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AGENDA AND SUPPORTING PAPERS FOR SPECIAL MEETING

23 JUNE 2015

DATE: 23 June 2015

TIME: 10.30 a.m.

VENUE: Council Chambers
West Coast Regional Council Offices
388 Main South Road
Paroa

AGENDA: Adoption of Audited Long Term Plan for the
period 1 July 2015 to 30 June 2025

THE WEST COAST REGIONAL COUNCIL

Notice is hereby given that a **SPECIAL MEETING** of the West Coast Regional Council will be held in the Offices of the West Coast Regional Council, 388 Main South Road, Greymouth on **Tuesday, 23 June 2015** commencing at 10.30 a.m.

A.ROBB
CHAIRPERSON

C. INGLE
CHIEF EXECUTIVE OFFICER

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APOLOGIES

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| 2.0 | 3 – 9 | RESPONSE TO SUBMISSIONS ON LONG TERM PLAN |
| 3.0 | 10 | Adoption of Audited Long Term Plan for the period 1 July 2015 to 30 June 2025
(Final version of Long Term Plan and Audit Report to be circulated prior to meeting) |

THE WEST COAST REGIONAL COUNCIL

**MINUTES OF A SPECIAL MEETING OF THE WEST COAST REGIONAL COUNCIL HELD ON
8 JUNE 2015, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL,
388 MAIN SOUTH ROAD, GREYMOOUTH, COMMENCING AT 10.30 A.M.**

PRESENT:

A. Robb (Chairman), T. Archer, A. Birchfield, P. Ewen, S. Challenger, N. Clementson, P. McDonnell

IN ATTENDANCE:

C. Ingle (Chief Executive Officer), R. Mallinson (Corporate Services Manager), T. Jellyman (Minutes Clerk)

1. APOLOGIES:

There were no apologies.

2. ANNUAL PLAN SUBMISSIONS

The Chairman welcomed everyone to the meeting. He stated that this meeting is a hearing to listen to submitters with each submitter allowed ten minutes to speak to their submission. The Chairman advised that Councillors have read the submissions. Council takes note of what submitters have to say and may also ask questions of clarification but there is no debate allowed. The Chairman explained that this meeting was to hear submissions on the Council's Long Term Plan 2015 / 25. The Chairman explained that at the conclusion of today's meeting a workshop will be held to discuss submissions. Decisions will be made at the Special Council meeting on 23 June.

Submissions on the Long Term Plan 2015 / 25

63 submissions were received, nine submitters spoke to their submissions.

Terry Sheridan

T. Sheridan spoke to this submission. Mr Sheridan stated that he objects to the addition of the E class to the Hokitika rating district. Cr Robb thanked T. Sheridan for his submission.

Community & Public Health West Coast

Claire Robertson spoke to this submission. She was accompanied by Rosie McGrath. Cr Robb thanked C. Robertson for her submission.

West Coast Commercial Gold Miners Association Inc

J. Wood spoke to this submission. Cr Robb thanked J. Wood for his submission.

Helen Lash

H. Lash spoke to this submission. Cr Robb thanked H. Lash for her submission.

Grant Hinchliff

G. Hinchliff spoke to this submission. Cr Robb thanked G. Hinchliff for his submission.

GH & LN Monk

G. Monk spoke to this submission. Cr Robb thanked G. Monk for his submission.

Martin and Marion Nolan

Martin Nolan spoke to this submission. He also spoke on behalf of Mr Matt Moynihan who was unable to attend today's hearing. Cr Robb thanked M. Nolan for his submission.

Gordon Linklater

G. Linklater spoke to this submission. Cr Robb thanked G. Linklater for his submission.

James Mason Russell

J. Russell spoke to both of his submissions. One submission was on behalf of Mawhera Incorporation and the other was on behalf of Kaumatua from Arahura area. Cr Robb thanked J. Russell for his submissions.

Moved (Ewen / Archer) *That the 63 submissions on the 2015 / 25 Long Term Plan are received.*
Carried

Cr Robb thanked those present for their attendance.

The meeting closed at 12.03 p.m.

