



388 Main South Road, Paroa  
P.O. Box 66, Greymouth 7840  
The West Coast, New Zealand  
Telephone (03) 768 0466  
Toll Free 0508 800 118  
Facsimile (03) 768 7133  
Email [info@wcr.govt.nz](mailto:info@wcr.govt.nz)  
[www.wcrc.govt.nz](http://www.wcrc.govt.nz)

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

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

**TUESDAY, 8 OCTOBER 2019**

**The programme for the day is:**

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

**On completion of RMC Meeting:** **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, 8 October 2019**

N. CLEMENTSON  
CHAIRPERSON

M. MEEHAN  
Chief Executive Officer

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<b><u>AGENDA</u></b> <b><u>NUMBERS</u></b>	<b><u>PAGE</u></b> <b><u>NUMBERS</u></b>	<b><u>BUSINESS</u></b>
<b>1.</b>		<b>APOLOGIES</b>
<b>2.</b>	1 – 4	<b>MINUTES</b> 2.1 Confirmation of Minutes of Resource Management Committee Meeting – 10 September 2019
<b>3.</b>		<b>PRESENTATION</b>
<b>4.</b>		<b>CHAIRMAN’S REPORT</b>
<b>5.</b>		<b>REPORTS</b>
		<b>5.1 Planning and Operations Group</b>
	5 - 17	5.1.1 Planning and Hydrology Report
		<b>5.2 Consents and Compliance Group</b>
	18 – 20	5.2.1 Consents Monthly Report
	21 - 26	5.2.2 Compliance & Enforcement Monthly Report
		<b>6.0 GENERAL BUSINESS</b>

**THE WEST COAST REGIONAL COUNCIL****MINUTES OF THE MEETING OF THE RESOURCE MANAGEMENT COMMITTEE  
HELD ON 10 SEPTEMBER 2019, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL,  
388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 10.30 A.M.****PRESENT:**

A. Robb (Chairman), T. Archer, P. Ewen, A. Birchfield, P. McDonnell, J. Douglas

**IN ATTENDANCE:**

M. Meehan (Chief Executive Officer), R. Mallinson (Corporate Services Manager), H. McKay (Consents & Compliance Manager), H. Mills (Planning, Science & Innovation Manager), T. Jellyman (Minutes Clerk)

**1. APOLOGIES**

There were no apologies. It was noted that Cr Clementson was granted a leave of absence at last month's meeting.

**2. MINUTES**

Cr Robb asked the meeting if there were any changes to the minutes of the previous meeting.

**Moved** (Birchfield / Ewen) *that the minutes of the previous Resource Management Committee meeting dated 13 August 2019, be confirmed as correct.*

*Carried*

**Matters Arising**

There were no matters arising. Cr Robb welcomed J. Douglas back following her recent bereavement.

**3. PUBLIC FORUM**

Cr Robb welcomed Frida Inta to the meeting via telephone. Ms Inta stated that she has further points to add to her submission on the Mokihinui estuary. She asked the meeting if they had any questions, there were no questions. Ms Inta stated that Council's reply did not address the issues she is concerned about. Ms Inta spoke of the NPS for Biodiversity and stated that estuaries and sand dunes have now been classed as significant natural areas. Ms Inta spoke of the importance of preserving and enhancing the Mokihinui estuary. She offered to answer questions from Councillors. Cr Robb thanked Ms Inta and advised that Council would respond to her in writing.

**4. CHAIRMAN'S REPORT**

There was no Chairman's report.

**5. REPORTS****5.1 PLANNING AND OPERATIONS GROUP****5.1.1 PLANNING REPORT & HYDROLOGY REPORT**

H. Mills spoke to his report and advised that the hearing for Plan Change 1 has been reconvened and is scheduled for next Monday with recommendations coming to this committee in the coming months.

H. Mills reported that the fourth mediation session for the RPS will be held on 1 & 2 October and is likely to be the last mediation that the Court will allow. He stated that if agreement is not reached, a date will be set for the Environment Court.

H. Mills advised that the members of the Grey Mawhera FMU now have a good understanding of the issues within the Grey catchment and the challenges that are faced. He stated that the focus is now on targets and limits.

H. Mills reported that the implementation team for the Kawatiri FMU have now met. He stated that the Fresh Water Package that was recently released will have implications for this group and changes will need to be made to this process. H. Mills advised that these changes will be brought to the next RMC meeting.

H. Mills advised that MfE will be visiting each region with a Roadshow about the recently released Fresh Water Package. H. Mills advised that a report will be brought back to this meeting outlining the implications for the West Coast. M. Meehan advised that submissions close on 17 October. He stated that the Government is very aware of the issue this creates with regard to the Local Body Elections. M. Meehan stated that Council's submission will be brought to the October meeting for this reason. Cr Robb advised that the Government was asked to extend the submission period, but they refused.

H. Mills reported that the New Zealand Biodiversity Strategy Document is an aspirational document presenting a vision for biodiversity up 2017. H. Mills advised that staff are preparing a draft submission which will be circulated to Councillors over the next month.

H. Mills advised that the NPS for Highly Productive Land (NPSHPL) seeks to protect highly productive agricultural land from development, in particular cropping land. He stated that the NPS will not have a big impact on the West Coast as there is only 1400 hectares that have been identified as potentially being in Category 3, which is the lowest category. H. Mills reported that these areas are mainly in the Grey Valley and Karamea. He stated that staff are preparing a submission which will be circulated to Councillors prior to be submitted.

H. Mills reported that submissions on the Minerals and Petroleum Resource Strategy close on 20 September, a draft submission on this will be circulated to Councillors.

