

Strategy and Policy Committee

Item Circulated under Separate Cover for:

Strategy and Policy Committee Meeting to be held via Zoom (Audio Visual Meeting), Bay of Plenty Regional Council, Virtual Meeting Room on:

Tuesday, 5 May 2020 commencing at 9.30 am

This meeting is open to the public via live streaming on the BOPRC website. To watch the meeting live please click on this link
<http://www.boprc.govt.nz/livestream>

Fiona McTavish
Chief Executive
30 April 2020



Strategy and Policy Committee

Membership

Chairperson	Cr Paula Thompson
Deputy Chairperson	Cr Stuart Crosby
Members	All Councillors
Quorum	Seven members, consisting of half the number of members
Meeting frequency	Six weekly rotation between committee meetings and strategic sessions

Purpose

- Inform the strategic direction for the Council and implement through approved planning and policy frameworks.
- Identify regional issues resulting from emerging trends, providing thought leadership on matters of regional significance, analysing implications and developing a strategic response.

Role

- Develop, implement and review best practice strategy, policy and planning framework for decision making which enables connection across committees of Council.
- Consider emerging environmental issues and provide advice on the implications for effective resource management within the region.
- Inform Council's strategic direction, including prioritisation and policy responses.
- Enhance awareness and understanding of emerging issues and trends relating to meeting Councils strategic direction.
- Develop Council's position on regionally significant issues and provide guidance on sub-regional and regional strategy matters such as spatial planning and SmartGrowth.
- Approve submissions on matters relating to the committee's areas of responsibility that are not delegated to staff.
- The provision of governance oversight into the development and review of policies, plans, and strategies.

- Approve statutory and non-statutory plans, strategy and policy other than those required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
- Develop, review and approve Council's position on regional economic development.
- Consider any issues delegated by Council that have a regional, environmental, social or economic focus.
- Develop and review bylaws.
- Delegate to hearings commissioners under section 34A of the Resource Management Act 1991 to exercise the powers, functions duties in relation to any authorities that have been delegated by Council to the committee.

Power to Act

To make all decisions necessary to fulfil the role and scope of the committee subject to the limitations imposed.

The Strategy and Policy Committee is not delegated authority to:

- Approve the Regional Policy Statement and bylaws;
- Review and adopt the Long Term Plan and Annual Plan;
- Develop and review funding, financial, Risk and Assurance Policy and frameworks;
- Approve Council submissions on Maori related matters;
- Develop, approve or review non statutory policy for co-governance partnerships.

Power to Recommend

To Council and/or any standing committee as it deems appropriate.

Public Forum

1. A period of up to 15 minutes may be set aside near the beginning of the meeting to enable members of the public to make statements about any matter on the agenda of that meeting which is open to the public, but excluding any matter on which comment could prejudice any specified statutory process the council is required to follow.
2. The time allowed for each speaker will normally be up to 5 minutes but will be up to the discretion of the chair. A maximum of 3 public participants will be allowed per meeting.
3. No statements by public participants to the Council shall be allowed unless a written, electronic or oral application has been received by the Chief Executive (Governance Team) by 12.00 noon of the working day prior to the meeting and the Chair's approval has subsequently been obtained. The application shall include the following:
 - name of participant;
 - organisation represented (if any);
 - meeting at which they wish to participate; and matter on the agenda to be addressed.
4. Members of the meeting may put questions to any public participants, relevant to the matter being raised through the chair. Any questions must be asked and answered within the time period given to a public participant. The chair shall determine the number of questions.

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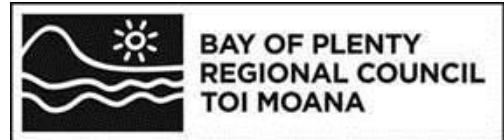
Recommendations in reports are not to be construed as Council policy until adopted by Council.

Report

8.1 Chairman's Operating Environment Report

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Report



Receives Only – No Decisions

Report To: Strategy and Policy Committee

Meeting Date: 05 May 2020

Report From: Namouta Poutasi, General Manager, Strategy & Science

Chairman's Operating Environment Report

Executive Summary

This report covers two operating environment areas that influence Council's policy direction and work. It covers:

- Strategic direction setting
- National Policy Direction

National direction instruments support local decision-making under the Resource Management Act 1991 (RMA). This is provided using national policy statements (NPS), national environmental standards (NES), national planning standards (planning standards) and section 360 regulations. There are a number of national direction instruments currently under development or being scoped which will impact on Council's statutory requirements and work programmes.

Clearly the most significant impact on Council's operating environment and work is the need to respond to COVID19 at a national, regional and local level. This is a focus for staff ahead of BAU. A key question is how COVID19 will influence Council's longer term strategic direction.

