project "Any Number is too Many".

5 Actions from Otago Southland Regional Transport Committees' Meetings

Dr Turnbull reviewed the action sheet and it was updated as appropriate.

Item 13 – Amendment to Quorum

Dr Turnbull advised that the Otago Regional Transport Committee could recommend to the Otago Regional Council that it reduce the quorum for the Committee, from five to four members.

Resolved:

Moved Cr B Wills, seconded Cr J O'Malley that the Otago Regional Transport Committee recommend a reduction in the quorum for the Committee to the Otago Regional Council.

Carried

Item 14 – Flooding, Maheno and Waikouaiti

Dr Turnbull provided an update on these projects, advising that work was underway and the results of this work would be available in February 2018.

6 Notification of Extraordinary and Urgent Business

There was no extraordinary or urgent business.

6.1 Supplementary Report

There were no supplementary reports tabled for inclusion in the agenda.

6.2 Other

There were no other items of business raised for inclusion in the agenda.

7 Questions

There were no questions raised at this time.

8 Chairman's Report

The Chair did not present a report to today's meeting.

9 Staff Report

⇒ Item 1 – Consultation on Proposed Variations to the Otago and Southland RLTPs

This item was included in today's agenda to enable the combined Otago Southland Regional Transport Committees to adopt for consultation the proposed variation of the Otago Southland Regional Land Transport Plan 2015-2021.

Dr Turnbull summarised the changes to be made to the document, as outlined on page 6 of the agenda for today's meeting. She advised that, after the agenda had been distributed, Queenstown Lakes District Council had advised that it was removing \$50M from the Queenstown arterial project. The numbers would be amended accordingly prior to the document going out for consultation.

Mr Harland commented on the work that had been done on the front end, noting that this was now more readable and provided a sound story for the combined regions. He suggested that the map on page 11 should show the high-use roads based on One Network Roads Classification, rather than State Highways. With regard to the work to be undertaken in Queenstown, Mr Harland noted that the numbers were likely to change over the life of the plan and suggested some words be added to signal this.

Other suggested changes were:

- number to be added to show the proportion of freight rail through the Otago port;
- add words to the foreword in regard to the Dunedin suite of work;
- problem statements to be referenced to the table on page 14;
- section 3.3 – outcome definition different to that under 3.5 – should be the same.

Dr Turnbull advised she had received an email from Queenstown Lakes District Council which raised concern regarding inconsistency in the project titles, but otherwise supporting the document. Staff would resolve these issues.

Cr Dillon suggested that the Fiordland Advocate and the Southland Express be added to the list for placement of notifications. These were free newspapers, distributed to all households in Southland District and Invercargill, respectively.

Resolved:

Moved Cr B Dillon, seconded Cr L Thomas that the Southland Regional Transport Committee approve the variations to the Regional Land Transport Plan for public consultation, subject to the amendments discussed above, to be notified on 16 December 2017.

Carried

Resolved:

Moved Cr J O'Malley, seconded Cr G Bell that the Otago Regional Transport Committee approve the variations to the Regional Land Transport Plan for public consultation, subject to the amendments discussed above, to be notified on 16 December 2017.

Carried

Resolved:

Moved Cr L Thomas, seconded Cr B Dillon that the Southland Regional Transport Committee appoint the following joint hearing sub-committee, the Chair of which to be appointed by the sub-committee at a later date:

Cr E Roy, Cr B Dillon, Cr T Kempton, Cr A Forbes, Cr J O'Malley and Mr J Harland.

Carried

Resolved:

Moved Cr B Wills, seconded Cr G Bell that the Otago Regional Transport Committee appoint the following joint hearing sub-committee, the Chair of which to be appointed by the sub-committee at a later date:

Cr T Kempton, Cr A Forbes, Cr J O'Malley, Cr E Roy, Cr B Dillon and Mr J Harland.

Carried

There was some discussion in regard to the letter received from Hon Phil Twyford (attached to the agenda for today's meeting). Mr Hawkes provided an update on a recent meeting with the Ministry.

Dr Turnbull shared the following definition of "mode neutrality", which had been provided by staff at the Ministry of Transport:

The Government has signalled its intention to realign our planning and investment settings to ensure 'mode neutrality'. In simple terms, this means ensuring that our investment decisions are made on the basis of their contribution to the outcomes that the government wants to achieve (e.g. safer travel, improved access to social and economic opportunities, reduced emissions, etc), regardless of mode. In practice this means that any transport mode could be funded, as long as it is demonstrated to have the greatest positive impact for the funding available.