H. Mills reported that two Envirolink grants have been successful.

M. Meehan advised that this is just the start of what is going from central government as they are looking to make a lot of changes to the RMA, National Policy Statements, and National Environmental Standards in the next six months. M. Meehan advised that he attended a meeting with representatives from DoC who are putting the NZ Biodiversity Strategy together, planners present at this meeting from our region spoke of the issues that the wetlands case created around private land being locked up. M. Meehan advised that staff asked what was being considered as compensation and how to make this work for affected landowners. M. Meehan stated that a lot of this work is going to overlap with local body elections, and there is a lot to deal with going forward.

Extensive discussion took place relating to the upcoming changes. Cr Birchfield noted that matters relating to Plan Change 1 will be passed onto the new council. M. Meehan acknowledged that there are a lot of complex issues for Council to submit on. It was agreed that there is a lot of work to be done over the next month. M. Meehan spoke of the implications to farmers as a result of the Fresh Water Package announced by Minister Parker last week. He stated that the introduction of mandatory farm plans, fencing, and planting will have large effects on farmers with a lot more bureaucracy coming out of this. Cr Archer expressed his concern with the changes expected and asked if it is even worthwhile progressing with the freshwater management units. M. Meehan advised that at the moment there is nothing in concrete to stop this work but within the next few months there might need to be a review on how these operate going forward. It was noted that the timeframes will have an impact on RMA changes. It was noted that this will put a lot of pressure on the new Council. Extensive discussion took place on matters relating to central government, local government and the imminent changes to the RMA. Cr McDonnell asked H. Mills if he sees any issues for the West Coast with the new nutrient levels for land use. H. Mills advised that staff have done a quick assessment of this and advised that there are a couple of extra sites but nothing major for the West Coast. Cr McDonnell spoke of the impact to farmers with regard to the new changes requiring fencing and farm plans. M. Meehan noted that there is a storage of skills that are able to produce farm plans around the country which has made it difficult for Councils to find these people. M. Meehan advised that he will be meeting with Westland Milk Products staff tomorrow to discuss this further. H. McKay commented that a lot of work is required to ascertain how the changes are going to be rolled out on the West Coast. Cr Ewen stated that there needs to be a collective push back by Councils similar to WCRC as he feels this is grandiose, aspirational and is ridiculous. H. Mills and M. Meehan answered further questions and provided additional information.

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

*Carried*

### 5.1.3 REEFTON AIR QUALITY SUMMARY

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H. Mills spoke to this report and advised that there have been no exceedances of the NES for air quality in Reefton so far this season.

**Moved** (Birchfield / Challenger) *That the report is received.*

*Carried*

### 5.2.1 CONSENTS MONTHLY REPORT

H. McKay spoke to this report and advised that six site visits were carried out, 12 non-notified resources consents were granted, and six changes to and reviews of consent conditions were granted, and one limited notified resource consent was granted during the reporting period.

H. McKay agreed with Cr Archer's comments regarding the community interest with regard to RC-2018-0057 to disturb the coastal marine area for the purpose of black sand gold mining between Hector and Mokihinui. She stated that there were a high number of affected parties, which were residents along the affected area, and they were all party to the process with submissions received from there. H. McKay advised that there was to be a hearing but the applicant was able to work through their concerns, with changes made to the application with regard to setbacks from dunes, coastal protection structures and exclusion areas added. It was agreed that this was a good outcome as a result of good community consultation and everyone concerned working well together.

It was agreed that H. McKay would follow up on the removal of bridge piles at the site of the old Arahura Bridge.

**Moved** (Archer / Challenger) *That the September 2019 report of the Consents Group be received.*

*Carried*

### 5.2.2 COMPLIANCE & ENFORCEMENT MONTHLY REPORT

H. McKay spoke to this report and advised that 152 site visits were carried out during the reporting period. She reported that there were 17 complaints or incidents received with four non-compliances occurring during the reporting period.

H. McKay reported that four formal warnings were issued during the reporting period, five infringement notices were issued, along with four abatement notices.

H. McKay reported that five mining work programmes were received during the reporting period, with all five being approved. Three bonds were received and four bonds are recommended for release.

**Moved** (Archer / Birchfield)

1. *That the September 2019 report of the Compliance Group be received.*
2. *That the bonds for RC13056 Kaniere Mining Limited of \$6,000, RC-2016-0113 D. Lucas of \$2,000, RC12240 Kowai Groundhaul Company Limited for \$6,000 and RC09053 Westco Lagan Limited of \$13,000 are released.*

*Carried*

### LATE ITEM – HOSPITAL DIESEL SPILL UPDATE

**Moved** (Archer / Birchfield) *That the late item be accepted.*

H. McKay spoke to this report and advised that the spill had only just happened as of the time of writing the compliance report. H. McKay confirmed that the spill had entered the Greymouth sewage system and was contained at the Cowper Street sewer pump station, there was no discharge to the environment. H. McKay advised that a full investigation is being carried out by the contractor. She stated that Council's investigation remains open, there has been no enforcement decision made as yet, as further information is awaited. H. McKay answered questions from Councillors.

**Moved** (Archer / Ewen) *That the report is received.*

*Carried*

**GENERAL BUSINESS**

There was no general business.

The meeting closed at 11.22 a.m.