.....
Chairman

.....
Date

THE WEST COAST REGIONAL COUNCIL

Prepared for: Special Council Meeting 23 June 2015
Prepared by: Chris Ingle – Chief Executive
Date: 12 June 2015
Subject: **Response to Submissions on Long Term Plan**

Background

It is now time for Council to make its decisions on the 63 submissions on the 2015-2025 Long Term Plan. The submissions were circulated to Councillors prior to the hearing.

Nine submitters presented their submissions in person at the hearing held at the Special Council meeting on Monday 8 June. After hearing these 9 submitters Council formally received the remaining written submissions. Council then held a brief workshop to discuss the submitter's points and seek staff input.

This report makes recommendations (in italics) for the Council to consider before making their decisions. The submissions are dealt with in turn below.

Submitter 1 and 2 West Coast TB Free Committee and OSPRI

These submitters both offer support for the Council's proposal for TB funding for one final year. They request that the funding remain in in the Plan.

No amendment to the LTP required.

Submitter 3 Community and Public Health

This submission was presented by Ms Robertson and Ms McGrath. While it is generally supportive, this submitter makes several recommendations which are not considered by staff to be high priorities. For example it is suggested that Council commences monitoring of land and soil, that air quality outside Reefton is monitored, and a new project to protect public drinking water supplies be considered.

It is not considered that land and soil monitoring is necessary in the region, outside of HAIL sites which are already maintained on a register.

No amendments to the LTP are recommended.

Submitter 4 Federated Farmers

The submitter prepared a submission statement which was circulated by email to Councillors on Wednesday 10 June. Their submission is in support of targeted rates and user charges. They are cautious about the new Economic Development role and would like us to ensure there is no duplication between the new role and the work DWC does. They would prefer the funding for this role to be from a targeted rate on commercial properties in the region who they feel would be the main beneficiaries of the work.

It is not considered that the main beneficiaries of this new position would be the commercial ratepayers, instead the benefit would accrue across the entire region, evenly.

No amendments to the LTP are recommended.

Submitter 5 West Coast Commercial Gold Miners Association Inc.

Although generally supportive, this submitter feels that a general rate increase could be considered instead of the new user charges. The submitter does not support the new consent administration fee nor the new gravel monitoring fees. He also does not agree with lifting the deposit fees for resource consents. At the hearing the submitter expressed a view that

consent holders should be subsidised by general ratepayers because there was a public benefit to resource use, and increased resource use should be encouraged, financially.

No amendments to the LTP are recommended.

Submitter 6 West Coast Whitebaiters Association

This submitter did not appear at the hearing. He opposes the lifting of the annual compliance charge for consented whitebait stands. He has made estimated calculations of costs. The actual costs were presented to Council at the special council meeting on 23 April (see appendix 1). This information will be supplied to the submitter in a written response to him.

No amendments to the LTP are recommended.

Submitter 7 Bruce Smith

The submitter did not appear at the hearing. The submission supports the LTP.

No amendments to the LTP are recommended.

Submitter 8 Helen Lash

The submitter spoke for the Franz Josef Community Council. They wish to be consulted regarding how the Waiho River is managed. They oppose the south side of the Waiho being removed from the rating district.

Subsequent to the Council hearing a meeting was held at Westland District Council to discuss a working group approach to resolving natural hazard issues in and around Franz Josef. The two Council leaders have agreed to lead this working group which will operate in a similar manner as the Westport working group on Buller River flood risk. Council supports a community-based approach to natural hazards.

It is recommended the Waiho south bank ratepayers be removed from the Franz Josef rating district as proposed in the Long Term Plan.

Submitter 9 Paul Elwell Sutton

The submitter did not appear at the hearing. He wants ecological surveys done of all schedule 2 wetlands in the Council's Land and Water Plan. He also wants us to complete SNA surveys throughout the West Coast. SNAs are a District Council role under the RMA.

No amendment to the LTP is recommended.

Submitter 10 Grace Gladden

The submitter did not appear at the hearing. The submission is an interesting narrative on a range of risk matters and other current issues. There is no request to amend the LTP.

No amendment to the LTP is recommended.

