

**AGENDA AND SUPPORTING PAPERS
FOR COUNCIL'S APRIL MEETINGS**

**TO BE HELD IN THE OFFICES OF THE WEST COAST REGIONAL COUNCIL
388 MAIN SOUTH ROAD, GREYMOUTH**

TUESDAY, 12 APRIL 2016

The programme for the day is:

10.30 a.m: **Resource Management Committee Meeting**

On completion of RMC Meeting: **Council Meeting**

Councillor Workshop: **On completion of Council Meeting**

RESOURCE MANAGEMENT COMMITTEE

THE WEST COAST REGIONAL COUNCIL

Notice is hereby given that a meeting of the **RESOURCE MANAGEMENT COMMITTEE** will be held in the Offices of the West Coast Regional Council, 388 Main South Road, Paroa, Greymouth on **Tuesday, 12 April 2016**

P. EWEN
CHAIRPERSON

M. MEEHAN
Planning and Environmental Manager

<u>AGENDA NUMBERS</u>	<u>PAGE NUMBERS</u>	<u>BUSINESS</u>
1.		APOLOGIES
2.	1 - 3	MINUTES 2.1 Confirmation of Minutes of Resource Management Committee Meeting – 8 March 2016
3.		PRESENTATION
4.		CHAIRMAN'S REPORT
5.		REPORTS
		5.1 Planning and Environmental Group
	4 – 6	5.1.1 Planning and Environmental Managers Report
	7	5.1.2 Bathing Beach Water Quality Sampling Update
		5.2 Consents and Compliance Group
	8 - 10	5.2.1 Consents Monthly Report
	11 – 14	5.2.2 Compliance & Enforcement Monthly Report
		6.0 GENERAL BUSINESS

THE WEST COAST REGIONAL COUNCIL**MINUTES OF THE MEETING OF THE RESOURCE MANAGEMENT COMMITTEE
HELD ON 9 FEBRUARY 2016, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL,
388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 10.30 A.M.****PRESENT:**

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

IN ATTENDANCE:

C. Ingle (Chief Executive Officer), M. Meehan (Planning & Environmental Manager), N. Costley (Communications Manager), T. Jellyman (Minutes Clerk), The Media

1. APOLOGIES

There were no apologies.

2. PUBLIC FORUM

There was no public forum.

3. MINUTES

Moved (Robb / McDonnell) *that the minutes of the previous Resource Management Committee meeting dated 9 February 2016, be confirmed as correct.*

Carried

Matters Arising

There were no matters arising.

4. CHAIRMAN'S REPORT

Cr Ewen reported that it has been very quiet. He said he did not receive any phone calls.

5. REPORTS**5.1 PLANNING AND ENVIRONMENTAL GROUP****5.1.1 PLANNING AND ENVIRONMENT MANAGER'S REPORT**

M. Meehan spoke to this report and advised that staff are working on the final stages of a draft plan for notification on the Proposed Land and Water Plan Change. This will be brought to the May RMC meeting. M. Meehan reported that MfE is seeking feedback on A New Marine Protected Areas Act (MPA). He advised that the new MPA Act is generally positive. M. Meehan advised that staff have lodged a short submission in support in principle and have included concerns on how the new Act would affect the West Coast marine area.

Moved (Robb / Archer)

1. *That this report be received.*
2. *That Council approves the attached submission on the Marine Protected Areas (MPA) Act.*

Carried

5.1.2 SUBMISSION ON RESOURCE LEGISLATION AMENDMENT BILL 2015

M. Meehan spoke to this report and explained that this Bill is the second phase of the Government's resource management reform programme. He outlined the various minor changes to the RMA, Conservation, Reserves, Public Works and EEZ and Continental Shelf Acts. M. Meehan advised that the Bill aims to create a more efficient and equitable resource management system. He highlighted the main changes in the Bill and explained them to the meeting. M. Meehan advised this submission is a joint submission prepared by all four West Coast Councils. He stated that the submission has now been through the Westland and Grey District councils meetings and will go to the Buller meeting next week. M. Meehan took Councillors through a few minor changes to the submission.

Moved (Archer / Robb)

That the West Coast Regional Council approves the attached joint submission prepared by the four West Coast Councils on the Resource Legislation Amendment Bill 2015, with the changes as discussed.

Carried

5.1.3 HYDROLOGY & FLOOD WARNING UPDATE

M. Meehan spoke to this report and stated that there were two moderate floods in the Hokitika River during the reporting period. M. Meehan reported that the Waiho River went through one of its alarms. This was associated with one of the heavy rainfall events affecting Hokitika as well.

Moved (Clementson / Challenger) *That this report be received.*

Carried

5.1.4 BATHING BEACH WATER QUALITY SAMPLING UPDATE

M. Meehan spoke to this report. He advised that in the months of January and February there was only one sample that went into the > than 550 E coli category, this was at Rapahoe at Seven Mile Creek. He stated this followed a moderate result in the previous sample which coincided with a minor rain event.

Moved (McDonnell / Birchfield) *That this report be received.*

Carried

5.2.1 CONSENTS MONTHLY REPORT

C. Ingle spoke to this report. He stated that the report reflects the relatively low amount of consenting demand in the region at the moment. C. Ingle reported that four site visits were made and only seven non notified resource consents were granted during the reporting period. He reported that one notified or limited notified resource consent was granted for the Grey Base Hospital for discharge to air. C. Ingle reported that the hearing of submissions for Westland District Council's application for the Hokitika sewage oxidation ponds consent application was postponed and is now being heard today by an independent Commissioner, at the request of the applicant.

Moved (Archer / Birchfield) *that the March 2016 report of the Consents Group be received.*

Carried

5.2.2 COMPLIANCE & ENFORCEMENT MONTHLY REPORT

M. Meehan spoke to this report and advised that 70 site visits were made during the reporting period, mostly to mining and dairy farms. He stated that good compliance is being achieved. M. Meehan stated that the complaint regarding river diversion in the Waimea Creek is being followed up on. M. Meehan reported that two formal warnings were issued and two abatement notices were issued which relate to the complaint at Waimea.

M. Meehan reported that Roa Mining Company Ltd (RMCL) entered into an Alternative Environmental Justice process following Council laying charges in the Environment Court. M. Meehan stated that the charges related to the deposition of sediment on the bed of a waterway. He stated that an Environment Court facilitator took the matter through the restorative justice process with the outcome of the process

resulting in the production of a number of reports containing options on what to do. M. Meehan stated that enhancement work, including riparian planting gave a better result for the catchment and at the end of this process Council then withdrew the charges. M. Meehan advised that this is the second time Council has used the Environmental Justice process successfully.

M. Meehan advised that he received confirmation yesterday that a further case that was going through the restorative justice process has been completed. He stated this involved an illegal discharge; the offending company has now made a donation to the local community and has met Councils costs. Council has now withdrawn the charges. M. Meehan stated that the restorative justice process is working well.

M. Meehan advised that a recent mediation process will involve Council developing a protocol for the cleaning out of drains in the Kongahu rating district.

M. Meehan advised that following a complaint relating to a truck washing site in Westport, inspections and evaluations of other truck washing sites around the region has occurred.

Cr Ewen spoke of historic matters relating to Roa Mining Company Ltd. Cr Robb stated that Roa Mining had not been prosecuted during the last nine years that he has been on Council.

Moved (Archer / McDonnell) *That the March 2016 report of the Compliance Group be received.*

Carried

6.0 GENERAL BUSINESS

Cr McDonnell stated that the section on stock exclusion from water bodies in the Discussion Document, Next Steps for Freshwater, is going to make things very difficult for dairy farmers. Cr McDonnell stated that the 1 metre wide and 30 cm deep rule for by a waterway is going to impose extra costs on West Coast farmers. Cr McDonnell feels that as a Council we should respond as it is not a good fit for West Coast conditions. M. Meehan advised that these are the potential changes to the Freshwater NPS and part of the proposed changes. He stated that information from the Land and Water Forum and the Dairy Accord has been built on these changes and there is a proposal to have stock exclusion rule in the NPS. Cr McDonnell stated that this comes into force in July 2017. M. Meehan stated staff are currently preparing information for Council on the new NPS. He stated that Local Government are preparing a submission on behalf of the sector. M. Meehan advised that WCRC may be neutral on this but would point out the practicalities of actually making it happen. He advised that Westland Milk Products have pointed out of the West Coast issues to the people who are making these decisions. Cr Robb stated that he had a discussion with Hon Nick Smith at the Lake Brunner event, and the Minister is quite aware of West Coast issues. Cr Robb stated that the Minister is happy with the work council is doing with freshwater management and it is important that we are clear and stay on top of this as the process goes through. Cr McDonnell stated that there have been meetings about this in every area of the country except for the West Coast and he is concerned about this. Cr Archer stated that it is important for anyone who has concerns about this to put in a submission before the 22nd of April.

The meeting closed at 11.11 a.m.

.....
Chairman

.....
Date

Prepared for: Resource Management Committee Meeting – 12 April 2016
 Prepared by: Michael Meehan - Planning and Environment Manager
 Date: 4 April 2016
 Subject: **PLANNING AND ENVIRONMENT MANAGERS REPORT**

Submissions on Proposed Coastal Plan

Council notified the Proposed Regional Coastal Plan 2016 on 25 January 2016. The submission period closed on 21 March 2016, with 26 submissions received. One late submission was received from the Westland District Council on 1 April. Staff will now prepare the Summary of Submissions, which will then be notified for further submissions.

Velvetleaf 2016

Earlier in the year fodder beet seed contaminated with the pest plant Velvetleaf from Italy was found in New Zealand. Fodder beet is a winter crop which is growing in popularity with dairy farmers, dairy grazers and deer farmers.

Velvetleaf is one of the world's worst cropping weeds, it is an unwanted organism in New Zealand and until recently was only known in the Waikato. Velvetleaf is an annual broad-leaved herb growing 1-2.5m tall. It has buttery yellow flowers approximately 3cm across and large heart shaped leaves making it readily identifiable in crops once in flower. Velvetleaf degrades crops by competing for space, nutrients and water and if allowed to set seed can persist for up to 50 years in the soil. The fodder beet seed was distributed through seed merchants New Zealand wide. To date (31 March 2016) there have been 86 confirmed instances of Velvetleaf, the majority being in Canterbury (54).

One confirmed infected site has been found in the West Coast region on a property at Ngahere. Four juvenile plants were located with no flower or seed present. The Ministry for Primary Industries is leading the response to this incursion, with resourcing provided under the National Biosecurity Capability Network. West Coast Regional Council Biosecurity staff are assisting in the response.