.....  
Chairman

.....  
Date

Prepared for: Resource Management Committee – 8 October 2019  
Prepared by: Lillie Sadler – Planning Team Leader  
Date: 26 September 2019  
**Subject: Planning and Hydrology Report**

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#### Plan Change 1 update

The reconvened hearing for Plan Change 1 to the Regional Land and Water Plan was held on 16 September 2019. The purpose of this hearing was to hear submission points relevant to the 8 Schedule 2 wetland areas that the Department of Conservation had raised concerns about at the January 2019 hearing.

One submitter whose Schedule 2 wetland boundaries were reviewed by the Department of Conservation Ecologist and Council's Wetland Assessor provided further evidence. The Hearing Panel are now in the process of drafting their recommendations on submissions, and staff anticipate that these will be ready in the next two months. Staff hope to release the decisions by the end of this year or early next year.

#### Regional Policy Statement update

The fourth mediation session on appeals to the proposed Regional Policy Statement will be held on 1 and 2 October 2019 at Shantytown. This will be the final mediation session.

#### Grey Mawhera FMU

The group meet 24 September 2019. Gail Tipa, a leading expert in Mataranga Maori shared her knowledge and experience with the group.

#### Kawatiri FMU update

The Group had their second meeting on 17 September 2019 and discussed the Essential Freshwater Package. They also went through a community values identification process.

#### Envirolink

A medium advice grant was approved to refine the current precautionary approach for gravel extraction in some rivers, as recommended in April 2018. The grant will enable the geomorphological assessments to be undertaken by experts to ensure that the precautionary approach is not being applied to gravel extraction from rivers where it is unnecessary.

#### RMA Amendment Bill

The Bill to give effect to Phase One of the Government's planned changes to the RMA was introduced to Cabinet on 25 September 2019. It repeals a number of changes made by the Resource Legislation Amendment Act 2017, and makes other changes to existing RMA processes in relation to resource consents, compliance and enforcement, and Environment Court matters. The Bill also supports the urgent need to improve freshwater management and outcomes. The Bill has not yet had its First Reading.

#### Minerals and Petroleum Strategy

A submission was prepared on the draft Strategy titled: "*Responsibly Delivering Value: A Minerals and Petroleum Resource Strategy for Aotearoa New Zealand: 2019-2029.*", and circulated to the Councillors for approval. As the closing date of 20 September 2019 was before the October 2019 Council meeting, the submission was lodged. Attached in Appendix 1 of this report is a copy of the submission.

#### New Zealand Biodiversity Strategy Discussion Document

A submission was prepared on the Department of Conservation's Discussion Document titled "*Te Koiroa O Te Koiroa – Our shared vision for living with nature*", and circulated to the Councillors for their review. As the closing date of 22 September 2019 was before the October Council meeting, the submission was lodged. Attached in Appendix 2 of this report is a copy of the submission.

#### Proposed National Policy Statement for Highly Productive Land (NPSHPL)

A draft submission has been prepared on the proposed National Policy Statement for Highly Productive Land (NPSHPL), and is attached to this report as Appendix 3. A summary of the NPSHPL was reported at the September 2019 Council meeting. As submissions close on 10 October 2019, staff



seek that the Council approves the draft submission, which can then be lodged prior to the closing date.

#### Action for Healthy Waterways Package

The Ministry for the Environment (MFE) released the "Action for Healthy Waterways Package", also known as the "Essential Freshwater Package", on 5 September 2019 for submissions. The Package comprises:

- An amended Draft National Policy Statement for Freshwater Management
- New proposed National Environmental Standards for Freshwater
- Draft Stock Exclusion Section 360 Regulations
- Action for healthy waterways: A discussion document on national direction for freshwater
- A summary of the discussion document.

All documents can be found at <https://www.mfe.govt.nz/consultation/action-for-healthy-waterways>

The Package is being driven by the Government's view that although many people, including farmers and growers, are already taking action to reduce their impact on freshwater, their efforts are undermined by those who are not. The Government considers that urgent action is required to stop our water getting worse, so that water quality is materially improving within five years. The health and wellbeing of water is put first, then drinking water, then other uses.

In addition to the existing Freshwater Management Unit processes and freshwater accounting requirements of the 2017 NPSFM, the new or amended parts of the NPS, NES and Regulations that will affect the West Coast are:

#### *Amended National Policy Statement for Freshwater Management*

- Some NPS policies must be added to the Regional Policy Statement through a Schedule 1 process, and decisions must be released by the end of 2025
- All NPS Policies to be implemented in plans by 2025 – reduced from 2030. RMA reforms are being made alongside the Package to use specialist panels with reduced appeal opportunity and associated costs;
- Te Mana o te Wai - iwi and hapū values are strengthened;
- Major hydro schemes are recognised but not smaller ones that exist on the West Coast;
- Additional monitoring requirements for nitrogen, phosphorous, sediment, fish and macroinvertebrate numbers, lake macrophytes (native or invasive plants), river ecosystem metabolism and dissolved oxygen;
- Higher standards for swimming in summer – four of our contact recreation sites fail this standard;
- Protection of threatened indigenous freshwater species, and provision for fish passage;
- The loss or further degradation of natural inland wetlands is avoided, including mapping those of a certain size, and monitoring them;
- Regional Plans must avoid the infilling of stream beds;
- Regional plans must set environmental flows and limits on takes; and
- Councils must undertake annual reporting.

#### *Proposed National Environmental Standards for Freshwater*

- Stringent rules for activities occurring in, or affecting, natural inland wetlands activities;
- Consents required for feed lots, and rules for sacrifice paddocks and intensive winter grazing – 50m setbacks from waterbodies, CMA and water;
- Rules for fish passage;
- Freshwater farm management plans required as part of some consents. Farm management plans required for high risk rivers (none on the West Coast) within two years of the NES being gazetted. Other farms which are subject to the NES standard, for example, if applying for a sacrifice paddock consent, must have a farm plan;
- Agricultural intensification restrictions – only apply while the NPSFM is being implemented.