Submitter 11 Grant Hinchcliff

This submitter spoke about hazard management. He feels the first option with coastal erosion would be for relocating communities to higher ground. Moving away from a hazard is a better option than building hard protection.

Retreating from a hazard area is always considered as one of the options available. The installing of hard protection occurs on a case by case basis and each decision is looked at individually.

No amendment to the LTP is recommended.

Submitter 12 Richard Arlidge

Submitter did not appear. He wants a unitary council. This is beyond the scope of the LTP.

No amendments to the LTP are recommended.

Submitters 13 – 18 and 27-45: Various submitters in the proposed new E class surrounding Hokitika

Several submitters spoke at the hearing on this topic. Various points were raised by these and other submitters who mostly oppose the new E class. These include:

- We already contribute to rating schemes such as Vine Creek, Kowhiterangi, Kaniere;
- We are already paying, or are about to pay, for private rock protection work on our private river frontage, and others do not contribute;
- We are concerned that the \$25 amount proposed to be rated will rise in the future;
- Hokitika people don't contribute to existing river protection schemes so why should we help pay for the seawall?
- Rating should be per property not per household as farms often have multiple houses and if rated \$25 per house would pay more than most D class landowners in town.
- The \$25 rate is too high compared to properties in D class, who may suffer loss of value if the sea encroached - more so than rural properties.
- Those near the sea on the outskirts of town question if the sea encroaches on their land will the Hokitika ratepayers pay to protect their properties.

Following the points raised at the hearing, it is now recommended that the E class proposal be abandoned and the council places the additional cost of the new maintenance rate onto existing A-D class ratepayers within the town itself. Councillors were advised of the financial impact of this on each class of ratepayers. This ranges from \$25.47 per \$100,000 capital value for those in the A class, to \$2.55 per \$100,000 capital value for D class ratepayers.

The Hokitika Seawall E class proposal be deleted from the LTP.

Other Submitters not requesting to be heard**Submitter 19 Frida Inta**

The submitter shares her multiple concerns.

No change to the LTP is recommended.

Submitter 20 Logan Skinner

The submitter supports the removal of the south side of the Waiho River from the Franz Josef Rating District.

It is recommended the Waiho south bank ratepayers be removed from the Franz Josef rating district as proposed in the Long Term Plan.

Submitter 21 Active West Coast

The submitter supports the LTP, with some qualifications. They would like the Warm West Coast scheme to be re-established. It is noted that the Warm West Coast scheme ceased when the government removed the subsidy, and this was signalled in the previous LTP.

No amendment to the LTP is needed.

Submitter 23 Rob Ritchie

This submission relates to the Trans Pacific Partnership Agreement. The Council's LTP has nothing to do with national trade agreements and the wording of the LTP has no influence on the outcomes of those negotiations, in any way.

No amendment to the LTP is recommended.

Submitter 24 Andy England

The submitter supports the Long Term Plan. His climate change comments are noted, and Council is taking into account climate change and sea level rise, as an integral part of all its operational roles.

No change to the LTP is required.

Submitter 25 Paul Maunder

The submitter supports the Plan.

No change to the LTP is required.

Submitters 22, 26 and 46-63 Submissions in support (economic direction)

These submitters support the LTP and in particular the new Economic Development position that we are proposing to part-fund. Over a third of all submissions overall are in support of this proposal and no submitters appear to be explicitly opposed to it.

No change to the LTP is recommended.

Appendix 1: Reports from the 23 April Special Meeting that adopted the Long Term Plan 2015

The West Coast Regional Council

Prepared for: Council Meeting 23 April 2015
 Prepared by: Jackie Adams – Compliance and Consents manager
 Date: 20 April 2015
 Subject: Whitebait Compliance Annual Fee

Background

The West Coast Regional Council is presently responsible for ensuring compliance for 675 whitebait stands on the West Coast.

1. Compliance inspection fee (annual charge)

The present charge for Whitebait compliance is \$100 per year for each stand.

This charge is to cover the costs of compliance inspections carried out on the stands once constructed, measuring and marking the stand locations at the start of each season, travel to the various locations and ensuring the stands are removed at the end of the season.