Yellow Bristle Grass

The article on Yellow Bristle Grass in the Council rates newsletter generated a number of phone calls. Two reports from south of Greymouth turned out to be incorrectly identified by the occupiers, with two further reports to be investigated, in Westport and Karamea.

Flood Warning

Two flood alarms occurred during the reporting period, both on the Waiho River. These events were not large events for the Waiho River, but due to the channel location and erosive nature of the Waiho River the second of these events (23/03/2016) produced significant flooding and a state of emergency to be declared in Franz Josef. From 21:00-03:00 there was a period of significant rain (125mm-138mm in 4 hours) which pushed the Waiho River level up to 8147mm. The total rainfall for the 23/24 March flood event was 197.5mm of rainfall which is not an unusual amount of rainfall for the Waiho River.

Site	Time of peak	Peak level	Warning Issued	Alarm threshold
Waiho Rv @ SH6	19/03/2016 22:00	8205mm	19/03/2016 09:45	8000mm
Waiho Rv @ SH6	23/03/2016 00:15	8147mm	23/03/2016 19:45	8000mm

Further information including the long term strategy on the Waiho River is covered in other reports.

Maritime New Zealand Oil Spill response

On 2 April 2016 the fishing vessel Kowhia beached itself at Saltwater Beach near the Cook River in South Westland. It is unclear how the vessel came to beach itself however the vessel was not compromised and remained intact with no fuel spill at the time of the beaching.

Approximately 1,200 litres of marine diesel and 100 litres of other oils were on board at the time. The insurance assessor is working through a plan to extract the fuel off the vessel and make it safe whilst they work out a recovery plan.

Council is working through this process with the owner and insurer to ensure the vessel is removed without impacting on the receiving environment.



Kowhia beached at Saltwater Beach



The fishing vessel Kowhia

RECOMMENDATION

That the report is received

Michael Meehan
Planning and Environment Manager

5.1.2

THE WEST COAST REGIONAL COUNCIL

Prepared for: Resource Management Committee Meeting 12 April 2016
 Prepared by: Emma Chaney, Senior Resource Science Technician
 Date: 29 March 2016
 Subject: **BATHING BEACH WATER QUALITY SUMMARY**

The West Coast Regional Council carries out regular sampling for faecal indicator bacteria (*E.coli* or Enterococci) at popular contact recreation sites over the summer period, from November through to March. Sampling is currently undertaken at 20 locations, twice per month.

The table below presents the results of sampling for the 2015-2016 summer season. A key below the main table of results indicates the categories for results and associated rainfall.

Hokitika Beach, Marris Beach and Shingle Beach late March samples (following heavy rain) were sent to ESR Christchurch for possible faecal source tracking analysis - however neither of the samples had *E.coli* levels high enough for this analysis to be carried out.

SITE	Nov	Nov	Dec	Dec	Jan	Jan	Feb	Feb	Mar	Mar
Carters Beach at campground beach access	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
North Beach at tip head road steps	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Buller River at Shingle Beach	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😞*
Buller River at Marris Beach	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😞*
Rapahoe Beach at end of Statham St	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Seven Mile Creek at SH6 Rapahoe	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Nelson Ck at Swimming Hole Reserve	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Grey River at Taylorville Swimming Hole	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Cobden Beach at Bright Street West end	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Blaketown Beach at South Tiphead	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Lake Brunner at Cashmere Bay Boat Ramp	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Lake Brunner at Iveagh Bay	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Lake Brunner at Moana	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Karoro Beach at Surf Club	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Hokitika Beach at Hokitika	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Kanieri River at Kanieri Kokatahi Rd	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
Lake Mahinapua at Shanghai Bay	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
L. Kanieri @ Sunny Blight jetty	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
L. Kanieri @ Hans Bay boat ramp	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*
L. Kanieri @ Hans Bay jetty	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*	😊*

	Rainfall past 24hrs	Rainfall past week
0-10 mm	*	•
10-30 mm		
30-60 mm	*	•
>60 mm	*	•

😊	Very low risk < 260 E. coli; < 140 Ent
😞	Low to moderate risk 260-550 E. coli; 140-280 Ent
😞*	Moderate to high risk > 550 E. coli; > 280 Ent

RECOMMENDATION

That the report is received

Michael Meehan
 Planning and Environment Manager

THE WEST COAST REGIONAL COUNCIL

Prepared for: Resource Management Committee
 Prepared by: Karen Glover - Consents & Compliance Administration Officer
 Date: 31 March 2016
Subject: CONSENTS MONTHLY REPORT

Consents Site Visits 24 February – 30 March 2016

DATE	NAME, ACTIVITY & LOCATION	PURPOSE
04/03/16 & 11/03/16	RC-2014-0210 & RC-2016-0001 – Gerard Fahey, black sand gold mining, Barrytown	To identify the areas subject to the mining proposal under these applications in relation to the mining permits.
11/03/16	PA-2016-9004 – Kerri-Anne Lowe, Onsite wastewater discharge, Rapahoe	To undertake a site visit to assess the proposal against Rule 79 of the Regional Land and Water Plan.

Non-Notified Resource Consents Granted 24 February – 30 March 2016

CONSENT NO. & HOLDER	PURPOSE OF CONSENT
RC-2014-0203 Koronet Mining Limited	<p>To undertake earthworks associated with alluvial gold mining activities within MP 41232.</p> <p>To undertake disturbance of Ryan Creek and other tributaries of Larry River associated with water diversion within MP 41232.</p> <p>To divert Ryan Creek and other tributaries of Larry River associated with alluvial gold mining within MP 41232.</p> <p>To take and use surface water for the purposes of alluvial gold mining activities within MP 41232.</p> <p>To take and use ground water for the purposes of alluvial gold mining activities within MP 41232.</p> <p>To discharge water containing sediment to land within MP 41232 in circumstances where it may enter water, namely Larry River and its tributaries.</p> <p>To discharge water containing contaminants, namely sediment to water, within MP 41232.</p>
RC-2015-0140 MBD Contracting Limited	<p>To disturb the dry bed of the Moeraki River for the purpose of extracting gravel.</p> <p>To temporarily divert water in a side channel of the Moeraki River.</p> <p>To disturb the bed of the Moeraki River for the purpose of diverting a side channel.</p>
RC-2015-0146 Westland District Council	<p>To disturb the bed of the Haast River to divert water into a side channel.</p> <p>To divert water, Haast River.</p>
RC-2015-0172 West Coast Regional Council	<p>To disturb the bed of the Waiho River to remove selected stone (boulders).</p>

RC-2016-0021 Colligan Farm Limited	To take and use groundwater for the operation of a dairy shed, Waimangaroa.
RC-2016-0023 Buller Cycling Club Incorporated	To disturb the bed of the Buller River/Estuary for the purpose of constructing piles for three bridges and boardwalks.
RC-2016-0025 New Zealand Transport Agency	To disturb the riparian margins of the Poerua River associated with river protection works. To disturb the bed of the Poerua River to undertake protection works (rock armouring, groynes diversion and stream training). To temporarily and permanently divert water in the Poerua River from protection structures and as a result of stream training. To temporarily discharge sediment to water associated with the construction of river protection and diversion works, Poerua River.
RC-2016-0026 O'Malley Dairying Limited	To disturb the bed of Ikamatua Stream to install an intake structure and associated infrastructure and to construct and maintain a diversion channel. To divert water in Ikamatua Stream to undertake construction works and maintain flows over the intake structure. To take surface water from Ikamatua Stream for the purpose of irrigation. To take groundwater for the purpose of irrigation, Ikamatua.
RC-2016-0027 Peter Robert Wilson	To take and use ground water for the purposes of exploratory alluvial gold mining at Milltown.

Changes to and Reviews of Consent Conditions granted 24 February – 30 March 2016

CONSENT NO. & HOLDER	PURPOSE OF CHANGE/REVIEW
RC01285-V1 RJ Banks & RJ Banks	To increase the maximum unrehabilitated area and to link the bond quantum to the water diversion permit associated with gold mining at Reefton.
RC09140-V2 Titan Resources Limited	To increase the disturbed gold mining area, Bell Hill Road (MP51535).
RC10174-V1 Kumara Old Gold Limited	To increase maximum unrehabilitated area and bond associated with gold mining, Kumara.
RC10253-V1 Phoenix Mining Limited	To increase the disturbed mining area and bond, Waimea.

Notified or Limited Notified Resource Consents granted 24 February – 30 March 2016

CONSENT NO. & HOLDER	PURPOSE OF CONSENT
RC-2015-0008 Moir Farms Maimai Limited	To disturb the bed of the Little Grey River and Casolis Creek to undertake river protection works. To undertake dry bed gravel extraction/relocation, Little Grey River and Casolis Creek. To divert water, Little Grey River and Casolis Creek.

RC-2015-0139
West Coast Co-operative Dairy
Company Limited trading as
Westland Milk Products

To undertake earthworks and vegetation clearance,
Hokitika.

Notified Consents Updates

The hearing for the Westland District Council's application for the continued operation of the Hokitika Sewage Oxidation Ponds was held on Tuesday 8 March 2016. A decision is expected by 12 April 2016.

Public Enquiries

50 written public enquiries were responded to during the reporting period. 33 (66%) were answered on the same day, and the remaining 17 (34%) within the next ten days.

RECOMMENDATION

That the April 2016 report of the Consents Group be received.

Chris Ingle
Chief Executive

THE WEST COAST REGIONAL COUNCIL

Prepared for: Resource Management Committee – 12 April 2016
 Prepared by: Colin Helem - Senior Compliance Officer
 Date: 31 March 2016
 Subject: **COMPLIANCE & ENFORCEMENT MONTHLY REPORT**

Site Visits

A total of 76 site visits were undertaken during the reporting period, which consisted of:

Activity	Number of Visits
Resource consent monitoring	14
Mining compliance & bond release	11
Complaint Related	8
Dairy Farm	43

Out of the 76 total site visits for the reporting period, 68 visits were compliant, 8 visits were non-compliant.

- **Mining visits**

Gold Mining: 9 alluvial gold mining inspections were carried out during the month.

Coal Mining: 2 coal mining inspections were carried out during the month.

- **Dairy Farms**

43 dairy farm inspections were carried out, 41 farms were graded compliant, 2 farms were graded non-compliant, which resulted in enforcement action being undertaken.