#### *Proposed Stock Exclusion Regulations*

- Apply to waterways over 1 metre wide, it does not apply to steep land – most of the West Coast farmland is "low slope";
- Landowners may seek an exemption, for example, where a river cannot feasibly be fenced, or an extension to the timeframes for excluding stock from waterways;
- Stock crossings are required, for example, with a culvert or bridge, unless the crossing is no more than twice a month;
- 5 metre average setback width (minimum 1m) required for rivers and wetlands;

- Different timeframes for fencing depending on type of stock and waterbody:
  - Wetlands - July 2021 for wetlands in plans, 1 July 2023 for all other wetlands;
  - Rivers – 1 July 2021 for dairy cattle and pigs, 1 July 2023 for beef cattle and deer.
  - Farms that use feed crops, break feed or are irrigated - July 2021 regardless of stock type;
  - Any new pastoral system – fencing required immediately;
  - If an existing fence does not comply, it can remain until 2025. If an existing fence does not comply but it meets the minimum 2 metre average, that is, it is not less than 1 metre at any point, the setback requirements do not apply until 2035;
  - Farm plans will set requirements for managing discharges to drains and waterways smaller than 1 metre wide, where they are unique to the farm.

As part of the Council's draft submission, Consents and Compliance staff are comparing the draft NES and Regulation rules with the Council's Regional Land and Water Plan rules for feed lots, winter grazing and other freshwater-related activities.

#### *Budget support package*

- The Discussion Document states that the national Budget 2019 provided additional funding for empowering land owners, businesses and Māori to transition to sustainable land use to improve freshwater. This includes funding for: Building farm advisor capability system;
- Development of Maori owned farms;
- Best practice standards and guidance for farm plans;
- Support for councils and others to implement the freshwater package by 2025;
- At place investment – supporting community led action e.g. riparian planting and fencing

Submissions close on 17 October 2019. As Local Government New Zealand are preparing a sector submission, staff are drafting a submission on the main parts of the Package that have specific relevance to the West Coast. The staff draft submission will not be ready for the October Council meeting, but will be circulated for Councillor feedback and lodged prior to the closing date.

#### Hydrology

A short sharp rainfall event on 16-17 September 2019 triggered flood alarms from the Grey through to the Karamea Rivers. Rainfall totals were between 70-160mm in a 12-hour period across the Grey and Buller Districts.

Site	Time of peak	Peak level	Warning Issued	Alarm threshold
Karamea River at Gorge	17/09/2019 06:30	4681mm	17/09/2019 02:30	4000mm
Mokihinui River at Welcome Bay	17/09/2019 04:45	5650mm	17/07/2019 00:55	4500mm
Buller River at Te Kuha	17/09/2019 12:30	7626mm	17/09/2019 08:30	7400mm
Grey River at Dobson	17/09/2019 10:45	4580mm	17/09/2019 07:25	3400mm

#### **RECOMMENDATIONS**

1. *That the report is received.*
2. *That the Council approves the submission on the proposed National Policy Statement for Highly Productive Land.*

**Appendix 1**

THE WEST COAST  
REGIONAL COUNCIL

20 September 2019

Resource Markets Policy  
Ministry of Business, Innovation and Employment

**Submission on Minerals and Petroleum Resource Strategy**

The West Coast Regional Council (the Council) welcomes the opportunity to submit on the proposed Strategy: *'Responsibly Delivering Value: A minerals and petroleum resource strategy for Aotearoa New Zealand: 2019 – 2029'*.

Attached is the Council's submission.

If you wish to discuss any aspects of our submission, please contact the Councils Planning, Science and Innovation Manager, Hadley Mills.

Yours faithfully

**Hadley Mills**

Planning Science and Innovation Manager



**West Coast Regional Council submission on the proposed Strategy: "Responsibly Delivering Value: A minerals and petroleum resource strategy for Aotearoa New Zealand: 2019 – 2029"**

**Introduction**

The minerals reserves on the West Coast are of high economic importance to the region. The extraction of minerals provides for employment directly and through ancillary industries. A significant proportion of the region is administered by the Department of Conservation as Public Conservation Land (PCL) where the majority of minerals sought by the extraction industry are located.

The West Coast Regional Council (the Council) has functions under the Resource Management Act 1991 (the Act) to manage the effects of mineral extraction activities to meet the sustainable management purpose of the Act. Council's Regional Land and Water Plan seeks to enable appropriate mining that contributes to the economic, social and cultural wellbeing of West Coast communities while avoiding, remedying and mitigating adverse environmental effects. The Council therefore, has a keen interest in the proposed Strategy and how it may, and should, affect the West Coast.

Council supports the proposed Strategy which clearly outlines the importance of minerals to the New Zealand way of life, and that minerals will clearly be a part of our future as our reliance on technology continues to grow. The necessity of minerals use is clearly identified in the early parts of the document. Council supports the concept of a strategy that sets a clear direction for resource use into the future and provides the mandate for responsible resource extraction to support the country's needs. However, as it is currently written, the proposed Strategy does not do this. Instead it creates uncertainty for the future of mineral extraction nationally, and on the West Coast, and subsequently, the future economic and social wellbeing of our region. In our view, the proposed Strategy needs amending to give clearer direction for the future.

This submission outlines the action areas that the Council supports, and the primary issues we consider the proposed Strategy needs to address. We have also provided comment on the review timeframe.

