

8 November 2023

Via email Policy@orc.govt.nz

EARLY FEEDBACK TO OTAGO REGIONAL COUNCIL ON THE DRAFT LAND AND WATER REGIONAL PLAN

Thank you for the opportunity to present Queenstown Lakes District Council's (QLDC) early feedback to Otago Regional Council (ORC) the draft Land and Water Regional Plan (LWRP) process.

QLDC supports the development of a LWRP for Otago and appreciates the early feedback opportunity. QLDC considers that the establishment of a robust LWRP will support long term positive outcomes for land and water resources within the Queenstown Lakes District (QLD/the district) and wider Otago region.

The district is one of Aotearoa New Zealand's premier visitor destinations, drawing people from all over the world to enjoy its spectacular wilderness experiences, world renowned land and water environments and alpine adventure opportunities. Its pristine land and water resources contribute significantly to the social, cultural, economic and environmental wellbeing of the district, wider Otago region and the nation.

This special environmental context makes the district one of the fastest growing areas in Aotearoa New Zealand. The district has an average daily population of 71,920 (visitors and residents), a peak daily population of 114,790¹, and is experiencing unprecedented growth, with the population projected to nearly double over the next 30 years.

Pressure to accommodate this population and visitor growth can have adverse effects on land and water environments. QLDC recommends that the draft LWRP should acknowledge and seek to create objectives, policies and rules that address these pressures. In addition, the draft LWRP should carefully consider the significant investment that QLDC and the community have undertaken over recent years in developing a robust land use management framework by way of the Proposed District Plan (PDP).

QLDC is pleased to partner with ORC on implementing the QLDC Spatial Plan and developing the new Future Development Strategy (FDS). A strong partnership approach across these workstreams is vital. It will ensure policy directions across the two organisations are consistent, with funding and programmes that effectively achieve strategic goals.

QLDC declared a climate and ecological emergency in 2019, and has released its second three-year Climate and Biodiversity Plan 2022 – 2025². The Plan has three goals, under which sit six outcomes related to leadership, transport, built environment, communities, business, and the natural environment. The Plan sets up a range of actions that will benefit the district's land and water resources.

It is important that the LWRP complement the contemporary management framework set up by QLDC in its PDP, Spatial Plan, FDS and Climate and Biodiversity Plan. .

QLDC's critical role as a service and infrastructure provider means the LWRP will have important implications on the way it manages water, wastewater, stormwater and waste assets and services.

¹ <https://www.qldc.govt.nz/media/ygiltrton/demand-projections-summary-march-2022-2023-to-2053.pdf>

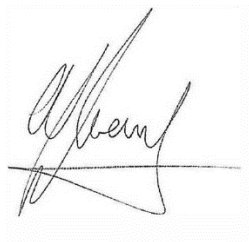
² https://www.qldc.govt.nz/media/ie3jk5bb/qldc_climate-and-biodiversity-plan_jun22-web.pdf

QLDC seeks to continue building a collaborative partnership with ORC to achieve good outcomes for the district's land and water resources and those communities that rely on them. QLDC welcomes a closer working relationship with ORC through the changing landscape of local and regional government. Across the board, QLDC welcomes every opportunity to partner with ORC by building on existing processes for sharing of information, use of common data and evidence, and joint engagement with stakeholders.

QLDC looks forward to providing input on a complete draft LWRP, when this is available for feedback, and welcomes any interim opportunities to engage further with ORC..

Thank you again for the opportunity to provide feedback. QLDC also appreciates the extension of time to provide this feedback.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tony Avery', is enclosed within a rectangular box with a light gray border. The signature is fluid and cursive, with a horizontal line extending from the bottom of the letters.

Tony Avery
General Manager – Property and Infrastructure

EARLY FEEDBACK TO OTAGO REGIONAL COUNCIL ON THE DRAFT LAND AND WATER REGIONAL PLAN

1.0 Draft Strategic Integrated Management Chapter

- 1.1 QLDC supports the general direction set out in the draft Strategic Integrated Management Chapter.
- 1.2 QLDC requests that an additional theme be identified in this part of the chapter which address collaboration matters. In particular, the draft chapter should set out that ORC will work collaboratively with territorial authorities across the Otago region in implementing the LWRP. Local authorities play a significant role in giving effect to the LWRP by managing subdivision, land use and development activities, and are key stakeholders in its objectives policies and rules as major providers of infrastructure and services within across the Otago region.