Complaints/Incidents between 25 February & 31 March 2016

The following 11 complaints/incidents were received during the reporting period:

Activity	Description	Location	Action/Outcome	INC/Comp
Gold Mining	Complaint that a non-operational mine site has been mining at night.	Blue Spur	The site was investigated and the complaint was unsubstantiated	Complaint
Stock access to water	Complaint regarding stock accessing Lake Poerua which is within the Lake Brunner Catchment.	Inchbonnie	The investigation showed evidence of stock access to the riparian margin, which has resulted in enforcement action.	Complaint
Vegetation clearance within riparian margin	Complaint that pine trees recently felled have gone into a river causing erosion	Snowy River	The site was investigated and the complaint was unsubstantiated.	Complaint
Earthworks	Complaint that a person was burying tyres into a drain to form a culvert.	Cobden	The site was investigated and the person was required to remove the tyres from the drain.	Complaint
Discharge to air	Complaint received regarding the discharge of odour from a factory was offensive.	Hokitika	The site was investigated and the operator required to undertake remedial work.	Complaint

Activity	Description	Location	Action/Outcome	INC/Comp
Discharge to land	Complaint regarding the disposal of rubbish on a farm property.	Kokatahi	The site was investigated and the complaint unsubstantiated	Complaint
Discharge to land	Compliance staff carried out an inspection of a concrete plant and truck wash down area.	Westport	On site it was found that the water management system was unsatisfactory. The operator was required to undertake remedial work.	Incident
Works in the bed of a river	Complaint that a suction dredging operation had caused a diversion of a creek.	Stafford	The site was investigated and the complaint unsubstantiated.	Complaint
Discharge to water	Complaint that a creek was discoloured with sediment.	Ruatapu	The site was investigated and found that the discharge was from a logging operation. They were required to undertake remedial work.	Complaint
Discharge to land	Compliance staff carried out another inspection of a concrete plant and truck wash down area.	Westport	On site it was found that the water management system was unsatisfactory. The operator was required to undertake remedial work.	Incident
Stormwater discharge	Complaint regarding the discharge of Stormwater causing flooding to another property.	Runanga	Enquiries are ongoing	Complaint

Formal Enforcement Action

One formal warning was issued during the reporting period:

Activity	Location
Dairy effluent: Unauthorised discharge of dairy effluent to a stream.	Karamea

One infringement notice was issued during the reporting period

Activity	Location
Stock access to water: Dairy cows accessed Lake Poerua	Inchbonnie

One Abatement Notice was issued during the reporting period:

Activity	Location
Forestry: notice issued to a logging company to cease the discharge of sediment laden water.	Ruatapu

Alternative Justice

Eldon Mining Ltd entered into an alternative justice process following a charge being laid in the District Court relating to the discharge of sediment into Kapitea Creek. The company made a contribution to a community group, which will use the money towards the enhancement and development of an area in Kumara. This process is now complete, with the charge formally withdrawn in the District Court.

This is the third case that has successfully gone through this process.

Mining Work Programmes and Bonds

The Council received the following **13** work programmes during the last reporting period. Three work programmes have been approved. The remaining work programmes have been recently received and require site visits for final approval.

Date	Mining Authorisation	Holder	Location
29/02/2016	RC13158	Hokitika Gold Ltd	Hokitika
29/02/2016	RC12160	Westroads	Greymouth
07/03/2016	RC11212	Phoenix Mining Ltd	Marsden
10/03/2016	RC11054	Mill Creek Mining	Cape Terrace
14/03/2016	RC13123	Greid Mining Ltd	Taylorville
14/03/2016	RC2014-0207	Greid Mining Ltd	Taylorville
14/03/2016	RC12032	GJ Cooper	Duffers Creek
14/03/2016	RC01287	GJ Cooper	Duffers Creek
18/03/2016	RC96051	Dunollie Coal Mines Ltd	Giles Creek
22/03/2016	RC2014-0013	Roa Mining Company Ltd	Roa
22/03/2016	RC07102	Roa Mining Company Ltd	Roa
22/03/2016	RC10194	Roa Mining Company Ltd	Roa
22/03/2016	RC10186	Roa Mining Company Ltd	Roa

The following four bonds were received during the reporting period:

Mining Authorisation	Holder	Location	Amount
RC2014-0040	Hassan	Boatman's	\$15,000
RC11054	Mill Creek Mining Ltd	Cape Terrace	\$6,000
RC2015-0167	Greid Mining	Taylorville	\$20,000

The following bonds are recommended for release:

Mining Authorisation	Holder	Location	Amount
RC06185	Darren Hampton	Rutherglen	\$5,000
RC04137	Whyte Gold Limited	Quinn's Terrace	\$10,000
RC07104	Paramount Mining	Rimu	\$8,000
RC09039	Paramount Mining	Rimu	\$6,000
RC12186	Paramount Mining	Marsden	\$6,000

RECOMMENDATIONS

1. *That the April 2016 report of the Compliance Group be received.*
2. *That the bonds for RC06185 Hampton, RC04137 Whyte Gold, RC07104, RC09039 and RC12186 for Paramount Mining are released.*

Michael Meehan
Planning and Environmental Manager

COUNCIL MEETING

THE WEST COAST REGIONAL COUNCIL

Notice is hereby given that an **ORDINARY 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, 12 April 2016** commencing on completion of the Resource Management Committee Meeting

A.J. ROBB
CHAIRPERSON

C. INGLE
CHIEF EXECUTIVE OFFICER

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THE WEST COAST REGIONAL COUNCIL**MINUTES OF THE MEETING OF THE COUNCIL HELD ON 8 MARCH 2016,
AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD,
GREYMOOUTH, COMMENCING AT 11.45 A.M.****PRESENT:**

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

IN ATTENDANCE:

C. Ingle (Chief Executive Officer), M. Meehan (Planning & Environmental Manager), N. Costley (Communications Manager), T. Jellyman (Minutes Clerk), The Media.

1. APOLOGIES:

There were no apologies.

2. PUBLIC FORUM

There was no public forum.

3.1 CONFIRMATION OF MINUTES

Moved (McDonnell / Challenger) *that the minutes of the Council Meeting dated 9 February 2016, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

PRESENTATION

K. Stratful, Regional Economic Development Manager addressed the meeting. K. Stratful stated that businesses want to get better and stronger and they are anxious to find out what the regional growth study is going to produce. K. Stratful advised that there are three main drivers of the economy on the West Coast; mineral extraction, dairying and tourism. K. Stratful said tourism is growing and is going to continue to grow fast. Currently mainly Chinese tourists are visiting the West Coast. He stated that more kiwis need to tour this part of the country.

K. Stratful spoke of work being done in the mining and dairy sectors. He noted that the West Coast economy has traditionally been built on manual labour. He stated that in the coming 10 – 15 years the economy will be driven by the digital age and there is already evidence of this starting to occur. K. Stratful stated that the people who are going to deliver this are currently between 15 and 18 years old. He stated that a lot of ratepayers are concerned about this age group as they see drift as the main concern. K. Stratful stated that the West Coast has an amazing ability to bring people back to the West Coast, people who have lived here before who want to return. He stated that the West Coast has the opportunity to become entrepreneurial in this area. C. Ingle stated that the next step is the start of the MBIE Growth Study with the consultants arriving this week. C. Ingle stated that he, Cr Robb and K. Stratful will be very involved with this study and supporting the consultants and making sure that they understand the West Coast well from the start. C. Ingle advised that the growth study will run right through until November. He stated that this is a great

opportunity to use these consultants and the expertise they bring into town. C. Ingle advised that the consultants have done these studies before but they have not been on the West Coast before. The Chairman thanked K. Stratful for his presentation.

REPORTS:

4.1 ENGINEERING OPERATIONS REPORT

M. Meehan spoke to this report. He stated that as predicted the Waiho River has migrated to the north and is causing problems at the oxidation ponds. M. Meehan advised that the river is causing concerns at the 55 km corner where NZTA have put in protection works. M. Meehan advised that the concerns with the river are now turning into a civil defence issue for two nearby houses. He stated that these houses are particularly vulnerable after a recent event, which was not a large weather event. The local civil defence plan has now been adapted accordingly. M. Meehan advised that Westland District Council has placed 500 mls of gravel onto the access road to the oxidation ponds as it the river was almost overtopping the road. M. Meehan advised that Council and NZTA are looking at a joint management strategy for the river. Our monitoring work is already aligned with NZTA's. M. Meehan advised that Council is working with NZTA to raise the north side stopbank which protects the township; this is in conjunction with the work that NZTA wants to do on the south side and upstream. Electronet have now moved the power poles from the river as the build-up of gravel was affecting the power poles. M. Meehan advised that the annual cross section survey is going to be done in the next two weeks.

M. Meehan stated that the NIWA report on coastal erosion at Neil's Beach is now completed. He stated that NIWA have identified some actions that will help gravel to build up along the beach. M. Hicks from NIWA advised that it is likely that the December 2010 flood event caused a change in the river mouth that led to the northern coastline receiving all the replenishment of the sediment down at Neil's Beach and the southern area, in front of Neil's Beach not receiving any. M. Meehan stated that should a rating district be formed in this area, maintaining the mouth in the location could be considered to ensure that the sediment is transported to this area. M. Meehan advised that a meeting is scheduled for the last week of March so that key people from the area can work out a way forward.

M. Meehan advised that NIWA were asked to provide a report on the mouth of the Hokitika River as there was a very narrow mouth. NIWA also provided comment on potential flooding impacts for the town and they advised that it is unlikely that the mouth will cause any issues for the town. NIWA also commented on the erosion between Sunset Point and the rating district's Hokitika Seawall. M. Meehan stated that the report has been forwarded on to the Hokitika Seawall Committee for discussion at their next meeting.

M. Meehan reported that NIWA has completed a report on Granity, Ngakawau and Hector coastal erosion. This was a follow up from the report done in 2006 which was also done by NIWA and included some solutions that could work. M. Meehan said that since 2006 some of the actions suggested in the NIWA report have been done, with residents carrying out collectively, some protection work structures, some planting has been done as well. NIWA have provided further recommendations in their latest report. M. Meehan stated that there is no silver bullet for any of these areas there are suggestions that will buy properties more time but there is no long term solution being proposed. NIWA recommend planning for an adaption strategy in the future. M. Meehan advised that Buller District Council has been heavily involved in community discussions and a meeting is being held on Monday night to discuss where to from here. M. Meehan stated in all areas there is potential for rating districts to be developed but in both reports NIWA are shying away from recommending putting seawalls in place as there are other options to consider.

M. Meehan reported that consultation with the Westport community regarding the recent flood study is scheduled for April.