**Action areas relevant to the West Coast**

The proposed Strategy identifies five action areas. Council strongly supports the actions in Action area 2 relevant to mineral extraction in the West Coast and seeks completion of the next steps:

*Action area 2: "Securing affordable resources to meet our minerals and energy needs"*

One of the completed actions under Action area 2 is mineral potential studies for lithium, rare earth elements and nickel-cobalt. In mid-2018, the Ministry for Business, Innovation and Enterprise (MBIE) commissioned GNS science to undertake a potential minerals study. The study identified high lithium and rare earth element potential at various locations on the West Coast, particularly in the Hohonu Range.

The next steps for Action area 2 include:

- *Regional aeromagnetic and large scale geochemical soil sampling; and*
- *Improving our systems to make minerals data more accessible.*

The proposed Strategy states that *"depending on the outcome of these studies, further actions will be taken"*, and highlights how important it is to understand the mineral "stock".

In 2014, \$8 million was budgeted for aeromagnetic and geochemical sampling. This programme is now 75% complete. Not only will the outcomes of this work identify and quantify the mineral stock available, the information can be used for other purposes and by other industries such as forestry, geological mapping, agriculture and horticulture, hazard assessment, and engineering investigations.

Council acknowledges the funding for the New Zealand Institute of Minerals to Materials Research (NZIMMR), founded in Greymouth in 2018. This has enabled NZIMMR to undertake ongoing research into new technologies that use minerals more effectively and efficiently. It is also enabling research into how to extract the highest possible value minerals with the lowest possible environmental impact.

MBIE are currently working with the Australian Federal Government to leverage off their technology. Once this minerals stocktake is completed, the availability of geoscience data will be significantly

more efficient and effective. Council supports systems intended to make data accessible, relatable, searchable and available as quickly as possible.

### **Primary issues with the proposed Strategy**

#### *Lack of direction on conflicting national policy*

The proposed Strategy is unclear on how conflicting national policy will be reconciled. For example, the Government's current view about mining on PCL is that there will be no new mining allowed. This position, and the proposed Strategy's identified ongoing need for, and use of, minerals nationally appear to be at odds with each other. Even if the proposed Strategy cannot provide a solution to this conflict, it should at least identify the issue and state that MBIE will continue to investigate ways to resolve the conflict.

There is no clear direction on where aggregate and quarry rock will be sourced and the conflict where this aggregate is on PCL. This is a significant issue for the West Coast where 84% of the region is administered by DoC. Therefore, access to aggregate and quarry rock is limited. There is an ever increasing demand for aggregate for roading repairs, and flood and erosion protection structures. The effects of climate change have been predicted to manifest themselves in increasingly frequent and intense storm events.

Without direction on these issues, Council considered the proposed Strategy to be meaningless. Council seeks that these issues are addressed in the final Strategy.

#### *Lack of legal protection of mineral resources*

The changes to the Crown Minerals Act 1991 should legislate the need to identify and protect minerals such as rare earth minerals for future extraction. If these changes are made to the Crown Minerals Act 1991, the proposed Strategy could identify and map areas where minerals can/will be extracted and streamline processes around permissions for this, whether on land administered by DoC or not. It is paramount that New Zealand does not end up with perverse outcomes, for example, having to import minerals, with larger global environmental impacts, and potentially from countries with much less rigorous regulatory regimes. The proposed Strategy has the ability to support the identification of where mining is appropriate, to provide clarity for the industry and to ensure that New Zealand as a country can actually provide for the minerals required as part of the 'transition' to a zero emissions economy.

Council seeks that the final Strategy addresses this matter.

#### *Lack of direction on future coal extraction*

The proposed Strategy is silent on establishing a clear mandate to allow for coal extraction into the future to provide for New Zealand's energy/steel production needs. While it recognises that coal will be required for the foreseeable future, and looks at 'green' minerals, for example, lithium, how the Country's future is to be provided for is unclear. This is another example of potentially conflicting national policy, the realistic need to use coal for certain activities on one hand and the Government's intention to reduce carbon emissions on the other.

Council seeks that the final Strategy addresses this matter clearly.

The final Strategy could state that MBIE will work with the Ministry for Climate Change, and/or the Climate Change Commission, to identify ways in which coal use for essential needs such as steel production can be offset, or provided for, in a way that still meets the national zero carbon targets. An example of this offset is the development of new technologies to reduce manufacturing emissions.

### **Rolling review of Strategy**

Council supports the rolling review of the proposed Strategy, however it needs to extend the time scale, for example 70 – 100 years. Currently, the proposed Strategy is based on a ten year period, with a formal review every 5 years. Council agrees with the five year review process as changes to technology and within the environment occur rapidly and the Strategy needs to be agile and responsive to evolving changes over the short term. However, the Strategy also needs to have an eye on the long-term goal. Extending the Strategy timeframe would provide for a clear strategic direction to be established, aligned with the Country's goals and aspirations, providing for mineral investigations to be undertaken in tandem with potential future needs.

This ends our submission.

**Appendix 2**

1 October 2019

NZBS Consultation  
Po Box 10420  
Wellington 6140

Dear Biodiversity Consultation Team

**Discussion Document on Proposed Biodiversity Strategy for Aotearoa New Zealand**

Thank you for the opportunity to submit on the Discussion Document on Proposed Biodiversity Strategy for Aotearoa New Zealand. Attached is the West Coast Regional Council's submission.

