



## Event note: Minister Simmonds' meeting with Otago Regional Council

Date submitted: 9 September 2024

Tracking number: BRF-5263

Security level: Policy and Privacy

Actions sought from ministers	
<i>Name and position</i>	<i>Action sought</i>
To Hon Penny SIMMONDS Minister for the Environment	None

Appendices and attachments
Nil.

Key contacts at Ministry for the Environment			
<i>Position</i>	<i>Name</i>	<i>Cell phone</i>	<i>First contact</i>
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# Minister Simmonds meeting with Otago Regional Council

## Purpose

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1. This meeting note gives you information about your meeting with Otago Regional Council (ORC) on 12 September 2024.

## Context

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### Background

2. You (Simmonds) have raised concerns with Otago Regional Council (ORC) about notifying its Land and Water Regional plan (LWRP) ahead of the review and replacement of the National Policy Statement for Freshwater Management (NPS-FM). In April 2024, you wrote to ORC seeking information through s27 of the Resource Management Act 1991 on the costs, benefits and implications of notification ahead of 2027.
3. A response to this information was provided to you by ORC on 15 May 2024. There were a number of media articles around this time raising concerns about the proposed LWRP, focused on three waters infrastructure costs (specifically land based wastewater costs), 5m vs 10m setbacks from waterways, and impacts on ratepayers resulting from the NPS-FM being replaced.
4. Following receipt of the information, you still had concerns about the costs and impacts on some resource user groups, particularly farmers.
5. On 8 August, you wrote to ORC again, seeking further information on any change in direction on key issues following consultation and any information held on the likely costs of the plan. You also invited a discussion with ORC about concerns being raised in the media by industry groups as well as the s27 information requirements.
6. On 19 August 2024, ORC replied and accepted your invitation to present and discuss the recent s27 requests. The meeting on 12 September 2024 is to discuss these requests.
7. On 11 August 2024 several Councillors wrote to you expressing concerns about the pre-notification process for the LWRP. It does not appear these concerns have been shared with the majority of ORC Councillors (including the Chair) or ORC staff. To avoid getting involved in tense relationships between Councillors we recommend you **only discuss these issues if first raised by an ORC representative**. Further advice on managing the concerns raised is provided in BRF-5257.

### ORC information provided to support meeting

8. ORC have been preparing material ahead of the 12 September meeting and provided you with some of the detail of this information in a letter dated 5 September 2024.
9. ORC's response confirms its intention to notify its draft LWRP on 31 October 2024; Council will be asked to approve the plan for notification on 23 October. The plan is currently in the final stages of statutory prenotification consultation.
10. During the meeting, we expect they will take the lead in explaining their rationale for the plan, answering your questions and setting out their proposed way forward.

11. By way of summary, the response from ORC sets out it's rationale for proceeding with the development of the plan. The key reasons given by ORC are:
- a. Confidence that changes to the draft plan made since November 2023 engagement are aligned with Government direction, better enable infrastructure and allow more flexibility to farmers.
  - b. There will be ample opportunities as the plan moves through its submission and hearing stages over the next 24 months to respond to any changes in national direction, which will allow quicker and cheaper NPS-FM implementation than doing a small fix now and larger plan later.
  - c. Concerns that without a replacement plan, Otago communities - particularly farmers - will face high administrative costs in complying with the existing plan.
  - d. There has been significant investment from the Otago Community to prepare the current draft plan. Re-doing significant parts of the process will come at a large cost to the community.
  - e. Large parts of the Otago community are concerned about water quality degradation and are seeking action now.
12. ORC have also outlined how the draft LWRP has been amended in response to key issues, including:
- a. **Renewable Energy** - added a policy to enable increased renewable energy generation and to better provide for upgrades of existing damming structures.
  - b. Enabling more activities - enabled certain activities to proceed without resource consent, provided standards are adhered to.
  - c. **Primary production** - removed some controls, including an objective that Freshwater Farm Plans must give effect to Te Mana o te Wai, the requirement for exclusion of sheep from rivers, and allowing alternatives to compliance thresholds such as fencing set-backs and intensive winter grazing via farm plans.
  - d. **Water quantity** - lowered the minimum flow and increased the take limit from the Waikouaiti River.
  - e. **Wastewater** – Objective amended to take out an absolute requirement to protect human health, soil and freshwater from wastewater contamination and removed the prohibited activity status for wastewater discharge to water (*officials note this is a major shift on this issue that has raised serious concerns about the cost of future wastewater discharges*)
  - f. **Wetlands** - Freshwater Farm Plans can now be used in place of a consent as a means to show compliance with the rule for fencing wetlands.
13. Having reviewed the information ORC provided, including changes it has said it has made to the content of it's LWRP, it appears that ORC have followed process, amended rules based on attempts to balance the various needs of the community and tried to take into account government direction where it can. Officials will be present at the meeting to pay attention to whether due process has been followed.

## Talking points

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14. Discussion of specific information requested in the most recent s27 request. In addition to the information provided on 5 September 2024, we expect ORC will have prepared talking points on these matters. The most recent s27 request included:
  - a. What has changed in the plan from the version consulted on in late 2023? (Specifically for those areas of concern around wastewater discharge, setbacks for farming activities, and rules for mining and forestry).
  - b. Any information on the costs and implications the plan will have on specific industries (e.g. farming, forestry, mining).
  - c. Any information on the costs that will be imposed on end users (including district councils) in implementing Te Mana o Te Wai provisions of the LWRP.
  - d. Any modelling or costing done on the economic impact on end users of new rules.
  - e. Any information you have on the potential for the plan to make the provision of infrastructure more difficult, particularly stormwater and wastewater infrastructure.
  
15. How does ORC intend to proceed from here? Noting the NPS-FM review is well underway and is intended to be in place in mid-2025. There has been considerable public concern around some of the provisions in this plan, some of which will be impacted by the change to NPS-FM.
  - a. Is there scope to only progress parts of the plan?
  - b. Have you considered delaying the implementation of some rules (farming or forestry for example) until mid-2025 or later?