M. Meehan answered questions from councillors. Both C. Ingle and M. Meehan confirmed that Westland District Council is doing a lot of work in Franz Josef both for the oxidation ponds and in the civil defence area. Cr Archer commented that both the NIWA reports are excellent and contain some meaningful and measurable outcomes for these communities. He stated that the main issue for residents is the costs and is it affordable. Cr Archer stated he hopes that NIWA reports are going to be available and accessible for the residents. M. Meehan advised that the NIWA report on Neils Beach will be sent to every resident as a hard copy. He will discuss the best way of circulating the Granity, Ngakawau and Hector report to residents at Monday night's meeting. Cr Archer stated that it might be helpful to have some

costings to take to the meeting. Cr Ewen stated that he agrees with Cr Archer's comments about the Neils Beach, Granity, Ngakawau and Hector reports but he is disappointed with the brevity of the Hokitika work. He stated he would have liked a bit more detail for this report. Cr Ewen stated if you are going to find out what has happened and the threat of risk you have to look at the past. Hokitika has been inundated within 12 years twice by the spit blockage with no rainfall event other than a moderate flood. Cr Ewen tabled some old news clippings. Cr Ewen stated that the photographs identify the 1947 flood and the 1935 flood. He stated that the flood inundated up to 5 feet in the business district. Cr Ewen stated that he will keep a watching brief on this, council should be conscious of it, we have mitigated the risk with the opening of mouth with DoC allowing that to be excavated but he would have thought NIWA would have been a bit more strategic by looking at the past because if you don't know what has happened in the past you are not going to fix the future very well. He stated that this is a threat and it remains one because it has happened historically in the past. Cr Ewen is disappointed with the NIWA report and he is sure some of the older residents in Hokitika are going to remind us that this has happened in the past and their memory will serve as text because they were there. C. Ingle offered to pass Cr Ewen's material back to the consultants and ask them to consider that but it may be that they have considered it. Cr Ewen stated there is no mention of it, as they stop at 2007. M. Meehan advised that the report was done under Envirolink at a cost of \$5,000. He stated that NIWA did a lot of work with Neils Beach and Hokitika that exceeded \$5,000 but he is sure they will be happy to consider Cr Ewen's photographs. Cr Ewen stated that 5 feet of water is pretty significant when there is no rainfall event and no flood in the river, other than a moderate rainfall overnight and it happened and 3 o'clock in the morning.

Moved (Archer / Birchfield) *That this report is received.*

Carried

4.2 CORPORATE SERVICES MANAGER'S REPORT

C. Ingle spoke to this report in R. Mallinson's absence. C. Ingle reported that the trends are continuing with unfortunate results with the investment fund underperforming drastically. C. Ingle stated that there is a huge gap of what was expected from the investment fund compared to what Council is actually receiving.

C. Ingle advised that Council is now looking at a breakeven situation for quarries which is good news.

C. Ingle answered questions from Cr Archer regarding the resource management budget. He stated there have not been a lot of resource consent applications coming in and this has been a trend of the past year or two. Revenue is not supposed to match expenditure in this budget but revenue is supposed to match its year to date budget. Further discussion took place.

Moved (Archer / Ewen) *That this report be received.*

Carried

5.0 CHAIRMANS REPORT

The Chairman spoke to his report and spoke of various meeting he attended during the reporting period. He stated that the Regional Sector Group meeting was very good.

The Chairman reported that that he and his wife spent a very pleasant evening with the Governor General and his wife during their recent tour of the West Coast. They also met with the district Mayors and received an overview of what is happening in the region at the moment.

The Chairman stated that he received C. Ingle's resignation on 24 February. The Chairman thanked C. Ingle for his work and stated that he is leaving Council in a good healthy state and he wished him well with his new role.

Moved (Robb / Birchfield) *that this report is received.*

Carried

C. Ingle spoke to his report. He reported that Martin Jenkins won the economic growth study contract. C. Ingle stated that he is confident of a good result from the Growth Study.

C. Ingle reported that the meeting with Rex Williams, ECAN Commissioner was very positive. He stated that Mr Williams thinks wider than just Canterbury which is very good to see and this ensures that the South Island collaboration spirit is still alive and well with the Canterbury Commissioners.

C. Ingle reported that he is doing some work with SOLGM on codes of ethics for staff and managers in councils, ensuring everyone follows a high ethical set of standards. C. Ingle stated that the West Coast team for the Australasian Management Team challenge is a collaboration between three of the four councils and is a very strong team. He stated that this is very worthwhile and teaches those involved teamwork, collaboration skills and management skills.

C. Ingle reminded Councillors of the budget workshop following today's meeting.

Cr Birchfield stated that he feels MBIE needs to be talking to NZ Petroleum and Minerals as one of the reasons Councils resource consent applications and income is down is because Petroleum and Minerals are not processing minerals permits. Cr Birchfield stated that this is affecting the whole economy.

Cr Archer wished the Australasian Management Team challenge well and stated that he participated in this several years ago and it is challenging and demanding but great to participate in.

Moved (Archer / Clementson) *that this report is received.*

Carried

GENERAL BUSINESS

There was no general business.

The meeting closed at 12.32 p.m.

.....
Chairman

.....
Date

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting – 12 April 2016
Prepared by: Paulette Birchfield – Engineer
Date: 23 March 2016
Subject: **ENGINEERING OPERATIONS REPORT**

WORKS COMPLETED AND WORKS TENDERED FOR**Punakaiki Rating District**

In early March 2016 a large erosion bite formed to the north of the Punakaiki seawall, which resulted in several sections of the Punakaiki Rating District seawall slumping and exposing the gravel core. The erosion and drop in beach level at the north end caused outflanking of the seawall, eroding into Owen Street/Dickinson Parade, and resulted in a further loss of around 8-10m along the first 30m of campground frontage to the north of Owen Street.

MBD Contracting Ltd were engaged to undertake emergency repairs to three sections of the seawall. The repair work commenced 21 March and was completed by Wednesday 23 March, the work included:

- (1) Reconstructing the northern end of the wall using rubble from the Rapahoe Quarry, re-armouring with Kiwi Quarry rock, and extending the seawall to butt into the eroded foredune.
- (2) Topping up two slumped sections along the northern half of the seawall in front of the Punakaiki Beach Hostel, and Kennedy's bach.
- (3) Placing 5 x 6 tonne+ boulders in a line along the erosion scarp to deflect waves.

MBD Contracting Ltd carted 798 tonnes of rock ex Kiwi Quarry @ \$32.00/tonne, and 208 tonnes of rubble ex Rapahoe Quarry. There was no charge for the rubble, only cartage at \$8.00/tonne. The total cost of the work was \$27,376.



Erosion bite at northern end of wall. 15 March 2016.



Northern end of wall showing seawall extension into dune face, underlying waste rubble (brown coloured rock) and 5 x large 'toe rocks' along erosion scarp 22 March 2016.

Council is working on a proposal to consult with the community on the erosion to the north of the seawall, following the receipt of advice from OCEL Consultants. It plans to hold a meeting with affected properties and the Buller District Council in late April.

Granity/Ngakawau/Hector erosion

On 14 March 2016 Council met with the Buller District Council and the committee of residents formed at the public meeting in late 2015 to discuss the erosion issues in the area. The meeting focused on the recently completed NIWA report into coastal erosion which outlined potential options to manage the erosion impact on properties.

The NIWA report included recommendations as to works which may provide some short to medium term protection to properties. The report clearly states that any works undertaken would provide temporary protection as the area is still susceptible to the long term erosion trend. Relocation away from the hazard is the only "safe" long term solution.

Staff are working on protection options along with potential costings to report to Council with the aim of undertaking community consultation in May 2016.

Neils Beach erosion

On 30 March 2016 Council met with iwi, members of the Neils Beach community, Department of Conservation and Westland District Council to discuss the ongoing sea erosion issues that the community is facing. The meeting followed the completion of the NIWA report into coastal erosion and the public meeting held in late 2015.

The NIWA report provided advice on the potential cause of the erosion and solutions to explore. The solutions all have benefits and potential implications if implemented. Staff are working on protection options along with potential costings to report to Council with the aim of undertaking community consultation in May 2016.

Waiho River Emergency Works

Following the rainfall event which resulted in the Mueller Hotel and Westland District Council oxidation ponds being severely damaged. Council received assistance from Environment Canterbury engineers who worked alongside Council and NZTA consultants to provide immediate advice. Council and NZTA commenced emergency rock work to provide temporary flood protection to the properties to the north of the township. These properties remain at risk from the river.

Further consultation will be undertaken with these properties to discuss longer term solutions and apportionment of costs.

Saltwater Creek Emergency Works

On 24 March heavy rainfall caused a back-up of floodwater around the Paroa Hotel and surrounding properties. Council engaged GH Foster Contracting Ltd to excavate a cut to sea on the south side of the rock groyne to provide an additional flow-path allowing floodwater to escape (see photo below).



Quarries

Quarry	Rock Available	Emergency Stockpile
Blackball	1,650	0
Camelback	17,124	0
Inchbonnie	12,481	0
Kiwi	5,416	0
Whataroa	8,838	0
Okuru	0	0

RECOMMENDATION

That the report is received

Michael Meehan
Planning and Environment Manager

4.1.2

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting – 12 April 2016
Prepared by: Michael Meehan – Planning and Environment Manager
Date: 4 April 2016
Subject: **Waiho River Long Term Management**

Purpose

The purpose of this report is to provide an update for Council and recommendations regarding the management of the Waiho River from flooding. The report outlines short, medium term and long term actions to manage the river.

Background

The Waiho River is currently in an aggradation phase which has been occurring since the 1930's. The aggradation has accelerated more rapidly since 1980.

Several reports and studies have been undertaken on the river examining the various issues and providing advice as to how to mitigate the impacts. In 2011 the West Coast Regional Council commissioned Bob Hall a respected river engineer to examine the Waiho River and comment on long term strategies to mitigate flood risk. He also commented on where he believed the river would migrate to in the future.

<http://www.wcrc.govt.nz/Documents/Environmental%20Management/Council%20Monitoring%20Reports/Waiho%20River%20Future%20Management.pdf>

The report analysed survey information and highlighted key areas of concern and outlined strategies to manage the river.

The report made it clear that without any interventions the river was likely to migrate to the north placing increased pressure on this side of the river. He identified key infrastructure at being at risk from this process, including the State Highway and Westland District Council oxidation ponds.

The author referred to the McSaveny and Davies 2000 report which identified similar issues and provided recommendations to the various agencies. This report recommended the development of a long term strategy to manage the river in a holistic manner.

Restrictions to the River Dynamic

All the credible reports that have been produced on the Waiho River strongly state that further restricting the river through protection structures is not recommended. Restrictions can severely impact on the natural flood carrying capacity of the river and have detrimental effects downstream of the restriction.

In the 1980's stopbanking was constructed in the active riverbed, which was subsequently destroyed during a flood, along with the newly tar sealed runway.