Under the Long Term Plan the stands on the Wanganui, Taramakau, Hokitika, Little Wanganui, Paringa and Waiaototo are to be inspected annually. This is a total 287 stands that must be inspected each year. All other stands have to be inspected at least once every three years, although they all still need to be visited at the start of the season for marking out stand locations, and at the end of the season to ensure stands have been removed.

If staff are called to a river to carry out an inspection due to a complaint, then while they are on that river they will carry out an inspection of all stands on that river, to make the best use of their time.

The breakdown of visits is as below:

- First visit is to measure up and mark the location of each stand.
- Second visit to carry out a compliance inspection on the constructed stands.
- Third visit to ensure all stands have been removed at the end of the season.

The third visit is carried out by Helicopter as we can visit all the rivers over two days in this fashion, to use standard inspection methods would take 3 weeks and cost a lot more.

2. Break down of costs, averaged over past three years

The cost of delivering the compliance inspections was calculated from the total actual costs of the past three seasons, then averaged to give an average annual amount:

Manager time 50 hours at \$200 per hour	\$10,000
Whitebait officer 450 hours at \$110 per hour	\$49,500
Whitebait support officer 75 hours at \$110 per hour	\$8,250
Council vehicle use, mileage, insurance and fuel	\$3,000
Jet boat hire 20 hours at \$250 per hour	\$5,000
Helicopter Hire 6 hours at \$1,100 per hour (final inspection)	\$6,600
Whitebait complaints 50 hours at \$120 per hour	\$6,000
Total	\$88,350

Current (2014/15) charges of \$100 per stand yields only \$65,700 annually, meaning Council would be in deficit of \$22,650 if this charge was unchanged.

Charging \$150 for 657 stands yields \$98,550. This would result in a small surplus of \$10,200 which will assist in meeting additional costs such as enforcement costs (often unrecoverable) and any additional management time (which has not been included in the table above). It will also allow for inflation of the above costs over the next three years, given Annual Plans are not necessarily needed anymore, so more frequent amendments to fees and charges are not necessarily as easy as when annual plans were compulsory.

Recommendation

That Council adopts the new proposed whitebait annual compliance monitoring charge of \$150 per consent holder, as set out in the Long Term Plan page 121, (C) fourth bullet point.

THE WEST COAST REGIONAL COUNCIL

Prepared for: Special Council Meeting – 23 April 2015
 Prepared by: Jackie Adams and Chris Ingle
 Date: 20 April 2015
 Subject: **Whitebait Consents Administration Fixed Fees**

Background

The West Coast Regional Council presently carries out resource consent renewals and consents administration for 657 whitebait stands on the West Coast.

1. Whitebait Consent renewal fee (once every ten years)

There is currently a fixed fee of \$200 per consent as the consent processing charge for renewing a whitebait stand consent. The term of consent is normally ten years (it used to be five years). This fixed fee was set in the 2006 LTCCP. All whitebait stands come up for renewal in 2016/17 so a fee review is needed either this year, or in the annual plan next year (if an Annual Plan is needed).

In 2006 the charge out rate for the administration officer was \$40 per hour, and \$65 per hour for a consents processing officer. These are now charged at \$90 and \$110 respectively, however the consent renewal fee has not increased correspondingly. This \$200 fixed fee will not cover the processing of each consent in 2016/17.

Recommendation 1:

That Council deletes the fixed fee for consent renewal from the LTP on page 121 (C) bullet 1; and instead relies on actual and reasonable costs being charged for the consent renewals, under part A of the fixed fee schedule on page 120.

2. Proposed Consents Administration charge (proposed to apply to all consents)

The proposed Consent Administration charge is an annual fixed fee of \$55 that applies to each consent file, each year. In terms of the whitebait stand consent holders, it will cover the cost of ½ hour per year of staff time maintaining the database, printing of aerial photographs for the stands and posting these out, as the majority of the consent holders require a hard copy and will not accept an electronic version.

Our actual time costs for the past three seasons on the whitebait consenting administration tasks averages 300 hours per year. Using an average rate of \$100 per hour (a mix of consents officer time at \$110 per hour and administration officer time at \$90 per hour) gives a dollar cost of \$30,000.

