

Our Ref: A1342657

23 April 2020

Hon David Parker
Minister for the Environment
Private Bag 18041
Parliament Buildings
Wellington 6160

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

Dear Minister Parker

Report under Section 27 of the Resource Management Act 1991

In accordance with your letter of 18 November 2019, the following comprises the Otago Regional Council's first report back to you, in accordance with Section 27 of the Resource Management Act 1991 (the Act), and your recommendations pursuant to Section 24 of the Act as contained in the above-mentioned letter.

This report will address the following:

- *Progress made in developing science, planning, consenting, monitoring and enforcement, and land management organisational capability and capacity; and*
- *Progress in achieving the [above] recommendations 1, 2 and 3 (copied below for ease of reference):*
 1. *Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits;*
 2. *Develop and adopt a programme of work to achieve the following*
 - i. *By November 2020, a complete review of the current RPS that is publicly notified, with the intention that it is made operative before the review of its LWRP is notified;*
 - ii. *By 31 December 2023, a new LWRP for Otago that includes region wide objectives, strategic policies, region-wide activity policies, and provisions for each of the Freshwater Management Units, covering all catchments within the region.*
 3. *Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning and consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with the requirements in the National Policy Statement for Freshwater Management; and;*
- *A summary of freshwater resource consenting activity for the reporting period.*

For our future

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

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

Area	Capacity	Capability	Other
Science	<p>Completed consultation on proposed restructures in both Science and Environmental Monitoring teams to reflect contemporary requirements and enable improvements in cross team collaboration and resource allocation.</p> <p>Temporary utilisation of consultants for consent work to enable existing staff to respond to planning work.</p>	<p>Additional Coastal Scientist on staff (this is a new position created).</p> <p>Additional Freshwater Ecologist on staff (this is a new position created).</p> <p>Created and recruiting new position for land management/agricultural scientist.</p> <p>Created new positions in science and monitoring teams for biodiversity (terrestrial ecology, ecosystems & wetlands).</p>	<p>Implementation underway on a new environmental data management system at a commitment of over \$1 million (including staff time).</p> <p>Created new position for air monitoring in Environmental Monitoring team.</p>
Planning	<p>Specialist freshwater and policy planning consultants engaged to assist with the Omnibus Plan Change and RPS Review.</p> <p>Added two new positions to the planning team.</p>	<p>Oversight role of planning work by experienced consultant engaged in Principal Planner role to upskill and mentor.</p> <p>Specialised legal support is being provided through leading resource management law firms.</p>	<p>Two current offers of employment active to fill vacancies in the Freshwater & Land, and RPS, Air & Coast teams respectively (vacancies created by new positions developed).</p> <p>An economist has been employed by the ORC to support, among other things, the planning development work being undertaken (this is a new position created).</p>
Consenting	<p>Since November 2019 6 extra consents staff employed (one Senior Consents Officer; 4 Consents Officers and one Consent Support Officer). These are all new positions that have been created.</p> <p>A Team Leader (Coastal) has been employed on a short-term contract basis. This position was created in early 2019 and is a new position in the team.</p> <p>Two additional consultants engaged to assist with capacity and to ensure statutory timeframes are met.</p>	<p>Internal staff training programmes in place, utilising a range of sources.</p> <p>Training provided on operating under notified and operative plans; Plan Change 7 to the Water Plan and general case law updates that affect practice.</p>	<p>All resource consent forms and application information have been reviewed and updated as necessary. This includes the development of a help sheet for water permit applicants (in development).</p>

<p>Monitoring & Enforcement</p>	<p>Since November 2019, 4 extra staff employed in the System and Administration team to undertake water use reviews and data analysis for water take consents. This takes the total staff count to 7.</p> <p>An additional 4 staff appointed to compliance to assist with on the ground inspections of consents and permits.</p>	<p>Compliance staff have been recruited based on their specialist knowledge dealing with wastewater treatment plants.</p> <p>Compliance will develop functional leads for activities such as water permits and water consents to help develop improved capability.</p>	<p>New processes are being developed for water data reviews alongside the implementation of the new data management system.</p> <p>Development of process documents for compliance work associated with water consents and permits.</p>
<p>Land Management</p>		<p>The Rural Liaison team will focus on strengthening ORC's engagement with landholders through providing advice on appropriate farm practices.</p> <p>Dedicated \$200k (2020/21) in funding for catchment group work, to assist with on farm improvements and increased understanding.</p> <p>Created, recruited and filled position to work in contract management and assist ORC to work with catchment groups.</p>	<p>New Manager position created, recruited and filled for Rural Liaison and Biosecurity teams. (This is a newly created position).</p>