Yours faithfully

Michael Meehan  
**Chief Executive**

## **West Coast Regional Council Submission on the Discussion Document on Proposals for a Biodiversity Strategy for Aotearoa New Zealand September 2019**

### **Introduction**

The West Coast Regional Council (the Council) supports in principle the vision and proposals for thriving indigenous biodiversity in New Zealand, as outlined in the Discussion Document for a Biodiversity Strategy for Aotearoa New Zealand. Based on the contents of the Discussion Document, the Strategy will provide high level, broad and aspirational direction about what the Department of Conservation (DOC) is seeking to achieve in restoring and enhancing indigenous biodiversity throughout New Zealand. As a non-mandatory, stand-alone document, the Strategy will not directly affect the West Coast. Our concern, however, is that it is unclear from the Discussion Document who will implement the priority actions in order to determine how it will affect our region. The Strategy will provide guidance for the National Policy Statement on Indigenous Biodiversity (NPSIB) which is prepared under the Resource Management Act (RMA). Councils will have to give effect to the NPSIB in their RMA policy statements and plans. Due to the characteristics of our region, the NPSIB it is likely to have a considerable impact on West Coast communities and businesses.

The Council is also concerned that implementing the Strategy will require considerable extra resourcing (funding and time) from councils and the community. The Council questions how the Strategy is to interact with other national legislation such as the Resource Management Act 1991 and that it appears to require a higher level of biodiversity protection, restoration and enhancement, beyond what the RMA potentially requires for indigenous biodiversity protection and maintenance. Our submission outlines the aspects of the Discussion Document that are supported for inclusion in the Strategy as well as the issues identified in implementing the goals and priority actions.

### **Vision**

The Council supports the vision in principle that "*Nature in Aotearoa is healthy, abundant, and thriving. Current and future generations connect with nature, restore it, and are restored by it*". It is aspirational but Council has no issue with this outcome. The Council does not want to see indigenous species become extinct, and recognises that rare and threatened species are particularly at risk. However, the Council questions how measurable the vision is, and how the long term outcomes are to be achieved.

Council also supports the Strategy looking forward to 2070, as improving biodiversity throughout New Zealand will take time. The Strategy should clearly acknowledge that improving biodiversity will take time, requiring changes in technology and the way people think.

### **Principles and Values**

Council supports the principle of prioritising the conservation of indigenous species over non-indigenous species as it is the former species that makes New Zealand biodiversity unique. Council strongly supports the third point under the principle of biodiversity management where it states:

*"Sustainable use – Conserving species, habitats and ecosystems is a priority, but does not preclude use or activities that would impact on them where this is ecologically sustainable and does not result in their long-term decline."*

There are substantial areas of stewardship land within the conservation estate with low or no conservation value (particularly on the West Coast where 84% of the region is administered by DoC). Stewardship land is land held for conservation purposes, are areas that are not a marginal strip or watercourse, and does not hold any additional specific protection or preservation requirements. DoC manages stewardship areas under the Conservation Act 1987 to protect their natural and historic values. A number of areas were allocated to DoC when it was formed in 1987 and are managed as stewardship land. They were former State Forest and Crown land areas considered to more appropriately managed for their conservation values by DoC. The intention was that DoC would act as a steward of these areas until their future purpose, or ownership, was determined. In addition to the above areas, there is other land that is held under the Conservation Act 1987 (for example land that has been acquired, transferred, exchanged or gifted) that is also managed as stewardship land.

The Commissioner for the Environment noted in her 2013 report that stewardship land comprised approximately 850,000 hectares on the West Coast (the correct total is 836,000ha).

It is widely acknowledged that parts of stewardship land have significant ecological values, and as such they should be reclassified as either land protected in Schedule 4 of the Crown Minerals Act or

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included within the relevant National Park. Equally, there is stewardship land that is being poorly managed and/or has little or no ecological value in comparison. Separating these land parcels would ensure the protection of these values while enabling a region with currently just 16% of land in private ownership to realise the potential of having over double this amount of land in the future to achieve true economic, cultural and social resilience and success. Enabling this will provide additional income for councils to implement the Strategy and further manage biodiversity values on the West Coast.

The Council supports the principle of using a mix of regulatory and non-regulatory tools to achieve the best outcome, recognising that incentives can be an effective means of encouragement. Our communities often raise concerns that regulations take away their property rights. Therefore, Council believes that the principle about respecting property rights is very important to achieve biodiversity goals. If landowners believe that their property rights are being ignored, then they may be less inclined to undertake steps to protect or enhance biodiversity on their properties.

### **Legislative framework**

Council acknowledges that the Discussion Document considers the various legislation for managing biodiversity throughout New Zealand, including the Resource Management Act 1991. However, managing biodiversity is not the sole purpose of the RMA. Section 5 clearly promotes the sustainable management of natural and physical resources, which includes biodiversity protection and maintenance, as well as providing for the economic, social and cultural wellbeing of people. The Strategy needs to acknowledge that biodiversity management is not the only role of Councils.

### **Roles of agencies**

The Discussion Document mentions local councils preparing biodiversity strategies a number of times, but does not discuss the relationship between council biodiversity strategies and the Department's Conservation Management Strategies. On Page 20, it states that "*On-the-ground action will be guided by local, district and regional plans or strategies*". We understand that this is becoming more common practice for Councils with highly developed regions and a substantial loss of indigenous biodiversity. However, we have concerns that this will impose substantial additional costs (time and funding) on this region beyond our resourcing capability. The Council is also unclear on the purpose of having a Biodiversity Strategy when biodiversity can be managed through regional and district plans.