With 657 whitebait stands at \$55 each, the annual revenue raised would be \$36,135, which covers the \$30,000 staff time plus allows a small budget for postage and printing and other incidentals.

Recommendation 2:

That Council endorse the new annual consent file administration fee of \$55, to apply across all consent types, including whitebait stand consent holders.

Background information to support the two reports on Council Fees & Charges

At the March 2015 Budget Workshop Council considered the following new charges:

1. Annual Administration fee for Consent holders

Once a resource consent has been issued by Council there is an ongoing cost incurred by the Council for the compiling and monitoring of accounts, dealing with general enquiries, maintaining consents and compliance databases and general administration. We have a full time admin officer (Karen) who has been doing this work for many years. Official information requests, media requests and local government requests are increasing and we are obliged to provide the vast majority of this information for free. These requests can be time consuming.

We are also required to provide more information to central government and keep more data bases with that information. At present these cost that are not chargeable and is funded from the general rate.

We looked at how other Regional Councils around New Zealand deal with this cost.

The general rule is that they have an annual administration charge for all consents files, this varies from Council to Council the lowest being Greater Wellington with a charge of \$46 and the highest being Bay of Plenty with a charge of \$93 per year. Auckland set their rate in 1995 and it is still at \$55 but they have indicated they will be changing this year to \$95, as they have found that the present charge does not cover their costs.

An annual charge of \$55 per consent file would cover these costs without being onerous on the consent holders. In effect it allows for a half hour of staff time, per consent per year, for administration time. This is considered to be reasonable and is based on the actual time spent on administration tasks as outlined above.

At present we hold just over 2000 consent files. At \$55 per file this would generate revenue of \$110,000 which would cover the work required in the upkeep of this information.

2. Compliance Monitoring charge for Permitted Activity Dairy farms and Whitebait Stand annual inspections

It is recommended that we make an adjustment to 2 existing charges.

The "Monitoring of whitebait stands" charge is proposed to rise from \$100 per year to \$150 per year which applies to all consent holders irrespective of whether their stand needs to be visited or not. This charge has not been adjusted for many years.

The permitted activity dairy farm inspection fee is recommended to rise from \$250 per visit to \$300. This keeps it relative to the cost of the consented dairy farm inspections which generally cost over \$500 per visit depending on the time spent at each farm and on follow up tasks.

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting – 23 June 2015
Prepared by: Robert Mallinson – Corporate Services Manager
Date: 12 June 2015
Subject: Adoption of Audited Long Term Plan (LTP) 1 July 2015 to 30 June 2025

Background

At its special meeting on 23 April 2015 Council adopted the audited consultation document for the 2015/25 LTP. Submissions closed on 25 May 2015 and Council conducted public hearings at a special meeting on 8 June 2015.

Councillors discussed submissions in a workshop following the completion of the special meeting.

Making Decisions on Submissions

Councillors have in this agenda received the recommending report from the Chief Executive and have now made decisions regarding all submissions.

The Amended Long Term Plan

Following various leads from the workshop on 8 June, staff have put in place various amendments to the Long Term Plan.

These include:

- Minor technical matters raised by Audit NZ in their letter of 5 May relating to Accounting Policies and removal of Group of Activity Cost of Service Statements.
- Removal of the proposal regarding expansion to include a new Class E regarding the Hokitika Seawall Separate Rating Area.
- Updating language about the proposed Franz Josef Separate Rating area to delete reference to "proposals".

Audit NZ are required under section 94 of the Local Government Act 2002 to issue a report on the final LTP. At the time of the drafting of this report, Audit NZ were looking at the final version but were unlikely to have issued their final report by the time of distribution of this agenda.

A copy of the final Long Term Plan 2015-2025 is attached to this report, and is subject to any last minute changes requested by Audit NZ. A copy of the Audit NZ report will be distributed to Councillors as soon as it is available.

RECOMMENDATION

That pursuant to section 96 of the Local Government Act 2002, Council now formally adopts the audited Long Term Plan for 2015-2025.

Robert Mallinson
Corporate Services Manager