Progress in Achieving the specified recommendations

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

Action	Response
<p>Take all necessary steps to develop a fit for purpose freshwater management planning regime that gives effect to the relevant national instruments and sets a coherent framework for assessing all water consent applications, including those that are to replace any deemed permits.</p>	<p>This action is ORC's medium-term work programme, to implement the NPSFM.</p> <p>The development of Plan Change 6AA and the Omnibus Plan Change were the first steps in this programme. Both recognise existing gaps in the policy framework for managing water quality and provide short term solutions to better manage water quality until a full review of the Regional Plan: Water for Otago (RPW) has been undertaken.</p> <p>Plan Change 6AA will be made operative on 16 May 2020. The Omnibus Plan Change has been developed by staff to the point of notification, and has now officially been called-in by the Minister.</p>
<p>Develop & adopt a programme of work to achieve the following:</p>	
<p><i>By November 2020, a complete review of the current RPS that is publicly notified, with the intention that it be made operative before the review of the LWPR is notified</i></p>	<p>The review of the current RPS has been completed, and staff are now working on developing policy papers to address all domain areas as outlined in the National Planning Standards. The review of the RPS has highlighted policy gaps and weaknesses with the current RPS which provides a useful starting point for the review.</p> <p>Consultants with policy development experience, and experience working on developing the National Planning Standards, have been engaged to assist staff. These consultants have also been assisting ORC through managing appeals to</p>

	<p>the Queenstown Lakes District Plan and so have particular experience with implementing ORC's current RPS.</p> <p>A work programme to enable notification of the RPS by November 2020 was agreed by Council in January 2020. Since that time, the COVID-19 pandemic has meant that a revised work programme was adopted by Council at its meeting of 22 April 2020. The work programme still meets the original November notification timeframes but now includes Stakeholder Reference Group engagement.</p> <p><i>This action point is partially completed and will be reported on in the next six monthly update.</i></p>
<p><i>By 31 December 2023, a new LWRP for Otago that includes objectives, strategic policies, region-wide activity policies, and provisions for each of the FMU's, covering all catchments within the region</i></p>	<p>Staff are currently developing an approach to manage the region-wide activity direction which will build on the existing Regional Plan Water, incorporate relevant outstanding provisions from the Regional Plan: Waste, and be drafted to comply with the National Planning Standards.</p> <p>Staff are also working with iwi to develop appropriate governance structures to ensure region-wide activities and provisions for each FMU are managed effectively throughout the development of the LWRP.</p> <p>Five FMU's were approved by Council in April 2019, as outlined in the Progressive Implementation Programme adopted in October 2018. Work on the Manuherekiā, Arrow and Cardrona FMUs continues.</p> <p><i>This action point is partially completed and will be reported on in the next six monthly update.</i></p>
<p>Prepare a Plan Change by 31 March 2020 that will provide an adequate interim planning and consenting framework to manage freshwater up until the time that new discharge and allocation limits are set, in line with requirements in the NPSFM.</p>	<p>Plan Change 7 (Water Permits) was adopted by Council on 11 March 2020 and publicly notified on 18 March. Due to the impact of Covid19, the period for receiving submissions has been extended until 4 May 2020, and Plan Change 7 has now officially been called-in by the Minister.</p> <p>The Water Permits Plan Change has been designed to provide a short-term planning framework for all surface water and hydraulically connected groundwater consents that were coming up for renewal between the date of notification and 31 December 2025.</p> <p><i>While this action point is now considered fully satisfied, ORC will continue to report on the progress of the plan change until it is made operative.</i></p>

Summary of Freshwater Resource Consenting Activity – for the period 1 November 2019–9 April 2020

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

- Between 1 November 2019 and 9 April 2020, the Otago Regional Council received 51 applications for water take consents. These applications are being processed as 70 separate resource consents, with 18 for taking groundwater and 52 for taking surface water. Of the 51 applications, 15 relate to the replacement of Deemed Permits.
- From the 51 applications lodged between 1 November 2019 and 9 April 2020 the Council issued 16 resource consents, 11 for taking groundwater and 5 for taking surface water. The remaining 54 resource consents are currently being processed. The Council also issued a further 8 resource consents relating to applications lodged before 1 November 2019. These include 1 resource consent for taking groundwater and 7 for taking surface water. Of the 24 resource consents issued, 3 related to the replacement of Deemed Permits.

- In total, the Council is currently processing 80 applications for water take consents. These applications are being processed as 113 Resource Consents, with 8 for taking groundwater and 105 for taking surface water. Of the 80 Applications, 29 relate to the replacement of Deemed Permits.
- Between 1 November 2019 and 9 April 2020 no applications relating to taking water were publicly notified, and 7 applications were limited notified.
- There are currently 340 active Deemed Permits in the Otago Region.

Next Steps

ORC will continue to progress its RPS review and the development of the LWRP and will next report progress back to you by 31 October 2020.

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

Yours sincerely



Sarah Gardner
Chief Executive