It has been proposed in recent months to extend the current helipad stopbank. The main drivers of this are:

1. Allowing the town storm water to flow unimpeded.
2. Better protect the State Highway Network.

Both are very important matters to consider and are addressed in the short term action plan in this report.

It is noted that with the increased pressure on the area downstream of the 55km/hr corner that the properties immediately adjacent to the river at this location remain at risk from flooding. The local civil defence plan for Franz Josef has been amended to manage this risk.

Monitoring and Data Management

The West Coast Regional Council (WCRC) and the New Zealand Transport Agency (NZTA) have agreed to share costs on a number of data collection activities, including cross sectional surveys, which allow for a better understanding of the aggradation and long term trends.

WCRC and NZTA have also agreed where appropriate to apply for joint resource consents to avoid additional costs and better align work programmes.

a) Short Term Actions

1. Following the recent flooding of the Mueller Hotel and Westland District Council oxidation ponds, NZTA commenced emergency work to protect the State Highway from flooding. These works also provide protection to the Mueller Hotel site and properties to the north. Following the completion of these works, WCRC will examine the apportionment of costs in consultation with the potentially affected properties and NZTA. The work does not provide any protection to the Westland District Council oxidation ponds.

Action: Complete the emergency works and decide on a fair cost apportionment

2. The stopbanks which protect the township and the southern portion of the State Highway network require raising to protect the town to a theoretical 1 in 100 year flood level and the State Highway network to a 1 in 10 year flood level. WCRC and NZTA agree that the stopbanks that protect the main township should always be higher than those that protect the State Highway network.

Action: Proceed with raising the Franz Josef Rating District northern stopbank and the NZTA administered southern stopbanks to the above agreed levels by June 2016.

3. NZTA has invested in protection works around the northern entranceway to the township known as the 55km/hr corner. These protection works are vital to ensuring the State Highway network remains open. NZTA has committed to strengthening this stopbank.

Action: NZTA to strengthen this stopbank with rock armouring by June 2016.

4. The aggradation of the riverbed to the north is impacting on the ability to discharge storm water from the town upstream of the 55km/hr corner. It is recommended that WDC investigates options to mitigate this problem in conjunction with their work on the oxidation ponds.

Action: WDC to develop a plan to mitigate the storm water from the town in conjunction with their work on the oxidation ponds.

5. The oxidation ponds have been damaged by, and remain under further threat from the Waiho River. WDC has undertaken work to construct a new treatment system at a safer site. Consultation will occur through the WDC Annual Plan process.

Action: WDC to relocate the pond system in line with the recommendations made in their 2016/17 Annual Plan.

b) Medium Term Actions

Medium term actions are considered to be of a 2-5 year horizon for completion. With the aggradation in the river continuing NZTA is considering raising and lengthening the State Highway Bridge. The current bridge can be raised by 2m and is currently being monitored with trigger points set.

Action: If required NZTA raise the State Highway Bridge in accordance with their protocols.

c) Long Term Actions

Long term actions are considered to be 5 years and beyond. In the next 5-10 years it is possible that NZTA may explore the option of straightening the State Highway to the south to reduce the risk of flood hazard to the network. If this occurs discussion should take place with the community to ensure that flood protection is maintained for the properties currently protected by the flood protection structures. If this change occurs discussion will be required as to how the maintenance of these structures is funded.

Funding

Currently WCRC works are funded through targeted rates, while other works are funded through the agencies who undertake the works. This has been amended over time to account for changing circumstances, however this needs discussion and engagement to ensure it remains the fairest way to fund the works.

In the past WCRC has maintained a rating district which covered the entire Waiho River catchment. This over time was divided into three separate rating districts due to perceived inequitable distribution of the funding.

Funding may need to be discussed again in terms of the longer term strategy once that has been developed. The form or shape of the river's management should not be unduly influenced by the shape of the existing rating district boundaries.

Existing Flood protection structures

Attached to this report is a map showing the flood protection infrastructure in or adjacent to the river and which agency is responsible for it.

Please note the recently breached road from the 55km corner to the oxidation pond is not an engineered stopbank.

Long Term Strategy

It has been highlighted in several reports that a long term strategy needs to be developed for the management of flooding from the Waiho River. It is proposed that a small focus group is tasked with designing this long term plan to then undertake further consultation on. The group will include senior representatives from WCRC, NZTA, WDC and DOC. The group will meet regularly and provide a recommended long term strategy by July 2016. Community consultation will follow the development of the long term strategy.

RECOMMENDATIONS

1. *That the report is received.*
2. *That the short term options outlined above are monitored and reported on.*
3. *That a focus group is formed to develop the long term management strategy.*
4. *Community consultation is undertaken following the development of the long term strategy.*

Michael Meehan

Planning and Environment Manager



Docherty Creek

Maitahi River

Tatare Stream

Maitahi River

Legend

Authority	Color
BCC	Red
Hokitika Airport Authority	Yellow
NZTA	Blue
WCRC	Green



Scale: 1:7,000
 Projection: Transverse Mercator
 Datum: NZGD 2000
 Created: 05/04/2016
 Aerial Photography Flown 2012



THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting 12 April 2016
Prepared by: Chris Ingle – Chief Executive
Date: 16 March 2016
Subject: **Disbanding of the 12 Mile Rating District**

Background

The 12 Mile rating district was established ten years ago to assist the local land owners (7 landowners) just north of Greymouth to freehold their land. This freeholding process has since been completed and there is now no further purpose for this rating district.

The Service Provided by the Council

The Council does not own any of the sea protection assets that protect the properties within the rating district. The rating district was set up to fund an annual inspection by our engineering staff, of those privately owned protection works, to advise the landowners should any maintenance works be required.

Consultation with landowners

I wrote to all seven landowners on 23 February to confirm with them whether they wanted the regional council to disband the rating district, and refund any remaining rating balance to those landowners; or whether they wished to keep the rating district and the annual inspections going.

The letter advised that should the landowners choose to disband, they should undertake their own inspections, as and when required. Council is available to provide expert advice if needed.

Results of Consultation

Six of the seven land owners have replied to my letter, as of today. All six have indicated that they would like the council to disband the rating district and refund the rating district balance to the seven contributing ratepayers. The one landowner who has not responded lives in Australia.

RECOMMENDATION

- 1. That the Council agrees to disband the 12 mile rating district and refund the contributing ratepayers the current 12 mile rating district fund balance.*

Chris Ingle
Chief Executive

Name
Address
Date

Dear ratepayer

Proposed disbanding of the 12 Mile Rating District

After discussions with rating district spokesman Paul Caffyn, the regional council has decided to write to all contributing ratepayers who belong to the 12 mile rating district, to see if there is a consensus on whether or not to disband the rating district.

As you are aware, the rating district was established several years ago to assist the landowners in their process of freeholding the properties in this area. We understand that this freeholding process is now complete. The purpose of the rating district was to fund an annual inspection of the privately owned sea protection works at 12 mile and advise landowners whether maintenance was required. These inspections did occur and no maintenance works were ever recommended.

It is now suggested that that Council disbands this rating district, and refunds the existing rating district balance to the contributing 12 mile ratepayers.

For the future, Council suggests that residents undertake their own inspections, as and when required. If expert advice is needed residents can still contact the council engineering team to seek their input.

I enclose a reply paid envelope: can you please tick one of the boxes below and return this letter in the envelope provided so we know what the community wishes are?

I agree that council should disband the 12 mile rating district and refund ratepayers all the funds in that account.

OR

I do not agree to disband the 12 mile rating district.

Yours sincerely

Chris Ingle
Chief Executive

Prepared for: Council Meeting 12 April 2016
 Prepared by: Robert Mallinson – Corporate Services Manager
 Date: 1 April 2016

1. Financial Report

I attach the financial report for the eight months to 29 February 2016.

FOR THE EIGHT MONTHS ENDED 29 FEBRUARY 2016	ACTUAL	YEAR TO DATE BUDGET	ACTUAL % ANNUAL BUDGET	ANNUAL BUDGET
REVENUES				
General Rates and Penalties	1,475,171	1,468,000	67%	2,202,000
Investment Income	171,656	695,145	16%	1,042,718
Resource Management	755,022	945,700	53%	1,418,550
Regional Land Transport	49,846	60,333	55%	90,500
Emergency Management	170,669	161,333	71%	242,000
Economic Development	100,000	100,000		150,000
River, Drainage, Coastal Protection	1,179,718	934,519	84%	1,401,778
Regional % Share Controls	264,754	266,667	66%	400,000
Other	0	0	0%	0
Warm West Coast	17,730	72,667	0%	109,000
VCS Business Unit	1,710,621	1,898,650	60%	2,847,975
Revaluation of Property		22,543	0%	33,814
	5,895,187	6,625,557		9,938,335
EXPENDITURE				
Governance	277,064	282,085	65%	423,128
Economic Development	47,049	200,000		300,000
Resource Management	2,034,884	2,038,180	67%	3,057,270
Regional Land Transport	91,738	111,407	55%	167,110
Hydrology & Floodw arning Services	382,854	337,130	76%	505,695
Emergency Management	196,019	168,341	78%	252,512
River, Drainage, Coastal Protection	1,331,942	1,016,757	87%	1,525,135
Regional % Share Controls	494,436	483,827	68%	725,741
VCS Business Unit	1,460,468	1,565,317	62%	2,347,975
Other	62,920	61,437	68%	92,156
Warm West Coast	18,443	72,667	17%	109,000
	6,397,817	6,337,148		9,505,722
OPERATING SURPLUS / (DEFICIT)	-502,630	288,409		432,613

BREAKDOWN OF SURPLUS (-DEFICIT)	Variance Actual V Budgeted YTD	ACTUAL	BUDGET Year to date	ANNUAL BUDGET
Rating Districts	-73,732	120,092	193,824	290,736
Economic Development	152,951	52,951	-100,000	-150,000
Quarries	-39,580	-35,951	3,629	5,444
Regional % Share of AHB Programmes	-12,521	-229,682	-217,161	-325,741
Investment Income	-523,489	171,656	695,145	1,042,718
VCS Business Unit	-83,179	250,153	333,332	500,000
General Rates Funded Activities	-186,748	-768,216	-581,468	-872,202
Warm West Coast	-713	-713	0	0
Revaluation Investment Property	-22,543	0	22,543	33,814
Other	-1,483	-62,920	-61,437	-92,156
TOTAL	-791,039	-502,630	288,409	432,613