2.0 Draft Strategic Land and Freshwater Chapter

- 2.1 QLDC requests that the following additional points be reflected in the draft Strategic Land and Freshwater chapter:
 - a) Urban development and accommodating housing and business land, as required under the National Policy Statement on Urban Development is a considerable challenge for many local authorities in the Otago region, in particular within the QLD. The QLD is one of the fastest growing parts of Aotearoa New Zealand. QLDC requests that this significant issue demands more direct reference within the strategic direction content of the Strategic Land and Freshwater chapter.
 - b) Outstanding Natural Landscapes (**ONL**), Outstanding Natural Features (**ONF**) and other special character landscapes are not identified within the proposed strategic direction context. A considerable area of the QLD is identified as an ONF, ONL or other special character landscape, and has extensive protection. These landscapes contribute significantly to the nation's social, economic, cultural and environmental wellbeing. The LWRP will play an important role in managing these landscapes and should work towards completing the protection framework developed within the proposed Otago Regional Policy Statement (**RPS**) and QLD Proposed District Plan (**PDP**).
 - c) QLDC agrees that the national and regional benefits of renewable electricity generation should be recognised and provided for within the LWRP. The electricity distribution across the QLD presents considerable concerns given the district's growth projections and those capacity constraints of the existing network. Caution does however need to be applied to the way renewable energy generation projects and their associated distribution infrastructure are developed and/or expanded, particularly within the context of the QLDs special landscape values. QLDC notes that community scale renewable electricity generation is an emerging part of the electricity market which may cumulatively contribute large amounts of electricity supply with more localised effects. The LWRP should identify such community scale generation alongside its reference to '*operational flexibility*'.
 - d) QLDC strongly supports the reference to '*Managing both new and existing activities in areas subject to natural hazard risk...*'. It is critical that strong regional direction be developed to ensure the efficient and effective management of natural hazard risk to new and existing development. However, it is preferable that the LWRP reference the following approach contained within HAZ-NH-O1 – Natural hazards (s42a version) of the of the proposed RPS '*Risks (in relation to natural hazards) to people, communities and property from natural hazards within Otago are maintained where they are acceptable, and managed to ensure they do not exceed a tolerable level*'.

3.0 Environmental Outcomes - Draft Upper Lakes Rohe Chapter³ and Draft Dunstan Rohe Chapter⁴

- 3.1 The QLD is split between the Upper Lakes and Dunstan Rohe. Table 1 of the draft Upper Lakes and Dunstan Rohe chapters set out 'environmental outcomes' for the identified freshwater values. QLDC provides the following feedback on the identified environmental outcomes.
- 3.2 Natural form and character – QLDC generally supports the identified outcome but requests further information regarding the outcome's application to *'any connected receiving environment including any estuaries and hāpua (lagoon)'*^{5 6}. It is not clear if this statement refers to other specific environments. More specificity is sought if the plan is to be efficient and effective.
- 3.3 Drinking water supply – QLDC supports the identification of this outcome, in particular the reference to water being *'safe and reliable for the drinking water supply needs of the community'*^{5 6}. It is noted however that no attributes to measure and monitor have been identified for this outcome.
- 3.4 Wāhi tūpuna (sites of significance to iwi) – QLDC supports the identification of this outcome and notes that Chapter 39 (Wāhi Tūpuna) of the QLD PDP has recently identified Wāhi Tupuna for the QLD. QLDC requests that the contents of Chapter 39 and the mapped Wāhi Tupuna be carefully considered and/or incorporated into any LWRP.
- 3.5 Irrigation, cultivation and production of food and beverages – QLDC supports this outcome noting the significant contribution of viticulture and other productive activities within the QLD that have wide ranging economic benefits to QLD and beyond.
- 3.6 Taoka species (treasured species) – QLDC supports this outcome noting that Aotearoa New Zealand's biodiversity is in decline and every effort should be made to reverse this trend. QLD has many areas of high natural values and is home to a variety of ecosystems including tussock lands, wetlands, streams, riparian margins, native bush and lake foreshores. The PDP identifies 189 unique SNAs with a combined total area of approximately 32,815 Ha⁷.
- 3.7 Hydro-electric power generation:
- 3.7.1. This outcome specifies that *'Existing hydro-electric generation activities are developed, operated, maintained and upgraded in a way that meets the environmental outcomes to the greatest extent practicable'*^{8 9}. The QLD is home to a number of hydro schemes¹⁰. QLDC supports this outcome in principle, noting the challenge that exists in reconciling the need to protect the districts outstanding waterways and landscapes, and the urgent need to bolster renewable electricity generation.
- 3.7.2. A Water Conservation Order (**WCO**) applies to the Kawarau and 'all contributing waters'¹¹. WCOs have the effect of restricting or prohibiting regional council powers relating to the control or allocation of the

