

10 May 2022

Office of the Auditor-General  
PO Box 3928  
Wellington 6140

Attention: Jacob Strang

Tēnā koe Mr Strang

**FOLLOWING UP ON PERFORMANCE AUDIT OF MONITORING HOW WATER IS USED FOR IRRIGATION – REPORT PUBLISHED MAY 2018**

In reply to your letter of 11 March 2022, the Northland Regional Council (NRC) is pleased to provide the following information.

With respect to recommendation one to NRC, which stated:

*Councils continue to work with people and organisations holding water permits and intermediary data service providers to improve the timeliness and completeness of water-use data received.*

The Northland region has 592 water take consents (as at 1 April 2022). Of these, 342 are for irrigation of horticulture or pasture. There are 53 takes which are for dairy shed use (washdown and plate cooling etc). The remaining takes are for a variety of purposes including industrial activities, public water supplies and commercial drinking water.

Since your audit in 2018, NRC has increased the resource for handling water use return data. The process is that the Water Use Data Officer checks all water use return data for completeness at the time that it is submitted. Any obvious data gaps are requested from consent holders at this time. The records are then given to the Data Management Officer, who processes the data and checks compliance using the Compliance Checker tool. Again, the consent holder may be required to address any anomalies/missing data at this point.

The Water Use Data Officer gives all consent holder's two written reminders for submission of their water use records. In 2019/20, NRC introduced a procedure to fine consent holders for the late submission of water use records. On average, there are less than 5% of consent holders who do not submit records each year. Up until last year there had been noticeable improvements in the timeliness of water use returns. However, last year saw a negative trend – which we have attributed to COVID-related stress in the community.

NRC does not actively engage with data service providers. However, once a consent holder decides on their provider, we assist with the data transfer. We are not aware of issues with service providers which have impacted the timeliness or completeness of data. NRC now has 22 water users who have telemetered water takes. A further 6 are in the process of being set up. NRC actively promotes telemetered water takes with consent holders. The new Regional Plan requires that all water permits include a condition that requires a meter to record the volume taken and that this information is provided electronically to NRC. For takes with rates greater than 10 litres per second the new Regional Plan requires the meter

is telemetered to NRC. In 2019/20, a lower administration charge for telemetered takes was introduced in the User Fees and Charges as an incentive for consent holders to implement telemetry.

With respect to recommendation two to NRC, which stated:

*The Ministry for the Environment, councils that manage freshwater resources and other interested groups work together to use water-use data to encourage compliance with water permits and the limits they impose, to enable effective and efficient use of freshwater resources.*

Compliance data for the last two years is shown in Table 1. In 2019/20, 87% of water take compliance assessments were either “full compliance” or “low risk non-compliance”. In 2020/21, this figure was 90%. The overall significant non-compliance for water-take consents is considerably lower than for most other industry/consent types.

**Table 1 – Compliance assessments\* for water take consents**

Year	Full compliance	Low risk non-compliance	Moderate non-compliance	Significant non-compliance	Not exercised during the period	Total
2019/20	734	358	103	1	55	1251
2020/21	737	388	89	0	38	1252

\*Number of individual assessments made during the year – some consents have more than one assessment per year.

All compliance assessments are reported publicly on the NRC website. This information is updated every month. In addition, summary reports are presented to Council at monthly council meetings.

In addition to having a high rate of compliance with water take consents, NRC has also been using water data to enable effective and efficient water use in the following ways:

1. Improving water use efficiency on dairy farms (while at the same time reducing effluent volumes. NRC invested heavily in this work. We undertook on-farm pilot projects with a number of farmers to investigate options for water use efficiency. Following on from the pilot projects, council then held on-farm field days to educate farmers and produced a range of promotional brochures.
2. NRC has also been working actively with dairy farmers to drive efficiency of water use at the dairy shed through the consenting process. We are currently working with 30 farmers to reduce use (these are all metered and are providing water use data) – with the incentive being that if they sufficiently reduce their water use, they will avoid the need for consents. There is also the benefit of costs savings in reducing water use.

It is noted that the NRC’s Group Manager Regulatory Services is a member of the working group that was set up mid last year in response to the Government’s Three Waters Reform programme and the proposed creation of four new water services entities. Northland falls

within the area covered by “Entity A” which also includes the Auckland Region. Representatives of all five councils within the Entity A area and Watercare Services Limited meet at least weekly with the principal purpose of the preparing for change that may result from the reform. The Entity A or “Northern Waters” transition group has been working collaboratively in the past 9 months. The group has been progressing various workstreams, including “Stormwater/Freshwater/ Coastal Planning”, “Technology”, “Asset Management/Infrastructure Planning” and “Maintenance and Operations”, which recognise the need for high quality water data, free flow of information, common information platforms and regulatory compliance. This is of particular significance given that public water supplies are among the biggest water uses in both Northland and Auckland.

Other areas for improvement that were identified for all councils, were:

- *As the quality of data from water meters improves, all councils have a role in ensuring they set realistic and needs-based water allocations using all relevant and current information.*
- *Councils need to share and promote more information with the public about how much freshwater is used.*

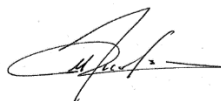
In respect of these two recommendations, council can report the following improvements:

1. The new NRC Regional Plan requires that all consent applications for a water take include an assessment of water requirements for reasonable and efficient use.
2. All large irrigation consents now have a requirement for the consent holder to submit an Irrigation Scheduling Plan (which must be reviewed at least once every 5 years).
3. Public water suppliers are required to demonstrate efficiency of use (e.g. monitor leakage).
4. The new Regional Plan includes surface water minimum flow allocation for root stock survival processes that is a secondary allocation. This allocation was developed in discussions with industry.
5. NRC has an Allocation Calculator tool which shows the level of allocation for both surface and ground water resources. Currently the information from the tool is available to anyone on request. The tool will be made available on our website soon.

NRC is confident that we are using a range of tools (including education, consultation and compliance monitoring) in order to manage the region’s water resources. We believe that our actions are appropriate to the size and scale of water use in our region.

Please don’t hesitate to contact me should you need clarification on any matters.

Warm Regards



Malcolm Nicolson  
Chief Executive  
Northland Regional Council