Net Contributors to General Rates Funded Surplus (-Deficit)	Actual	Budet ytd	Annual Plan
	<u>Net Variance Actual V YTD</u>		
Rates	7,171	1,475,171	2,202,000
Representation	5,021	-277,064	-423,128
Resource Management	-187,382	-1,279,862	-1,638,720
Transport Activities	9,181	-41,892	-76,610
River, Drainage, Coastal Protection	43,326	-236,365	-419,537
Hydrology & Floodw arning	-45,724	-382,854	-505,695
Emergency Management	-18,342	-25,350	-10,512
	-186,748	-768,216	-872,202

STATEMENT OF FINANCIAL POSITION @ 29 February 2016

@ 29/02/2016

CURRENT ASSETS

Cash	-151,977
Deposit - Westpac	2,748
Accounts Receivable - General	258,925
Accounts Receivable - Rates	-430,664
Prepayments	123,324
Sundry Receivables	1,000,345
GST Refund due	
Stock - VCS	43,320
Stock - Rock	533,028
Stock - Office Supplies	19,164
Accrued Rates Revenue	

 1,398,213
NON CURRENT ASSETS

Investments	10,951,100
Strategic Investments	1,021,124
Term Deposit - PRCC bond	50,000
MBIE & DOC Bonds	11,142
Investments-Catastrophe Fund	949,846
Warm West Coast Loans	638,077
Commercial Property Investment	1,340,000
Fixed Assets	4,856,091
Infrastructural Assets	54,061,958

 73,879,336
TOTAL ASSETS

 75,277,549

CURRENT LIABILITIES

Bank Short Term Loan	800,000
Accounts Payable	260,239
GST	23,941
Deposits and Bonds	903,267
Sundry Payables	45,333
Accrued Annual Leave, Payroll	367,170
Other Revenue in Advance	90,556
Rates Revenue in Advance	

 2,490,506
NON CURRENT LIABILITIES

Future Quarry restoration	70,000
Interest Rate Hedge Position	180,435
Lower Waiho	217,060
Greymouth Floodwall	1,750,100
Hokitika Seawall	1,337,500
Strategic Investments	1,212,992
Warm West Coast	645,000
Working capital loan	745,134
Office Equipment Leases	15,299

 6,173,520
TOTAL LIABILITIES

 8,664,026

EQUITY

Ratepayers Equity	19,657,055
Surplus transferred	-502,630
Lake Brunner Project Funds	9,263
Rating Districts Equity	1,577,188
Tb Special Rate Balance	317,206
Revaluation	34,618,357
Quarry Account	-267,076
Catastrophe Fund	897,160
Investment Growth Reserve	10,307,000

TOTAL EQUITY

 66,613,523

LIABILITIES & EQUITY

 75,277,549

2. Investment Income

Westpac Portfolios

February 2016	Catastrophe Fund	Major Portfolio	TOTAL
Opening balance 1 February 2016	\$ 950,465	\$ 10,960,599	\$ 11,911,064
Income February 2016	-\$ 619	-\$ 9,499	-\$ 10,118
Deposit			
Withdrawal		\$ -	\$ -
Closing balance 29 February 2016	\$ 949,846	\$ 10,951,100	\$ 11,900,946
Total income year to date to 29 February 2016	\$ 2,687	\$ 79,446	\$ 82,133

3. Comment

The results for the eight month period are in line with those previously reported, with a loss for the period of \$502,000 compared to a budgeted surplus of \$288,000.

Westpac portfolio income eroded by a further \$10,118 during February. However, international equity markets rebounded strongly during March. I am confident that there will be a strong turnaround in investment returns for March.

RECOMMENDATION

That this report be received.

Robert Mallinson
Corporate Services Manager

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting 12 April 2016
Prepared by: Robert Mallinson – Corporate Services Manager
Date: 4 April 2016
Subject: Annual Plan 2016/17 and Annual Plan Consultative Document

Background

The financial implications of the 2016/17 Annual Plan have previously been discussed at a workshop with Councillors. The Draft Annual Plan attached incorporates the thinking from the workshop.

The document that goes out for public consultation is the Consultative Document (also attached).

Public consultation is only required if there is a **significant or material difference** between the Annual Plan and the Long Term Plan 2015-2025.

In this instance public consultation is recommended as the general rate needs to be increased by 3.5% (over and above the 2.50% provided for in the LTP) to fund the proposed expansion of the council's flood warning network as set out in the September 2015 report to Council (almost doubling the number of flow and rainfall recorder sites, in the Buller, Hokitika and Grey catchments). The additional amount required is \$77,000.

Draft Annual Plan – features to note:Financial prudence disclosures (page 34)

Bar graphs are not required for an Annual Plan, just the table disclosures on this page.

Funding Impact Statements (page 36)

Only a Whole of Council Funding Impact Statement is required. Separate statements are not required for Groups of Activities in an Annual Plan.

Reserve Fund Disclosures (pages 32 – 33)Addition Targeted rate disclosures (pages 37 – 39)

These disclosures are required by legislation (LGA 2002, Schedule 10)

Detailed Rating Factor calculations (pages 40 – 46)

I have only included the total rate to be raised in these tables at the moment.

The valuation data has been downloaded from QV and our Rates Officer and myself are nearing the end of the process of quality checking of this data.

The rating factor detailed calculations will be separately circulated to Councillors.

Council Charges

These were set in the 2015/25 LTP. The charges set included the fixed charge compliance monitoring of gravel extraction consents which takes effect from 1 July 2016.

As our charge-out rates are not changing for 2016/17 there is no need to include our Schedule of Charges in the 2016/17 Annual Plan.

Consultation Timetable

Councillors will need to decide on the timetable for receiving submissions on the Consultative Document, a date for hearing of submissions, and a date for adoption of the final Annual Plan.

It is recommended that:

- The Consultative document be advertised for public submissions on Saturday 16 April.
- The closing date for submissions be Wednesday 18 May.
- The hearings on submissions on the consultative document take place on Tuesday 24 May.
- Decisions be made on submissions and the final Annual Plan for 2016/17 adopted at the Council meeting on Tuesday 7 June.

RECOMMENDATIONS

- 1. That this report be received.*
- 2. That the Consultative Document be approved for public consultation.*
- 3. The consultation timetable above be adopted.*

Robert Mallinson
Corporate Services Manager



2016-2017 Annual Plan Consultation Document

The task of the Regional Council's Annual Plan 2016-2017 is to roll out year two of the 2015-2025 Long Term Plan, which was consulted upon and finalised by the Regional Council last year.

There have been three significant changes to the budgets set in year two of the Long Term Plan. These are set out below:

FLOOD WARNING SERVICE IMPROVEMENTS

At its September Council meeting last year Council approved in principle a seven year programme to improve the flood warning capability the Council provides. These improvements will provide much more accurate forecasting for water levels in the Hokitika River, the Grey River and the Buller River. These three rivers present the greatest risk of flooding our three major towns on the West Coast. The reach and cover of the flood warning systems in these catchments is inadequate, particularly for Buller and Hokitika. For example Hokitika has only one river flow recorder, at the Gorge, which only covers 30-40% of the catchment's river flow.

This proposal will essentially double the number of rainfall and river flow recorders in these three river catchments, enabling much more powerful modelling and accurate forecasting of river flood events. This will be of particular assistance for the Westport residents where that town currently has very limited flood protection structures, and yet the Buller River has the largest flood flow of any river in New Zealand.

But what will that cost me?

This new programme would cost an additional \$77,000 per year and would be a cost on the general rate across the whole region. In dollar terms, for an average (\$200,000 capital value) homeowner the general rates would increase by around **\$2.37 per year**. For a \$3.5M dairy farm that would be around \$41.55 extra per year.

NEW CIVIL DEFENCE WELFARE ARRANGEMENTS NEED RESOURCING

The Regional Civil Defence Special Rate is set to rise again this year, to provide for an additional half time resource to address the new Ministry requirements for welfare co-ordination during larger civil defence emergency events. Up until now we have used staff from other agencies to deliver this work but the new national arrangements now require this to be funded by the Civil Defence Group, which is funded by the regional council's special rate.

But what will that cost me?

The cost of this is around **\$1.23 extra** for the average household. The cost to a \$3.5M dairy farm would be just under \$21.59 extra per year.

COUNCIL'S INCOME EARNING CAPACITY IS NOW UNDER PRESSURE

Although not resulting in any new cost to ratepayers this year, the Council also wanted to advise its ratepayers that the council's investment fund and business unit are not likely to yield the income levels that were forecast in the Long Term Plan last year. For the 16-17 financial year Council has had to suspend the interest transfer back into the investment fund, to make up for a shortfall in yield, due to investment fund underperformance this financial year¹. Current forecasts are that yields from now onwards will be at a lower level for the foreseeable future, from both the investment fund and the business unit. This is simply a fact of the new economic conditions we are all operating within.

So what does this mean for the average ratepayer?

This means next year and for some years after that, Council may need to lift its general rates gradually, to compensate for the reduction in other income sources. This is not ideal, but if the cost is spread over a number of years the impact on the average homeowner should be only a few extra dollars per year.

As of September 2016, it will be 20 years since the general rate has been lifted by the regional council, other than minor adjustments to match the rate of growth in the rating roll. However, unfortunately the Council's ability to hold rates will cease next year. There will be more consultation at that time, but Councillors wanted to give ratepayers plenty of advance warning that this funding issue is fast approaching on the horizon, so that it does not come as a surprise next year.

YOUR SUBMISSIONS ARE WELCOME

The main points we wish to see feedback on are:

1. Do you agree that a modest lift in general rates should be used to fund a much needed improvement in flood warning capabilities for our three main rivers: Buller; Grey and Hokitika?
2. Do you agree that the emergency management special rate be lifted to provide for greater capacity for civil defence emergency management, particularly to provide for regional welfare management capability?

How do I make a submission?

Attached is a submission form which you may wish to use to provide feedback to the Regional Council. Submissions can also be made online – visit wrc.govt.nz/annual-plan and click the link to the online submission form.

The deadline for submissions is 1.00pm, 18 May 2016.

A hearing will be held on Tuesday 24 May 2016 for those wanting to speak to their submission.

¹ In this current financial year, to date, the Council's investment fund has earned less than 1% in interest, compared with projected earnings of 7% in the Long Term Plan. This is always a risk with investments which fluctuate in returns with the occasional bad year, and the risk of underperformance was recognised in the Long Term Plan. After seeking our fund manager's advice on likely future returns, the 2016-17 Annual Plan will change the investment fund interest earning forecast from 7% to 6.5% per year.

SUBMITTER

Name (including organisation if applicable)

Address (or email) Phone

I wish to present these comments to the Council in person at the hearing. Yes No

Hearings are scheduled for 25 May 2016. You will be notified when to appear.