The Committee's work programme has not yet been reviewed in terms of a work programme response to COVID19. Individually all projects within Council have been prioritised and are currently being managed on that basis. A reviewed Committee work programme will need to be reported to the Committee as Council begins to function under Level 3 and then transitions to subsequent levels.

Recommendations

That the Strategy and Policy Committee:

- 1** Receives the report, *Chairman's Operating Environment Report*;
- 2** Provides any initial thoughts on how to provide views on how the operating environment has changed.

1 Current context for Operating Environment

The COVID19 national emergency has fundamentally changed the operating environment for Council. As it has shifted the priorities of Central Government and has brought significant and dramatic impacts for the community and iwi/hapu, it is not appropriate for Council to continue a business as usual approach in the short term and possibly longer.

This report does not include an analysis of the impacts on our operating environment however this work is occurring through the Economic Recovery workstream which is a priority focus for staff. One significant change in the operating environment is that Central Government is seeking opportunities for economic interventions. This has created a new funding stream for Council however the focus is very much on economic recovery first and foremost – as opposed to the opportunity to further Council's community outcomes.

2 Strategic Directions thinking

Councillors have put substantial effort into developing Council's strategic directions which reflect the high level organisational responses to the challenges and opportunities it faces. However this work was completed prior to COVID19.

The COVID19 pandemic is a worldwide, hugely disruptive event which is causing impacts that will be long-lasting. The event presents huge challenges – none the least of which is the challenge for communities, societies, countries and indeed the globe to redefine the 'new normal'. This challenge for the Bay of Plenty can be heard in how Central Government and commentators are articulating the need to respond to COVID19.

For example, Minister Twyford in the recent Infrastructure NZ webinar (*The future of economic development, transport and urban development in the COVID19 landscape* 22 April 2020) said 'We are at a remarkable break point in NZ's history...with enormous challenges and opportunities'. He stressed the need for NZ to respond to COVID19 by thinking and doing things smarter and he talked about the need for Government's economic recovery work to also support the Government's high level goals including the 4 wellbeings; Decarbonisation; Sustainable land use; Fixing the housing crisis; Reforming the 3 waters infrastructure and Moving industry from volume to value.

Similarly the Chair of the Climate Change Commissioner, Mr Rod Carr, has urged Central Government to consider climate change in its response to the pandemic, including putting in place measures to manage the impacts on future generations in the long term.

'As the Government turns its mind to the recovery we encourage you to put a climate change lens across the measures you choose to implement. We believe the Government can maintain its commitment to a productive, inclusive, sustainable and climate-resilient economy. Applying the values of manaakitanga (respect and care for others) and kaitiakitanga (active guardianship) can help us find our way as a country'

The Commission outlined 6 principles for Central Government to use in decisions to aid recovery.

- Principle 1: Consider how stimulus investments can deliver long-term climate benefits
- Principle 2: Bring forward transformational climate change investments that need to happen anyway
- Principle 3: Prepare our workforce for the jobs of tomorrow
- Principle 4: Work in partnership
- Principle 5: Maintain incentives to reduce emissions and adapt to climate change
- Principle 6: Change how we measure the success of economic recovery.

Mr Paul Blair CEO of Infrastructure NZ has also urged the recovery to seize this once in a lifetime opportunity to transform and steer NZ direction for generations to come and reiterated the importance of balancing the 4 well-beings in decision-making.

Accordingly we do need to 'review' our strategic directions by ensuring that a COVID19 lens is applied to the challenges and opportunities that lie with us and ahead of us. A further question is around engaging with the concept of "transformational change". This represents a significant challenge for Council and would raise questions about how much and in what areas.

We envisage holding a workshop with Councillors in the near future to consider the review of the current strategic directions given the significant changes to the operating environment. It may well be that all or many of the current directions remain the same or that there are additions or changes to the expression of those directions.

As part of this process the views of Councillors will be sought in relation to what they think are the key impacts of COVID19 on the community and iwi/hapu, and on Council's work. Staff are looking to the best way to collect this information given the constraints on physical meetings (for example, an electronic survey has been suggested).

Next steps for this process will be:

- Seek information from Councillors
- Meet with Strategic Direction Councillor Subgroup
- Seek to agree strategic direction at a future workshop.

Councillor advice on this work would be useful to staff in developing the next steps.

Ultimately, how we signal our strategic directions and then build the consequential strategies and allocate resources and determine timeframes will be of great interest to those we work with and serve, and we will need to consider how best to engage as we move forward.

3 National Direction under Development

Council continues to respond to a significant number of Central Government policy initiatives. COVID19 has created uncertainty over timing and staff are working to gain a better understanding of timeframes and Central Government priorities. A number of submission processes have had their timeframes pushed out in response to the inability for the community to be effectively consulted on the proposals. This is helping with Council's ability to engage with important policy developments.

This table provides the list of resource management matters the Government is developing national direction on.