³ https://www.orc.govt.nz/media/15400/draft-land-and-water-plan-proposed-new-rules-and-regulations-lwrp-upper-lakes-rohe_231018.pdf

⁴ https://www.orc.govt.nz/media/15377/draft-land-and-water-plan-proposed-new-rules-and-regulations-lwrp-dunstan-rohe_231016.pdf

⁵ Page 3 Upper Lakes Rohe draft chapter

⁶ Page 4 and Dunstan Rohe draft chapter

⁷ <https://qldc.maps.arcgis.com/apps/webappviewer/index.html?id=351874446400431d87e633a304927c96>

⁸ Page 4 Upper Lakes Rohe draft chapter

⁹ Page 6 Upper Lakes Rohe draft chapter

¹⁰ Lake Hawea/the Hawea River, the Luggate Hydro Development, Wye Creek Hydro Scheme, Oxburn Hydro Scheme and Roaring Meg Hydro Scheme

¹¹

quantity, quality, rate of flow, temperature or level of a water body¹², including for purposes such as hydro developments. Once approved, any consent authority (including territorial authorities) shall not grant any resource consent contrary to the WCO¹³. Schedule 1 (waters to be preserved) and Schedule 2 (waters to be protected) of the Kawarau WCO set out the waters that are managed. The draft Upper Lakes and Dunstan Rohe chapters do not appear to sufficiently address the range of specific values contained within the Kawarau WCO.

3.7.3. It is noted that the government has recently consulted on a detailed set of proposals related to consenting improvements and strengthened national direction for REG development and electricity transmission¹⁴. The proposal seeks amendments to give effect to the government's commitment to achieving net zero carbon emissions by 2050. The LWRP should be cognisant of these proposals.

4.0 Outstanding Water Bodies - Draft Upper Lakes Rohe Chapter and Draft Dunstan Rohe Chapter

4.1 The tables starting at page 16 of the draft Dunstan Rohe Chapter and page 12 of the draft Upper Lakes Rohe Chapter list outstanding water bodies and describes their values.

4.2 As part of the District Plan review, QLDC has mapped landscape classifications across the District. QLDC and the QLD community have invested heavily in this process which has taken place over many years and subject to significant litigation. Chapter 3 (Strategic Direction) and Chapter 21 (Rural Zone) of the PDP set up the landscape management framework for the QLD.

4.3 In June 2022, QLDC notified its landscape schedules plan change¹⁵. This plan change seeks to vary Chapter 21 of the PDP to introduce landscape schedules 21.22 and 21.23. These schedules set out the landscape values for twenty-nine Priority Area Landscapes across the Whakatipu Basin and Upper Clutha. The schedules seek to clarify what aspects of these landscapes are to be protected, maintained or enhanced.

4.4 The plan change seeks to give effect to those policies of Chapter 3 (Strategic Direction) of the PDP that require the identification of the following characteristics of ONLs and ONFs, or combined ONFLs:

- a) The landscape attributes (physical, sensory and associative);
- b) The landscape values; and
- c) The related landscape capacity.

4.5 The plan change also identifies Upper Clutha Rural Character Landscapes and a schedule to describe:

- a) The landscape attributes (physical, sensory and associative);
- b) The landscape character and visual amenity values; and
- c) The related landscape capacity.