Signed

YOUR SUBMISSION

Note that your submission and any information you supply as part of your submission is considered public information and will be available in reports and documents relating to this process and may be published on our website.

Only submissions on proposals in the consultation document will be considered by the Council.

FLOOD WARNING SERVICE IMPROVEMENTS

Q: Do you support the improvements proposed for the flood warning service? (tick one) Yes No

Comment:

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.....
.....
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RESOURCING CIVIL DEFENCE WELFARE ARRANGEMENTS

Q: Do you support the resourcing of the civil defence welfare arrangements? (tick one) Yes No

Comment:

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.....

OTHER COMMENTS:

.....
.....
.....

Your submission must arrive at the Regional Council by 1.00pm 18 May 2016
Please fax to 03 768 7133; or post to PO Box 66, Greymouth 7840; or email us at annualplan@wrc.govt.nz; or drop in at our office at 388 Main South Road, Paroa between 8am and 5pm weekdays.

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting – 12 April 2016
Prepared by: Robert Mallinson – Corporate Services Manager
Date: 11 March 2016

Subject: Warm West Coast Voluntary Targeted Rate Scheme

Background

Council has received the attached request from "Healthy Homes – Te Ha Kawatiri" suggesting that Council should consider re-introducing the voluntary targeted rate (VTR) scheme that was in place from 1 July 2012 to 30 June 2014, allowing almost 300 houses in the region to be insulated.

In 2014 Council decided to restrict the scheme to just the Reefton air-shed area, but there have been no applications or approvals since 30 June 2014.

Part of the reason for this restriction was that the existing "open ended" scheme was putting some stress on Council debt levels and prudential limits required under the Local Government Financial Prudence Regulations.

The second part of the reason of restricting the VTR scheme to Reefton airshed was that the EECA subsidies were no longer available to ordinary homeowners. EECA changed the funding criteria to focus on households that met certain health criteria. The Council's Long Term Plan 2012 linked the VTR scheme with the EECA subsidy scheme, and when the EECA subsidies disappeared the VTR scheme had little choice but to follow.

The current EECA scheme also only funds those who meet the new health criteria in regions where there is third party funding available. Such third party funding sources are scarce in this region.

Financial Analysis

Council has a Multi Option Credit Line with Westpac with a limit of \$7.5M. Currently \$6.3 million of that is utilised. The risk with additional VTR funding is we would have insufficient headroom for any urgent community flood or erosion protection works. There is a cost of having credit available. The present "line fee" is 0.35% and that is payable on the whole \$7.5 million.

If we were to reintroduce a VTR scheme, we would be effectively on our own, ie 100% Council VTR funding, with no EECA subsidies involved. VTR funding will not qualify as third party funding.

I am aware that the Canterbury Energy Action Trust has done some "targeted" insulation work on the West Coast on a number of dwellings with a real need, at no cost to Council or the property owner.

As mentioned in previous reports, Council can manage a loan book of less than 300 funding agreements within existing resources, but if there were significant volumes of new insulation agreements an additional dedicated staff resource may be needed, and specialist loan management software.

Other matters

If Council were to re-introduce a VTR scheme, there would need to be a limit on the total annual amount advanced, plus a limit per dwelling. We would need to either offer VTR funding on a "first come, first served" basis, or get into the business of deciding on who is the "most needy". I do not believe that Councils are well set up to do that. We are not a social agency and do not have staff who have the skills to deal with these matters.

Amounts funded under a VTR scheme are interest bearing, probably at similar rates to what banks might be able to offer property owners. There is nothing to stop property owners approaching their

own bank to secure insulation funding. The only difference between a Council VTR scheme and a bank loan is that the VTR scheme can remain attached to the property, upon sale.

RECOMMENDATION

- 1. That Council decline to re-introduce a VTR scheme.*
- 2. That Council liaise with Canterbury Energy Action Trust to identify how it might support their activities in the region, excluding any financial input by Council.*
- 3. The Council writes to the Te Ha O Kawatiri trust explaining the reasons for the decision.*

Robert Mallinson
Corporate Services Manager

West Coast Regional Council

P.O. Box 66

Greymouth 7840

info@wcrc.govt.nz



Te Hā o Kawatiri

Councillors and CEO,

Re Reintroducing a Voluntary Targeted Rate to achieve Healthier Homes on the West Coast.

We are a project group working under Te Hā o Kawatiri whose goal is to achieve healthier lives for West Coasters by making homes healthier.

In establishing Te Hā o Kawatiri's Road Map, the community told us that healthy homes was a top priority in meeting their needs. Other community consultation through the DHB on Caring for the Elderly and Mental Health also highlighted this as a major concern amongst residents. This is reinforced by the current community profiling being undertaken jointly by Buller's Community Development Facilitator and Community and Public Health.

Research has shown that having a Voluntary Targeted Rate is essential to more homes being made healthier. This was verified by a landlord survey undertaken in Buller. 50% preferred this finance option.

- Only 12% of West Coast homes have been insulated under previous schemes.
- Insulating homes alone achieves a 1:5.2 cost/benefit return, primarily in health (Motu report, CEA/Canterbury DHB analysis)
- The Residential Tenancies Amendment Bill will require all homes to be insulated by 1st June 2019. Many landlords will need affordable options to undertake this work.
- Areas such as Reefton need to address air quality issues.
- Poor health on the Coast is attributed to damp, cold and draughty homes. The Voluntary Targeted Rate should cover insulation, heating and ventilation. Water and sanitary considerations may also be included.

I have included a leaflet from EECA Energywise outlining the benefits of this scheme to all parties and how the scheme works.

In discussions with Bill Hewitt from EECA, we suggest that, if a cap is applied, approx. \$6,000 is applicable given that average insulation costs are \$4000 per home on the Coast and then there will be other ventilation and heating options required by home owner to maximise benefits.

Please consider this with urgency. Particularly in Buller, residents are struggling to heat their homes and many are landlords by circumstance maintaining two homes and have few finance options to meet new regulations. This option is attractive as the loan transfers with the property upon sale. Past experience has proven it is very low risk to the Regional Council and it is cost neutral.

Supporting the West Coast Communities

Yours Faithfully

Joanne Howard

"Healthy Homes" - Project Group of Te Ha O Kawatiri

C/O 35 Kew Road

Westport 7825

Ph. 03 789 7055

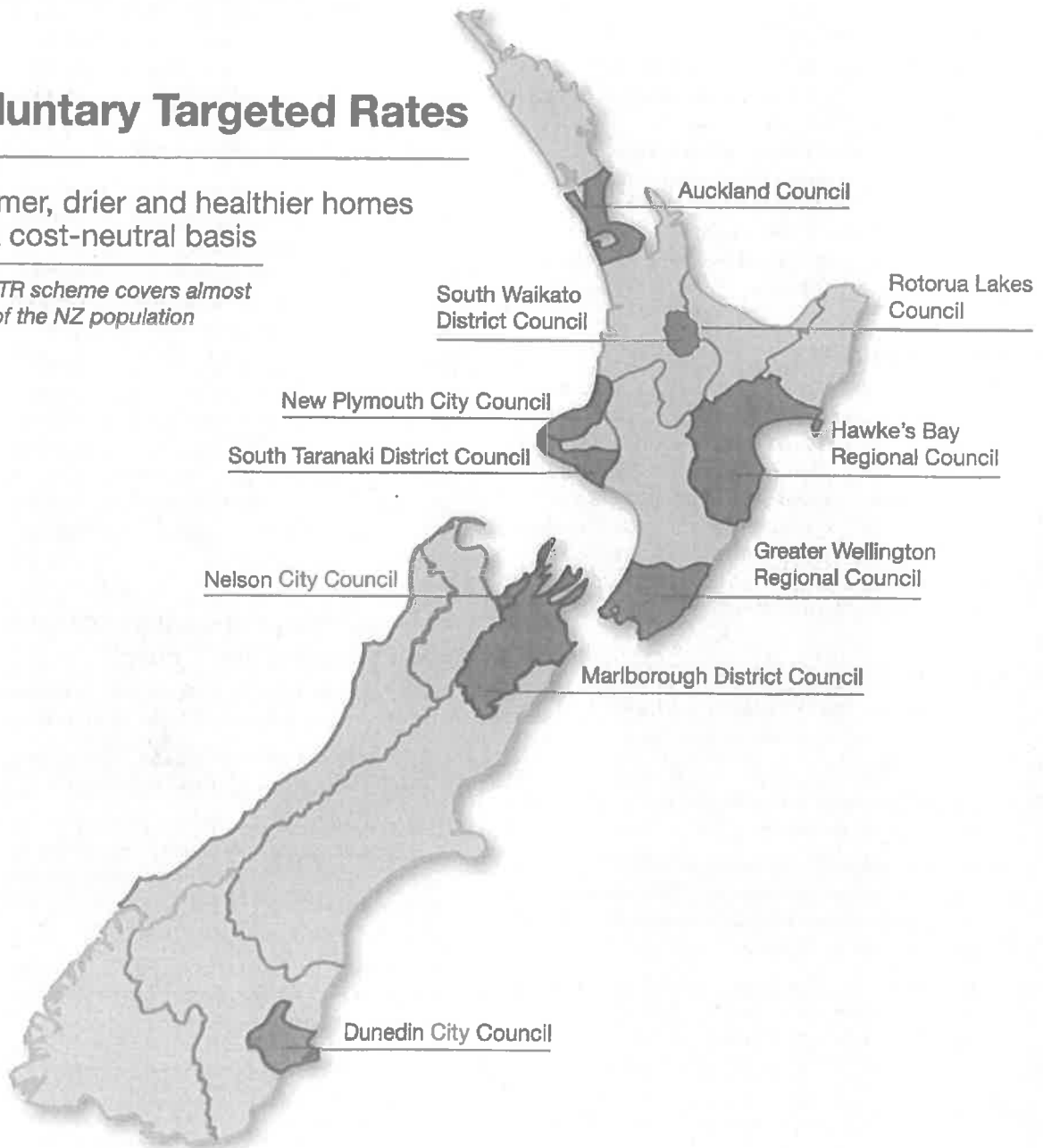
howd@xtra.co.nz

How the Voluntary Targeted Rate scheme works

Voluntary Targeted Rates

Warmer, drier and healthier homes
on a cost-neutral basis

*The VTR scheme covers almost
60% of the NZ population*



What is VTR?

Cash is not always available to meet the upfront costs of insulating homes and some ratepayers do not have the option of adding to a mortgage, such as the elderly who are often asset-rich and cash poor. Local governments across New Zealand have given ratepayers the option of adding the insulation cost to their rates, addressing the barrier of upfront costs by paying the investment back over a nine or ten year period. This initiative is known as Voluntary Targeted Rates (VTR).