National Direction Instrument	Lead Agency	Status
Proposed National Policy Statement for Urban Development (NPS-UD)	Ministry for the Environment (MfE) and Ministry of Housing and Urban Development (MHUD)	<ul style="list-style-type: none"> Replacing the existing National Policy Statement on Urban Development Capacity Submissions under review – <i>BOPRC lodged a submission</i> The NPS-UD is likely to take effect in mid-2020
Proposed National Policy Statement for Highly Productive Land (NPS-HPL)	Ministry for Primary Industries (MPI) with support from MfE	<ul style="list-style-type: none"> Submissions under review - <i>BOPRC lodged a submission</i> The NPS-HPL is likely to take effect in early/mid-2020
Essential Freshwater work programme: <ul style="list-style-type: none"> Proposed National Policy Statement for Freshwater Management Proposed National Environmental Standard for Freshwater Proposed Stock Exclusion section 360 Regulations 	Cross-government water taskforce	<ul style="list-style-type: none"> Submissions under review - <i>Bay of Plenty territorial authorities lodged a joint submission and BOPRC lodged a more detailed regional submission</i> The National Policy Statement for Freshwater Management, National Environmental Standards for Freshwater Management and Regulations are likely to take effect in mid-2020
Proposed amendments to the National Environmental Standard for Sources of Human Drinking Water (NES-DW)	MfE with support from Department of Internal Affairs (DIA) and Ministry of Health (MoH)	<ul style="list-style-type: none"> These amendments are part of the drinking water regulatory reforms being progressed through the Three Waters Review Status to be confirmed
Water Services Regulator Bill	Cross government lead by Minister of Local Govt, DIA	<ul style="list-style-type: none"> This bill establishes Taumata Arowai—the Water Services Regulator as a new Crown agent and provides for its objectives, functions, operating principles, and governance arrangements. The bill is with the Select Committee. Government has indicated that more detailed drinking water source protection, stormwater and wastewater policy proposals will be consulted on in mid-2020. These proposals will give effect to decisions to implement system-wide reforms to the regulation of drinking water and source water, and targeted reforms to improve the regulation and performance of wastewater and stormwater

		<p>networks. It is this second part of the reforms that are most relevant to regional council business.</p>
Proposed National Environmental Standards for Wastewater Discharges and Overflows (NES-WDO)	MfE with support from DIA	<ul style="list-style-type: none"> • These amendments are part of the drinking water regulatory reforms being progressed through the Three Waters Review. • Status to be confirmed
Proposed National Policy Statement for Indigenous Biodiversity	MfE with support from Department of Conservation (DoC)	<ul style="list-style-type: none"> • Public consultation has been undertaken. • Submissions under review – <i>BOPRC lodged a submission</i>
Proposed amendments to the National Policy Statement for Renewable Electricity Generation (NPS REG)	Ministry for Business, Innovation and Employment (MBIE) with support from MfE	<ul style="list-style-type: none"> • The Government is developing amendments to this NPS in response to the Interim Climate Change Committee's recommendations on accelerated electrification (PDF, 567 KB) [Ministry for Business, Innovation and Employment website] and the Productivity Commission's recommendations on low-emissions economy. • Public consultation likely to be undertaken in 2020.
Proposed amendments to the National Environmental Standards for Air Quality 2004 (NESAQ)	MfE	<ul style="list-style-type: none"> • The Government is proposing amendments to some provisions of the NESAQ that: <ul style="list-style-type: none"> ○ take into account improved scientific understanding and evidence about the health impacts of particulate matter ○ better target controllable sources of air pollution. <p>Including provisions relating to; particulate matter, domestic solid-fuel burners and mercury emissions.</p> • The amendments to the NESAQ would come into immediate effect once gazetted. Transitional provisions may be needed to allow time for compliance. • The deadline for submissions has been extended to 31 July 2020. Staff are engaging with MfE to understand the implications for Council.
Proposed National Environmental Standards for the Outdoor Storage of Tyres (NES-OST)	MfE	<ul style="list-style-type: none"> • The proposed NES is one of the main tools to respond to the risks associated with tyres stored outdoors and to provide the clarity needed about regulation of such tyres under the RMA. The main risks are fire (causing toxic smoke and run-off) and leachates. The proposed NES would provide a consistent regulatory approach for local authorities on how tyres stored outside should be managed. • Public consultation has been undertaken. • Submissions under review – <i>BOPRC lodged</i>

		<i>a submission.</i>
Proposed National Environmental Standards for Marine Aquaculture	MPI with support from MfE and DoC	<ul style="list-style-type: none">• Finalising instrument.• Cabinet has approved final policy provisions for the drafting of the NES-MA. Following drafting, the NES-MA will be put in front of Cabinet for final decisions. The NES-MA is likely to take effect in 2020.

Stephen Lamb
Environmental Strategy Manager

for General Manager, Strategy & Science

30 April 2020