4.6 A number of waterbodies within the QLD are identified as ONL, ONF or RCL landscapes, including:

- a) Shotover River
- b) Lake Hayes
- c) Arrow River
- d) Kawarau River
- e) Queenstown Bay and environs
- f) Roys Bay
- g) Dublin Bay

¹² Section 200 of the RMA

¹³ Section 217 of the RMA

¹⁴ <https://www.mbie.govt.nz/have-your-say/renewable-electricity/>

¹⁵ <https://www.qldc.govt.nz/your-council/district-plan/landscape-schedules>

h) Cardrona River/ Mt Barker Road

- 4.7 As such the QLDC landscape schedules plan change contains the following information in regard to these waterbodies:
- Identification and description of the key physical, sensory and associative attributes that contribute to the values of the ONFL that are to be protected;
 - For RCLs the description of landscape character and visual amenity values (not of landscape values);
 - Rating of the attributes identified in (a), using a seven-point scale rating from Very Low to Very High; and
 - The related landscape capacity for a number of subdivision, use, and development activities identified and any considered relevant to that area.
- 4.8 At the time of writing this feedback, submissions and further submissions have closed on the notified material, and a hearing is currently underway. It is anticipated that the hearings panel will deliver their recommendations on submissions and further submissions in early 2024. This hearing process will consider extensive expert material.
- 4.9 A second landscapes variation to the PDP is currently being prepared to schedule the remaining RCLs in the Upper Clutha, and one Priority Area (Clutha Mata Au). Notification of this variation is anticipated in early 2024.
- 4.10 QLDC considers that the LWRP should carefully consider the PDP landscape management framework and the proposed landscape schedules ahead of notifying the Dunstan and Upper Lakes Rohe chapters to ensure consistency with QLD PDP landscape schedules content. It is strongly requested that the LWRP compliment the content of the QLD PDP landscape schedules and the landscape management framework of the PDP.

5.0 Economic profile and snapshots - Draft Upper Lakes Rohe Chapter and Draft Dunstan Rohe Chapter

- 5.1 The snapshots state *'While freshwater policies might be designed and applied specifically to the Dunstan Rohe, their impacts may be felt beyond. Hence the Dunstan Rohe and the neighbouring Upper Lakes Rohe are combined when considering socio-economic information. These communities have close economic ties, i.e., residents are likely to live in one of the areas while working/spending in the other areas.'*¹⁶. QLDC supports this statement, noting in particular that the QLD is split between the Dunstan and Upper Lakes Rohe. An integrated approach to land and water management is necessary in this context, and alignment (as much as is practical after any unique characteristics and values are addressed) is desired to ensure resources are managed consistently. In this context, QLDC would recommend that a single chapter is provided which covers both the Dunstan and Upper Lakes Rohe. This would address the close ties, improve plan useability and overall consistency for the QLD.
- 5.2 The snapshots state that *'In 2018, the Upper Lakes Rohe and Dunstan Rohe were home to around 47,400 residents (21% of Otago's population)'*¹⁶. This data is out of date and should not be referred to. The QLD is acknowledged as one of the fastest growing districts in Aotearoa New Zealand. QLDC has an average daily population of 71,920 (visitors and residents) and a peak daily population of 114,790¹⁷. The district is experiencing unprecedented growth with its population projected to nearly double over the next 30 years. The need to accommodate this growth has the potential to create significant pressure on land and water environments within the district. These pressures should be more clearly acknowledged within the draft LWRP.
- 5.3 The snapshot states *'Overall, these Rohe have relatively low social deprivation, when considering factors such as income, home ownership, employment, access to transport and communications, and access to internet'*¹⁶. QLDC disagrees with this statement and its general application to all QLD communities. There are some parts of the QLD community which face considerable hardship, for example:

¹⁶ Page 26, Dunstan Rohe draft chapter

¹⁷ <https://www.qldc.govt.nz/media/ygilrton/demand-projections-summary-march-2022-2023-to-2053.pdf>

- a) In May 2022, it was estimated that average house prices in the district are 13.9 times average household incomes. The New Zealand wide ratio of incomes to house prices is 8.8¹⁸.
- b) MBIE data suggests that 43% of renting households have incomes below the national average, after accounting for housing costs¹⁹.
- c) The 2022 QLD quality of life survey²⁰ recorded that just over one third (34%) of residents have a sufficient level of disposable income with a further 44% of residents mentioning they have some disposable income. Seventeen percent of residents indicate they have no disposable income and 3% of residents mention they cannot cover their expenses.

5.4 It is recommended that this statement be amended so that it more accurately acknowledges the long established and growing cost of living challenges (including housing and rental affordability) identified above, and the adverse effects this has on the QLD community.