The Strategy needs to set out the roles of Conservation Management Strategies, district and regional plans for managing biodiversity, including how these interact with each other. On the West Coast, DoC manages the largest proportion of land, so the Conservation Management Strategy has a key role to play in biodiversity management.

### **Implementation of the Strategy**

The purpose of section 2.6 of the Discussion Document is to set out how the Strategy is to be implemented. However we have found that the content of this section provides very little detail on this, with all it really saying is that "A more detailed implementation plan will be developed collaboratively" (page 34 of the Discussion Document). Council questions how a strategy can be written when there appears to have been little consideration on how it is to be implemented. Council recommends writing the implementation plan at the same time as the Strategy to ensure that they are clearly linked. The other option is for the Strategy to include the implementation plan. Council does not have a preference so long as the Strategy clearly documents how it is to be implemented.

We are unclear whether the implementation plan will have legal status and statutory requirements that must be implemented by councils. Will it give direction to DOC primarily in their biodiversity management role, or will it also give direction to other organisations? This needs to be clarified in the Strategy.

### **Reporting and Monitoring**

We support in principle regular reporting and monitoring as it is useful to be kept up to date on the state of indigenous biodiversity. However, Council is unclear which central government department will be undertaking the reporting requirements. The scale of reporting required could impose considerable time and cost on our Council, and is not a task we would be likely to undertake. Support for Councils to provide reporting information has to be considered when writing the Strategy.

### **Public consultation**

The document is unclear on whether the draft strategy will be open to public consultation or not. Council believes that it should be open for public submissions as the Strategy may change from what is outlined in the Discussion Document. In the section "How to use this discussion document/ Pēhea



te whakamāhia i tēnei tūhinga korero" it states "*The development of a new biodiversity strategy for Aotearoa New Zealand is being led by the Department of Conservation (DOC) on behalf of all New Zealanders.*" Given that it is for all New Zealanders, and will impact all New Zealanders, in some cases quite significantly, then the public should have the opportunity to make submissions.

### **Goals**

Many of the goals under section 2.5 will require local councils to undertake the work to achieve these. An example of this is the first goal under the year 2025 in section 2.5 which states that "*No further decline in the number and extent of coastal and freshwater wetlands*". Council is unclear how this goal can be achieved through non-regulatory options. Currently the Resource Management Act 1991 requires councils to protect wetlands from inappropriate subdivision, use and development. This is largely achieved by councils adding provisions to their plans, mapping the areas and then undertaking compliance work to ensure the extent and values of the wetland areas are maintained. Another example is the second goal under the year 2025 that states "*All areas of significant biodiversity on land are mapped and protected*". Local Councils will have to undertake this work to ensure these areas are protected. These are just two of the goals where councils will be required to undertake the work.

Clearer guidance would be useful, and it would be better if the strategy indicated a clear willingness by DoC to collaborate with councils and provide assistance to work together rather than adding extra costs to ratepayers as a submitter and appellant.

Consideration needs to be given in the strategy of the West Coast situation when setting guidance around the protection of wetlands. The goal for wetlands of an increased number and extent of wetlands by 2050 is potentially inconsistent with the principle of respecting property rights where wetlands occur on private land on the West Coast. There appears to be no consideration of compensating land owners for loss of use of their land in a region with slow or no economic growth. Many of the other goals within this section are unclear about who is going to undertake the work. For example the second goal under the year 2030 that states "*Ten key freshwater pest species and ten key land-based weed species are reduced or controlled to a level that does not diminish ecological integrity*". The document does not state who will decide the species to be reduced or controlled. Will DoC or the Ministry for the Environment be making this decision, or will local councils be required to pick their top 10 species? The remainder of the Discussion Document does not go into detail for how these species are to be managed. The Strategy and/ or Implementation Plan needs to set out how a decision is to be made on the ten species, and who will have the role of managing these species to meet this goal. The Strategy or Plan will also need to set out how these species will be managed to meet this goal. Many other goals, including goals around Marine Protected Areas, are unclear about who has the role of achieving these.

### **Priority actions under the five system shifts**

Many priority actions under the five system shifts in section 2.7 of the Discussion Document are unclear about who is to implement them and how they are to be implemented. They also try to put a large amount of responsibility on councils, and various organisations and local communities to undertake these.

#### **Shift 1**

Council questions why DoC is reviewing natural resource legislation. Natural resource legislation covers the Conservation Act, the RMA, Minerals Act, Reserves Act etc., and so it is wider than the legislation that DoC generally works under. However, it may be more efficient and effective if DoC makes it a priority to improve co-ordination with organisations who also have responsibilities for other areas of biodiversity management. Who will provide the governance?

Council is also unclear as to why the priority action for delivering freshwater policy reform, as worded, will be included in the national Strategy. It reads as though DoC will be reviewing freshwater policy and suggesting changes. This is the role of the Ministry for the Environment under the RMA, however the wording blurs the boundaries of the RMA and the Conservation Act. The Priority action should read that the Department will collaborate with regional councils to implement national fresh water policy for freshwater biodiversity within public conservation land.

#### **Shift 2**

Council considers this shift as very important and will need to be developed in collaboration with iwi.

#### **Shift 3**

Council supports empowering communities to take action on biodiversity but have concerns that the priority actions under Shift 3 will require a substantial amount of input by local communities, councils

and iwi. This is of particular concern to the priority action regarding biodiversity hubs. We like the idea of biodiversity hubs because they appear to be about coordinating community groups who have projects that relate to biodiversity management. However Council has concerns that these will be expensive to run and so question who is going to fund these. The priority action appears to anticipate that councils, iwi or other relevant organisations will run these. We feel that DoC should run these with input from local councils, iwi and other key organisations, particularly on the West Coast. This action also appears to assume that everywhere has local community groups that undertake biodiversity projects, or that relevant organisations will set up a community groups to undertake biodiversity projects. Setting up and managing community groups is not a role of a council. The Strategy and/or Implementation Plan needs to clearly define what a biodiversity hub is and who will manage the hub.

