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Tēna koe Hamish

Response to Letter received from the Office of the Auditor General ‘Following up on performance audit on managing freshwater quality: challenges and opportunities’, received 4 April 2023

The following responds to the letter received by our Chief Executive Chris McLay, in regard to the follow up performance audit on managing freshwater quality, the challenges and opportunities.

Having just refreshed our strategic direction and reset our strategic priorities for the 2023-2025 year the management of freshwater continues to be a key priority for the Waikato Regional Council. As noted in the letter received in early April much has occurred in the area of freshwater management since the Office of the Auditor General published the 2019 report, council has responded to these many influences in an organisational wide integrated manner. We hope that the information provided assists in giving confidence that improvements have been, and continue to be made by the regional sector in regard to freshwater management.

1. The Ministry for the Environment and Statistics New Zealand lead work with regional councils and relevant land and freshwater management agencies to support better informed and co-ordinated management of freshwater by preparing a consistent approach to monitoring, analysis, and reporting of freshwater quality state and trend information.

We note that MfE as part of the Freshwater reforms are providing more direction towards monitoring and analysis to achieve direction of the NPSFM. Councils have taken the lead in reporting of freshwater quality and trend information as presented on LAWA. There are a number of Council initiatives to improve the delivery of consistent data for National Reporting (e.g Environmental Data Management System) but these are not driven by Ministry for the Environment and Statistics New Zealand and they are currently in a watching with interest rather than lead. The gap in central leadership is identified in the October 2022 report of the Parliamentary Commissioner for the Environment.

We are active contributors to the development of LAWA as a nationally-significant repository of monitoring data collected by regionals councils. Over the last few years we have contributed to development of several new topics including groundwater and land use change. LAWA continues to grow and is underpinned by advances in standard methods etc via the NEMs programme.

Our refreshed EnviroHub website has responded to the concerns highlighted in the 2019 report, specifically in regard to paragraphs 6.26, 6.29, and 6.30. Information is being made more readily available to the public in an easily digestible format.

[Environmental data hub | Waikato Regional Council](#)

2. Waikato Regional Council, Taranaki Regional Council, Horizons Regional Council, and Environment Southland consider how they might use the analysis conducted by National Institute of Water and Atmospheric Research Limited to improve their monitoring of freshwater quality.

The 2019 OAG report concluded that WRC was already in a relatively good position in respect of the NIWA work. However, we have considered the analysis conducted by NIWA relating to representativeness and statistical power of monitoring programmes.

We have increased the representativeness of our river water quality monitoring programme in the Waikato-Waipā catchment through the addition of 10 additional new sites. The addition of these sites were identified through the collaborative technical expert and plan development process for Plan Change 1, Healthy Rivers Wai Ora, for the Waikato and Waipā catchment. In response to both the Plan Change necessity for technical information and in response to NPSFM2020 requirements we have also initiated a lakes monitoring programme at 38 lakes using a probabilistic design. This design ensures representativeness of the monitoring network. We have also initiated a review of our groundwater monitoring programme to assess coverage and representativeness.

3. Waikato Regional Council, Taranaki Regional Council, Horizons Regional Council, and Environment Southland support and inform wider community discussion of freshwater quality issues by ensuring that the information they make available to their communities is clear, complete, up to date, consistent, accessible, and readily understandable.

We have recently completed a draft State of the Environment report for Waikato Region. The State of the Environment report will be publicly released in June 2023. It is a synthesis report bringing together 25 technical reports, and will also have an accompanying high level summary report. We are more than happy to provide a copy of this report when it is publicly available, if the OAG would like to view a draft of the report we can make this available. The technical reports are available on council's website.

The 2019 OAG report specifically mentioned in paragraphs 6.26, 6.29, and 6.30 that WRC produces a lot of detailed, peer reviewed freshwater quality information about the catchments in the region, but that this was not considered enough. The report went on to say that WRC needs to do more to bring this technical information together and to make it available in ways that convey its message to a general or non-technical audience. Further stating that this will help support and inform the wider community discussion and commitment to action needed to protect and improve freshwater quality. Our State of the Environment report, which has an emphasis on our freshwater state of the environment monitoring, will address the matters identified in the 2019 report.