5.5 The snapshot states '*Tourism, the most important industry sector in the Rohe, relies on fresh water in some way or form (including snow, which is essential for the ski resorts operating in the Rohe)*'¹⁶. QLDC supports appropriate recognition of the tourism industry to the overall wellbeing of the QLD, and its considerable reliance on the quality of the district's land and water resources.

6.0 Waste management

6.1 It is not clear what activity is intended to be controlled. This also leads to confusion with the terms organic waste, compost and greenwaste. Is it the storage of green waste material and/or compost that is being controlled? Green waste and composting sites are not landfilling activity. Greenwaste and composting site activity in the previous Waste Plan for Otago was referring to greenwaste landfills (where material was disposed and remained on site). We are seeking clarification if these controls are intended for the temporary storage of organic material to undertake the activity of composting, and/or the resultant compost material being used in situ or taken off site for beneficial reuse.

6.2 ORC should clarify which elements of the organic waste activity are being permitted/consented and specify that the controls are to manage the discharge to land (or air) of leachate/contaminants as a result of the greenwaste/composting activity rather than landfilling the greenwaste or compost itself.

6.3 Clarity around how long organic material (specifically greenwaste) is allowed to sit before the requirements are triggered would be useful. This would be from the lens of both the existing green waste sites, and any future organic waste consolidation site.

6.4 The draft LWRP needs to be more clear that organic waste received to a site has multiple pathways and activities including:

- a) Disposal
- b) Processing as mulch
- c) Processing as compost

6.5 To undertake successful composting activity, a mix of organic materials is needed (not just green waste) to be temporarily stored before being processed into compost. It might help if the definition of organic waste is aligned with the New Zealand Waste Strategy which defines organics as, '*Organic material includes food scraps, garden waste, paper, cardboard and timber*'.

¹⁸ https://ecoprofile.infometrics.co.nz/Queenstown-Lakes%20District/StandardOfLiving/Housing_Affordability

¹⁹ <https://www.hud.govt.nz/research-and-publications/statistics-and-research/housing-affordability-measure-ham/>

²⁰ <https://www.qldc.govt.nz/media/uz4nvkdm/qldc-quality-of-life-report-2022.pdf>

- 6.6 The reference to *'less than 250 cubic metres total organic waste'* needs clarification, in particular, as to whether this refers to:
- storage of organic material on site at one point in time or the volume of material received to a site over a certain timeframe e.g. one year?
 - the combined total of greenwaste and compost or greenwaste (inputs) and compost (outputs) as separate volumes.
 - The new volume limit (250m³) for organic waste would mean a number of our community green waste sites may require consenting. Further clarification is sought on this matter.
- 6.7 Existing volume to weight conversion factors for organics are not well defined for each organic material type. It might be helpful to include reference to a weight based measurement alongside a volumetric measurement.
- 6.8 It is not clear what would be consented if the permitted rules aren't met.
- 6.9 It would be useful/preferable if the definition used for organics was aligned with the NZ Waste Strategy which defines organics as, *'Organic material includes food scraps, garden waste, paper, cardboard and timber.'*

7.0 Primary Production - Agricultural waste and farm landfills

- 7.1 QLDC supports the introduction of *'freshwater farm plans'* that detail what steps farmers will take to identify, manage and reduce any adverse environmental impact of waste activity. This should include burning and/or landfilling of wastes, recording of the location and contents of farm fills and registration of sites should be maintained by ORC. Restrictions on the types of refuse discharged should include any hazardous waste materials.
- 7.2 In regard to stock access, the difference between allowing a couple of sheep to graze an area and intensively farming an area should be more clearly expressed.