How does it work?

Designed to be cost-neutral to council, the VTR is only provided to individual ratepayers who request it and who are willing to pay it back over a nine to ten year period and who have a good record of rate repayment already. Upon sale of the property, the homeowner is required to inform the incoming owner of the VTR (who may choose to require that it is repaid in full), and it is also registered against the Land Information Memorandum (LIM) for the property.

Who is eligible?

The VTR program is primarily targeted at the "general income" groups in the community who do not qualify for the *Warm Up New Zealand: Healthy Homes* low-income high-health needs insulation programme. Councils set a maximum amount of funding available each year, and also set a cap on the amount each individual household can obtain. The VTR is primarily used by councils for insulation, though in some cases water and clean heating products can also be added to the rates.

What are the benefits to councils?

- **Cost neutral** - the VTR interest rate margin accommodates any administration costs to council.
- **Low risk** - as rates are a statutory first charge against the property.
- **Minimal workload** - the majority of work rests with the Service Providers, who undertake the installations and distribute the council's VTR agreements to homeowners.
- **User pays** - the scheme has no impact on the general ratepayer as they are not part of the targeted rate unless they voluntarily choose to do so.

What are the benefits to the community?

There are multiple benefits to your community, including warmer, drier homes, job creation, improved health outcomes, enhanced air quality, and the ability for the elderly to "age in place". In addition, a well-insulated house requires less heating. This can reduce energy costs for householders.

How is the Energy Efficiency Conservation Authority (EECA) involved?

EECA has worked with a number of councils who have set up VTR mechanisms. During this process, EECA has provided audits to ensure the insulation installed is to a high standard. In addition, EECA provides operational support such as regular summary reporting of total claims for insulation back to councils.

EECA can provide your council with copies of the contracts which EECA has developed with councils. EECA can also supply copies of the ratepayer agreements which other councils have developed. Some of the councils have undertaken independent legal advice, which they may be willing to discuss with you.

EECA can also supply wording for the Annual or Long-Term Plan, which other councils have used for things like the funding impact statement, and revenue and financing policies. EECA can also provide copies of marketing materials, which explain the scheme in simple terms, as part of an existing suite of templates which can be rolled out if your council wishes to introduce VTR in your area.

Example VTR participation - Greater Wellington Regional Council

To illustrate how the scheme works, take the Greater Wellington Regional Council (GWRC) as an example:

- Commencement of a VTR approach in mid-2010, recently received an extension for another 3 years.
- Set a cap of \$3,900 funding per property, which is considered sufficient to cover the cost of insulating an average house (note that other councils, particularly those which also offer clean heating, have individual caps of \$5000 including GST).
- The scheme has been popular with ratepayers who can pay back the funding over a nine or ten year period via the targeted rate.

- The scheme is designed to be cost-neutral to council, and to result in no cost to the general ratepayer. Council recovers the cost of capital, plus an administration fee.
- The rate is targeted to an individual ratepayer who elects to ask for the targeted rate.

In the GWRC's case, the administration involves checking to see if the person is a ratepayer in the region and that their rates are up to date, and then approving payment to the Service Provider (Dunedin City Council also require all VTR applicants to agree to pay all rates via direct debit). GWRC originally managed this workload within their existing staff – and since their scheme has grown to \$6 million a year they now fund this position via the interest rate margin as a way of recouping administration expenses.

GWRC charges an interest rate on the funding of 7% for the 2013/14 year – and this interest rate is reviewed annually. This means that the funding method is not necessarily cheaper than borrowing from a bank, however, it is proving popular as a simple method of repayment that stays with the property.

Explanation of how the scheme works step by step

Under the GWRC model, the system for a ratepayer getting their home insulated is as follows:

1. The homeowner contacts one (or preferably several to get a range of quotes) of Service Providers within the district. Alternatively, Service Providers are active in advertising direct to homeowners.

Note: The VTR schemes only apply to houses which are pre-2000, as after this date the building regulations changed to require a higher standard of insulation.

2. The Service Provider visits the house, and makes an assessment of the cost and suitability of the insulation (if council wishes to fund clean heat options, these can also be assessed by the Service Provider). They provide the homeowner with a written quote.

3. The Service Provider also discusses options for payment with the homeowner. If their area provides it, then one of the options would include the VTR – and the Service Provider has copies of the council application form for the homeowner.
4. Once the homeowner has chosen a quote, they send the application form and a copy of the quote back to the council. This is likely to be the first time that council staff are involved.
5. The council checks that the ratepayer lives in the district, that they are not in rate arrears, and then informs the ratepayer if they qualify. Once this occurs, the council indicates to the Service Provider that the work can begin.
6. The Service Provider undertakes the job.
7. Once the work is completed, the Service Provider invoices council for the cost of the retrofit. Council pays the invoice from the Service Provider. The ratepayer pays off this funding on their rates over a nine or ten year period.
8. EECA operates an audit regime of 5% of jobs to ensure Service Providers offer quality products and service.

Note that the council acts as the contractor of the service provider to install insulation into the ratepayer's home. This is to ensure that the job is only charged as single GST (as otherwise, due to payment coming on the rates, the job would be charged twice for GST – once on the job itself, and again with the GST on rates. By the council acting as the contractor, it is deemed to be the principal in the supply chain, and therefore can deduct the GST).

For more information

Please contact our Relationship Manager Advisor, Residential Programme, Bill Hewitt on Bill.Hewitt@eecca.govt.nz or phone 027-420-5419
EECA's Local Government Adviser, Residential Programme, Alison Johnson on Alison.Johnson@eecca.govt.nz or 04-470-2206



www.energywise.govt.nz

For more information

Please contact our Relationship Manager Advisor, Residential Programme, Bill Hewitt on Bill.Hewitt@eeca.govt.nz
or phone 027-420-5419 EECA's Local Government Adviser, Residential Programme, Alison Johnson on
Alison.Johnson@eeca.govt.nz or 04-470-2206

July 2015/EEC3571

4.2.3

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting, 12 April 2016
Prepared by: Chris Ingle, CEO
Date: 9 March 2016
Subject: **Change of Meeting Date for June 2016 Council Meeting**

Dear Councillors,

As advised at the Councilor budget workshop, I am recommending the June meeting be shifted to the **Tuesday 7 June at 10.30am.**

I will no longer be working for the Council by then, and by moving the date this enables Planning and Environmental Manager Michael Meehan to be in attendance.

Recommendation

The June 2016 meeting be shifted to the **Tuesday 7 June at 10.30am.**

Chris Ingle
Chief Executive

4.2.4

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting 12 April 2016
Prepared by: Councillor Terry Archer
Date: 7 March 2016
Subject: **LEAVE OF ABSENCE – JUNE 2016 MEETING**

Dear Councillors,

My wife and I have made travel arrangements to travel overseas from the 20 May 2016 until 28 June 2016. Regretfully my travel itinerary has resulted in my not returning to New Zealand for the June 2016 Council meeting. In terms of Standing Orders 3.6.1, I subsequently request a Leave of Absence from attending the June 2016 Council meeting.

RECOMMENDATION

That Council grants Councillor Archer a Leave of Absence from attending the June 2016 Council meeting.

Terry Archer
Councillor

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting- 12 April 2016
Prepared by: Andrew Robb – Chairman
Date: 30 March 2016
Subject: **CHAIRMAN'S REPORT**

Meetings Attended

- I attended the Visiting Drivers Governance Group meeting on 1 March.
- I attended the Sector workshop on Local Government Excellence Programme on 15 March.
- I attended a meeting with the Local Government Commission CEO on 4 April looking at the terms of reference for the proposed studies into integrating RMA planning services across the region, and roading services.
- I will be attending a meeting with the MBIE Growth Study Governance Group which is scheduled for 11 April.

RECOMMENDATION

That this report be received.

Andrew Robb
Chairman

Prepared for: Council Meeting 12 April 2016
Prepared by: Chris Ingle – Chief Executive
Date: 31 March 2016
Subject: **CHIEF EXECUTIVE'S REPORT**

Meetings Attended

- I attended the first MBIE growth study meetings on 10 March at DWC and the Regional Council.
- I attended the Council's Budget workshop, with Councilors, on 15 March.
- I attended the LGNZ workshop on their Local Government Excellence Programme on 15 March.
- I introduced the new Consents and Compliance Manager, Gerard McCormack, to his staff on 23rd March. Gerard and his wife were in the region on holiday - Gerard will start work here permanently on 2nd May.
- I spoke to a class of Rangiora High School students on 31 March about sustainable development on the West Coast.
- I am chairing the SOLGM Planning and accountability working party meeting in Wellington on 1 April.
- I will be attending the Local Government Commission's meeting with the West Coast Council Chief Executives on 4 April.
- I will be attending a further teleconference regarding the West Coast Growth Study on 7 and 11 April.

Annual Plan for 2016-17

Robert Mallinson and I have been busy preparing the Annual Plan. Robert has prepared a separate report that sets out the proposed timelines for submissions, the draft Annual Plan and the Consultation Document.

Waiho River

As Councillors are aware there was a major civil defence response recently when the Waiho River broke its banks just downstream of the 55km corner, around 1km north of the Franz Josef township. The civil defence response went smoothly with good teamwork and co-operation amongst the many agencies involved.

Annual Leave

I took a day's annual leave on 29 March.

RECOMMENDATION

That this report be received.

Chris Ingle
Chief Executive

THE WEST COAST REGIONAL COUNCIL

To: Chairperson
West Coast Regional Council

I move that the public be excluded from the following parts of the proceedings of this meeting, namely, -

Agenda Item No. 8.

- | | | |
|---------|-----|---|
| 34 – 35 | 8.1 | Confirmation of Confidential Minutes 8 March 2016 |
| | 8.2 | Overdue Debtors Report (to be tabled) |
| | 8.3 | Response to Presentation (if any) |
| | 8.4 | In Committee Items to be Released to Media |

Item No.	General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48(1) for the passing of this resolution.
8.			
8.1	Confirmation of Confidential Minutes 8 March 2016		Section 48(1)(a) and in particular Section 9 of 2nd Schedule Local Government Official Information and Meetings Act 1987.
8.2	Overdue Debtors Report		
8.3	Response to Presentation (if any)		
8.4	In Committee Items to be Released to Media		

I also move that:

- Chris Ingle
- Robert Mallinson
- Michael Meehan

be permitted to remain at this meeting after the public has been excluded, because of their knowledge on the subject. This knowledge, which will be of assistance in relation to the matter to be discussed.

The Minutes Clerk also be permitted to remain at the meeting.