As with all other regional councils WRC is presently progressing through our Freshwater Policy Review and are on target for notification of changes to our Regional Policy Statement and Regional Plan by December 2024. Information that is being used to inform this process, and more particularly the community, tangata whenua, and sector engagement workstreams is placed on councils website. [Freshwater Policy Review | Waikato Regional Council](#). An example of how we are assisting communities to be part of our freshwater policy review conversations is to take the complex process required by the National Policy Statement for Freshwater 2020 (NPSFM) and to convey this process on a page for our community, attached to this response. This 'plan on a page' document is informed by a comprehensive project management plan and formalised project structure, and a detailed critical path analysis. Project reporting, where the focus is on time, quality, costs, issues and project risks, is reported through to our Risk and Assurance Committee who oversees key organisational projects. Our freshwater policy review is one of three strategic organisational projects that are reported to this level.

As noted above we have also developed and launched EnviroHub which provides rapid access for the public to environmental monitoring data.

4. Waikato Regional Council, Taranaki Regional Council, and Horizons Regional Council strengthen relationships with iwi and hapū, especially those yet to complete Treaty settlement processes, by formally seeking their aspirations for involvement in strategic decision-making and identifying how those aspirations can be met

Noting that a response to this point is not required at this stage, however there are a number of key initiatives that we would like to draw to the attention of the OAG:

- Since 2019 we have progressed a Section 33 transfer of functions to the Tuwharetoa Maori Trust Board in regard to council's freshwater monitoring functions for Lake Taupo.
- We have recently appointed to a newly created role of Maatauranga Specialist in our Science section. This role is tasked with building a bridge between WRC and iwi partners, looking at ways to share information better and explore opportunities to bring together Maatauranga and Environmental Science.
- WRC has recently formed Nga Tira Maatauranga, a 30+ iwi led technical group (consisting of mix of iwi who have and have not reached Settlement agreements with the Crown), facilitated by WRC, who will inform the Maatauranga components of our freshwater policy review
- WRC has developed a Maori Partnership approach where all projects undertaken within the organisation must embed the principles of this approach into all that we do with iwi/Maori.

5. Waikato Regional Council, Taranaki Regional Council, Horizons Regional Council, and Environment Southland use a full range of appropriate compliance, monitoring, and enforcement tools to effectively identify and act on material non-compliance with the Resource Management Act 1991 or resource consent conditions.

The four named regional councils are members of a series of special interest groups (SIGs) aimed at driving consistency of best practise in various fields. These SIGs tend to consist of senior subject matter experts from each of the 16 regional and unitary councils. These councils refer to themselves as the regional sector and have more recently developed a standalone identity of Te Uru Kahika. Each SIG falls under the oversight of Resource Manager's Group (RMG) a Tier 2 forum from across Te Uru Kahika, who in turn report to the Regional Chief Executives. (RCEOs).

One such SIG is the CESIG. (Compliance & Enforcement Special Interest Group) As the name suggests the focus of this group is to develop and maintain best practise standards in the area of CME (Compliance Monitoring and Enforcement) under the Resource Management Act (RMA) for the regional sector. CESIG has its own work programme and tends to be a particularly active SIG. One of the regular tasks for CESIG is to complete an annual report on CME activity across the regional sector. It is referred to as the CME Metrics Report, [Search | Ko Tātou LGNZ](#). Regional scorecards can be viewed from page 48 on, page 51 refers to WRC a copy of which has been attached. Last year (2021/22) was the fifth year completing the report. That report is attached and contains data for the last five years. This includes specific CME activity and resources for Waikato, Taranaki, Horizons and Southland. The report is in the public domain and its content has no restriction on it. In fact, Waikato elects to place it on its publicly facing website and we complete some (limited) social media marketing of annual outcomes.