8.0 QLDC as a three waters service and infrastructure provider

- 8.1 As noted above, the district is experiencing unprecedented growth, with the population projected to nearly double over the next 30 years. Infrastructure and services need to be able to service these higher populations and visitor numbers.
- 8.2 Effective three waters infrastructure is critical to growth and housing development, to the protection of our lakes and rivers, and to the resilience of our communities.
- 8.3 As the primary water supplier to the District, QLDC is required to provide a supply of water to homes and businesses that is safe for human consumption. QLDC oversees approximately 576km of water mains and 12 treatment plants serving approximately 26,668 demand units that collectively use a total of approximately 32,306 cubic metres of water per day. The 3 Waters Strategy was adopted by the Council in June 2018. Water is sourced from a variety of high-quality lake and ground water sources, treated in treatment plants, and reticulated to our customers through a piped network. QLDC has extensive investment planned in the current ten-year plan to ensure that the safe drinking water can be provided to our communities now and into the future.
- 8.4 QLDC also provides reticulated wastewater services. QLDC is responsible for the collection, transfer, treatment and disposal of the district's wastewater and trade waste. QLDC oversees approximately 473km of wastewater mains, 65 pump stations and four treatment plants serving approximately 26,134 demand units that between them discharge a total of approximately 14,000 cubic metres of wastewater per day. Significant upgrades are required to the districts wastewater treatment plants, this is driven by growth, regulatory and environmental reasons.

- 8.5 QLDC provides stormwater drainage services that protect public health and private properties. QLDC is responsible for approximately 275km of stormwater mains serving around 26,718 demand units. Effective management of rainwater within these systems is vital to controlling erosion and land stability, as well as ensuring amenity of open spaces and protection of the environment. QLDC are undertaking investigations to gain a better understanding of how to manage the stormwater in the district
- 8.6 QLDCs three waters services interact with land and water resources within the district through discharges and water takes. QLDC notes that these interactions will need to comply with the requirement of any LWRP for Otago.
- 8.7 Ensuring existing infrastructure networks and services are well-maintained, safe, and compliant is our core business. To achieve this QLDC will invest in three waters infrastructure to protect our natural environment, and take positive steps towards understanding and building resilience. QLDCs Long Term Plan 2021–2031²¹ and Infrastructure Asset Management Strategy 2018 – 2048 sets out long term infrastructure investment priorities.
- 8.8 It is critical that ORC work closely with QLDC and other territorial authorities within Otago to ensure key objectives, policies or rules within the LWRP that impact three waters infrastructure are clearly articulated.
- 8.9 QLDC provides the following specific feedback relating to the draft LWRP chapters:
- 8.9.1. Environmental Flows and Limits:
- i. Phasing out overallocation - The proposed change will see under utilised ‘paper allocations’ of water phased out through future consents. This could impact Council’s ability to secure appropriate quantities of water to cater for growth for community water supplies. It is requested that a special consideration for community water supplied be provided to recognise the importance of securing appropriate quantities of water for usage by growing communities over the long term.
 - ii. QLDC can also expect more stringent measures around efficient use, which may put pressure on Councils to move towards metering and charging (could be difficult to demonstrate otherwise). Further clarification is sought on this matter.
- 8.9.2. Stormwater Chapter:
- i. The chapter implies stormwater discharge consents will only have a 5 year term. It is suspected that this is on the basis the initial consents may not be sufficiently stringent. In the absence of further clarification on this matter QLDC objects to the draft rule.
 - ii. The requirement to map and monitor networks within 5 years will require a significant investment on behalf of Council.
 - iii. The required investment in stormwater infrastructure is likely to be significant, and expectations around upgrade programmes will need to be realistic based on affordability, deliverability, and constraints of existing infrastructure.
 - iv. QLDC objects to the draft rules relating to stormwater discharges from roads / carparks / roofs and the associated permitted standards. It is noted that the draft rule may trigger the need for additional consents and no not reflect the intention of the words in LF-FW-P15 of the proposed Otago Regional Policy Statement.
- 8.9.3. Wastewater Management:
- i. Prohibiting the discharge of treated wastewater into water is likely to be problematic. In some locations this may be the most appropriate option and it could be unwise to close the door on this option entirely when higher treatment could yield suitable environmental results.
 - ii. Further clarification is sought about what is considered a ‘to water’ discharge.

²¹ <https://www.qldc.govt.nz/your-council/council-documents/ten-year-plan-ltp>

9.0 Draft Land and Water Regional Plan: Comments for QLDC Roothing and Transport

9.1 QLDC has asked WSP Ltd via Downer Ltd to provide advice and comments regarding the draft LWRP in relation to Transport and Roothing operations, specifically relating to the following chapters:

- a) Beds of Lakes and Rivers
- b) Damming and Diversion
- c) Earthworks and Drilling

9.2 This advice is included as **Attachment A**.

Attachment A - Draft Land and Water Regional Plan: Comments for QLDC Rooding and Transport