In early 2018 we expect to engage more closely with local government and others to develop clearer guidance on mode neutrality, and to help us identify any impediments that may need to be addressed in order to ensure that the concept is reflected in our planning and investments settings.

Mr Harland provided some further comments regarding this in the context of funding arrangements.

To enable the Committees to comply with 14(c)(ii) of the Land Transport Management Act 2003, each local authority and NZTA needed to confirm that it had taken into account the pertinent district plan and regional plans when submitting activities for inclusion in this draft RLTP. Committee members were asked to provide oral confirmation that this had been done and each of those present affirmed this.

⇒ **Item 2 – Update on Otago Stock Truck Effluent Disposal Sites**

This item was included to provide the Otago and Southland Regional Transport Committees with an update on the construction and funding policy for two new stock truck effluent disposal (STED) sites in central Otago.

There was some discussion in regard to the suitability of the Bannockburn site. Cr Kempton suggested that a meeting be arranged between Central Otago District Council and Otago Regional Council staff to discuss this further. Staff noted that the Road Transport Association had assisted ORC to select suitable sites.

Resolved:

Moved Cr B Wills, seconded Cr B Dillon that the Regional Transport Committees note the report.

Carried

⇒ **Item 3 – Next Meeting**

It had been proposed that the next meeting be held in Balclutha on 27 March 2018. However, several Councillors advised that date clashed with respective Council

meetings. Cr Kempton asked staff to review the date of the next meeting and advise members of the outcome.

10 Extraordinary and Urgent Business

There was on Extraordinary or Urgent Business.

11 Public Excluded Business

There was no Public Excluded Business.

Termination

There being no further business, the meeting closed at 12.32 pm.

Actions from Otago Southland Regional Transport Committees' Meetings

#	Item source	Item	Responsibility	Status
1.	RTCs March 2016	Upload progress 'traffic lights' tables to ES and ORC websites on the RLTP, after each RTC meeting.	Russell Hawkes	Ongoing; temporarily replaced by tables in update of the RLTPs
2.	RTCs August 2016	Southern Road Safety Influencing group to report regularly to RTCs	Russell Hawkes	Ongoing
3.	RTCs 1 December 2016	Roadshow to present information on the role of the RTCs in Council.	Dr Turnbull Russell Hawkes	Ongoing: joint Southland Roadshow
4.	RTCs 17 February 2017	MBIE, DoC and tourism industry reps to be invited to a workshop that aims to identify short, medium and long-term visitor pressures and their transport implications.	Jim Harland Dr Turnbull	Now to be a South Island workshop, as part of the SI RTC chairs initiative, preceded by research into what work is already being done on projecting visitor numbers and flows
5.	Workshop 17 February 2017	Check with the definition of "measures" in a RLTP.	Jim Harland	Ongoing
6.	RTCs 31 March 2017	Update on the Queenstown to Milford key corridor.	Jim Harland/ Cr Forbes	Ongoing
7.	RTCs 16 June 2017	Provide to the next meeting an update on funding of the installation, operation and maintenance of stock truck effluent disposal sites.	Dr Turnbull	On agenda for 4 December 2017 RTCs meeting
8.	RTCs 27 October 2017	Visibility of low cost/low risk class (LC/LR) in the RLTPS and monitoring of progress in implementing the RLTPS: – refer to TAG for a solution	Dr Turnbull	Ongoing
9.	RTCs 27 October 2017	Forward business case on SH1 work to WDC.	Graeme Hall	Ongoing
10.	RTCs 27 October 2017	Put national cycleway specialists in contact with Cr Dillon.	Jim Harland	Ongoing
11.	RTCs 27 October 2017	RLTPs: – Redraft sections 2.2 and 2.3 along the lines of the discussion.	Steve Higgs Dr Turnbull Russell Hawkes	Done

#	Item source	Item	Responsibility	Status
12.	RTCs 27 October 2017	Letter to Minister of Transport requesting a scoping direction.	Dr Turnbull Russell Hawkes	Done
13.	RTCs 27 October 2017	Draft a letter to Mayor Cull, President LGNZ, requesting a change to the LGA re quorum/voting/alternates. Letter to be signed by Crs Kempton and Roy, and Cr Kempton to follow up with Mayor Cull.	Staff Crs Kempton and Roy	Alternative suggestion to be put to RTCs meeting on 4 December 2017
14	RTCs 27 October 2017	Flooding Maheno and Waikouaiti – the two LC/LR projects	Graeme Hall to follow up with WDC	Ongoing
15	RTCs 27 October 2017	Waitati Curve Realignment – Mr Hall to liaise with Cr O'Malley	Graeme Hall	Ongoing