The CME Metrics report demonstrates Waikato as being active across the full range of enforcement tools available under the RMA. Many of these actions are directly linked to freshwater quality. The report shows clear annual fluctuations in the 'numbers'. There are many variables that impact on this. Recruitment, retention, COVID lockdowns, significant incidents draining resources to a single site, delays in court process to name a few.

The Waikato representative on CESIG has led the working group of CESIG in the development of the Metrics Report and its completion in its first four years. (The lead work was passed on to another council, Gisborne, in 2022, though supported by Waikato) This commitment by Waikato was partially due to its understanding of the importance of scrutiny by the likes of OAG, Environmental Defence Society, Ministry for the Environment, Forest and Bird who have all reported on the CME efficiencies and effectiveness of local government. The sector needed to understand, for themselves, how they were doing in this crucial work area.

We have also called on our collective CME experience to make extensive submissions to the Natural and Built Environments Bill (NABEA) in the hope that CME components of the new Act are practicable, able to be complied with and enforceable. Waikato Regional Council continues to strive for best practise in regard to CME activity related to the RMA (and soon to be NABEA), knowing that CME plays an important part in positive behaviour change and adherence with environmental regulation.

Additional supporting information

This information adds further context to WRC's approaches to integrated and impactful freshwater management.

2021-2031 Healthy waterways Business Case

To ensure an integrated approach to investment in Freshwater Management a cross organisational team developed the Healthy Waterways Business Case to the 2021-2031 Long Term Plan, [Council meetings - agendas and minutes | Waikato Regional Council](#). In Councils' 2021-2031 LTP we were very direct and upfront with the regional community in discussing the investment that we made in freshwater management. In Year 1 of the LTP there was a 7.7% increase in rates revenue, it was noted that 2.2% of this was to fund our freshwater management programme. Freshwater management was not a consultation topic where we sought community feedback (ie whether we should invest or not), rather councillors prioritised investment in freshwater management as the 'anchor tenant' in the 2021-2031 LTP and in the LTP overview noted:

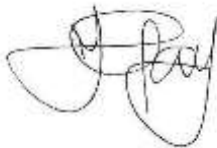
"A big priority in the first three years of this LTP will be preserving and improving fresh water – a policy area that is receiving a big push from central government. We need to address the requirements set out in the National Policy Statement (NPS) for Essential Freshwater and we're excited about building on past successes to meet the growing expectations of iwi and our wider communities in this area. This is a massive body of work and, of the total 7.7 per cent increase in rates revenue this LTP will introduce in year one, we're estimating that 2.2 per cent will be allocated to this priority alone. It has meant striking the right balance between fresh water and the other important areas our communities told us they wanted us to focus on." [2021-2031 Long Term Plan | 2021-2031 Te Mahere Roa \(waikatoregion.govt.nz\)](#)

Environmental Monitoring Business Plan 22/23 (Internal document)

Each section of the Science, Policy and Information directorate have Business Plans that connect the work of the section to organisational strategic priorities, provides an overview of activities undertaken and budget required. Importantly the Business Plan also sets out the goals for the section and how these will be achieved. The Environmental Monitoring Business Plan has the four goals that clearly convey the focus of ensuring the right data is collected, managed and presented in a manner that ensures both data veracity and usability.

We trust that the above satisfies the requirements of the Office of the Auditor General at this time. Should you wish to discuss any of the matters further, or require further information, please do not hesitate to contact us.

Ngā mihi



Tracey May
Director Science, Policy and Information

Freshwater Policy Review timeline

2021

2022

2023

2024

Project phase

Beginning the journey

Understanding the issues and people's views

Identifying and testing the options

Refining the policy approach

Notification and beyond

Co-governance decisions and/or reporting

Approve project scope and commencement

Consider current information and approve engagement round 1

Post engagement round 1 update

Consider high-level policy approach and options for ground-truthing and feedback

Confirm project co-governance

Post engagement round 2 update

Consider options developed and approve engagement round 2

Receive draft policy documents

Nomination process for hearings panel

Recommendation from iwi

Receive proposed policy documents. Decision to notify

Engagement and consultation

Prepare for engagement

Explore Te Mana o te Wai and what we know about aspirations and issues

Here's what we know so far, what do you think?

Develop policy approach and possible options

Here's what we're shaping up, what do you think?

Incorporate advice and feedback and refine the freshwater policy documents



Key tasks

Develop strategies and plans for engaging and communicating with communities

Co-design tangata whenua engagement with iwi partners

Begin discussions with tangata whenua to understand Te Mana o te Wai

Gather the views of tangata whenua and communities

Match attributes to aspirations, clarify baselines and possible targets

Check developing policy direction and options with tangata whenua, stakeholders and communities

Refine and finalise the freshwater planning instruments

Review and compare new requirements with existing plans

Identify Freshwater Management Units (FMUs) – how catchments and communities will be grouped for the Freshwater Policy Review

Identify values and clarify what Te Mana o te Wai means for long-term visions, aspirations, objectives and outcomes

Develop policy options and begin to ground truth them

Make any changes in light of feedback

RMA schedule 1 clause 4A engagement

Collate science information and what people have already said

Summarise what we know for each area about visions, aspirations, values, sites and features, current state and issues for fresh water

Committee on-boarding process

Consider how flows and levels relate to the aspirations and targets, and develop approach to water quantity

JMA approval processes

Notify and receive submissions

Increasing clarity on what the national freshwater directions will mean for our region

Te Mana o te Wai

Long-term visions

Values, outcomes and objectives

Attributes for each value

Baseline states

Target states, flows and levels

Rules and action plans

Monitoring and mātauranga plans

CME METRICS REPORT 2021/ 2022

WAIKATO REGIONAL COUNCIL



502,500
NEW ZEALAND POPULATION
ESTIMATE 2021



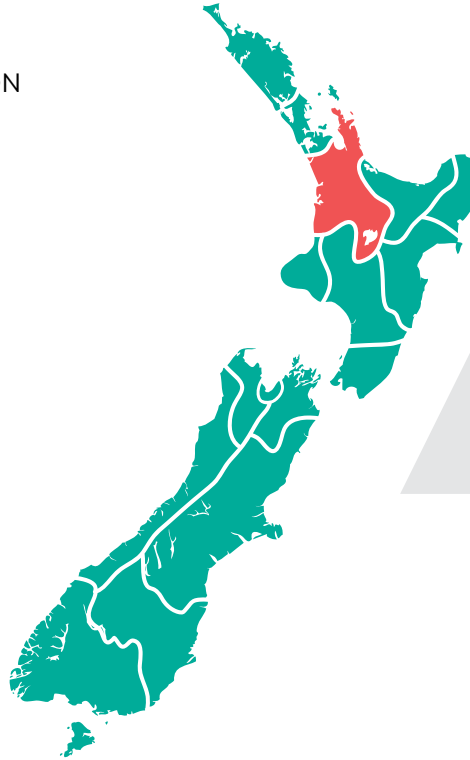
12.2%
POPULATION GROWTH
2015-2021



24,147 KM²
GEOGRAPHIC
AREA



\$29,173 M
GDP TO MARCH
2020



CME STAFF



FULL TIME EMPLOYEES **49**
FTE/1000 **0.1**

NATIONAL AVERAGE 0.16

CONSENTS



12,511
ADMINISTERED



575
REQUIRED
MONITORING



100%+
CONSENTS MONITORED
OF THOSE REQUIRING IT
NATIONAL AVERAGE 86%

INCIDENTS



1,849
ENVIRONMENTAL
INCIDENTS REPORTED



100%
RESPONSE RATE
NATIONAL AVERAGE 99%

ENFORCEMENT

162

WARNINGS
ISSUED

86

ABATEMENT NOTICES
ISSUED

34

INFRINGEMENT FINES
ISSUED

1

ENFORCEMENT ORDER
APPLICATIONS

5

PROSECUTIONS
CONCLUDED

14

PROSECUTIONS IN
PROGRESS