Agree in principle with the provision of incentives to encourage private landowners to maintain significant indigenous biodiversity on their land. However, it is unclear who will pay for and deliver the incentives.

Under the sub-heading "Mainstreaming nature", paragraph 1 states that "*There is currently a perception that legal protection of private land for its biodiversity values negatively impacts on land value*". This is incorrect as it is currently the reality rather than perception. In a market for agricultural land where land transactions are occurring, land values, in reality, will be affected by legal protection. Council is currently undertaking Plan Change 1 to the Regional Land and Water Plan which focusses on amending the boundaries of several designated wetland areas. Through the process a large number of wetland landowners have raised concerns that having the wetland designation has decreased the value of their property.

The Council is concerned about the priority action of implementing a national approach to rates relief for covenanted and other protected private land. A national approach to rates relief can be an incentive to encourage landowners to protect areas of significant biodiversity on their property. However, the impact of rates relief will be felt by councils in areas such as the West Coast where there is already limited rateable land. One option that the Council would like considered, to counterbalance the impacts of providing for rates relief on covenanted land, is for DoC to pay rates on the land that they administer. Land administered by DoC comprises approximately 84% of the West Coast. If some form of rating model was established for this land then this would assist Council to potentially undertake considerable more work across the biodiversity space.

As protecting significant indigenous biodiversity is a matter of national importance in the RMA, the nation should pay for such protection, rather than individual landowners. Increased central government funding should be made a priority in the national Biodiversity Strategy. Greater funding assistance should be provided to compensate Councils that are unable to rate large areas of their region/district such as where the land is national park.

Shifts 2 and 3 are largely about supporting community involvement in the protection and management of biodiversity. However neither shift has priority actions regarding funding for community groups or private landowners to undertake biodiversity projects. Shift 2 has a priority action regarding rates relief, which could encourage landowners to undertake biodiversity actions on their property, although this is not guaranteed. We believe the Strategy and/or Implementation Plan should consider options for providing funding for both community groups and landowners to undertake projects to protect and manage biodiversity. Protecting biodiversity is for the benefit of all people in New Zealand.

#### **Shift 4**

The idea of connecting ecosystems from the mountain tops to the ocean depths raise concerns similar to those mentioned previously in this submission. Priority action 2 is unclear about who will implement this action. Council would assume that DoC will establish projects that consider these requirements. However, this action could also be interpreted as requiring local community groups to consider these when setting up and managing projects, especially if they are applying for funding. Council also has concerns that the priority actions under this section will require a significant amount of input from local communities which could cause individuals and/or community groups to burn out, and not complete their projects. The Strategy and/or Implementation Plan needs to consider how individuals and community groups can be supported in the delivery of such projects.

#### **Shift 5**

The priority actions under Shift 5: innovating for the future, do not clearly set out how these actions are to be implemented. Again, the Strategy and/or Implementation Plan will need to set out the roles and responsibilities of the various organisations that are to implement these actions.

This ends our submission.

**West Coast Regional Council Submission on the proposed National Policy Statement for Highly Productive Land (NPS-HPL)**

The overall purpose of the NPS-HPL is to:

- recognise the full range of values and benefits associated with the use of highly productive land for primary production;
- maintain the land's availability for primary production for future generations; and
- protect it from inappropriate subdivision, use, and development.

The recognition in the draft document that allows for implementation to occur differently in different regions is supported.

The ability for only certain provisions to apply to some regions, and those regions with the highest level of urban/primary production pressure implementing all policies, is sensible. This ensures that the outcomes that are sought are achieved without costs to those regions with little benefit. The West Coast is such a region with only 0.63% LUC 3 land, and no LUC 1 or LUC 2 land. There is also no urban development pressure on the small rural areas with LUC 3 land.

The provision to allow for district plans to undertake identification before regional policy statements (RPS's) are updated, if an RPS has recently been made operative, is supported. It is noted however that "recently" is not defined. The West Coast proposed RPS is currently going through Environment Court appeals, and is likely to be 'recently' operative once the NPS-HPL comes into effect. Allowing district plans to be updated before RPS's reduces costs to the region.

The West Coast Regional Council would like to see a similar identification process undertaken to ensure that land with high potential to provide minerals for our future needs is classified as important/significant, to avoid similar competing land use issues in the future.

The timeframes for adding identified highly productive land to RPS's and district plans may be too short for less resourced, rural councils, given the substantial amount of work that councils are required to do to implement freshwater and indigenous biodiversity NPS's, the upcoming changes to the NES for Air Quality, and the National Planning Standards. The national direction currently being released does not address which of these should have the highest priority, and for this Regional Council, the freshwater and indigenous biodiversity NPS's have greater challenges and are a higher priority. The timeframes for adding identified highly productive land areas to RPS's and district plans should be flexible to enable councils with fewer highly productive land issues to add any identified areas to RPS's and district plans at their next plan review or plan change.

This ends our submission.

**THE WEST COAST REGIONAL COUNCIL**

Prepared for: Resource Management Committee – 8 October 2019  
 Prepared by: Karen Glover – Consents and Compliance Administration Officer  
 Date: 26 September 2019  
**Subject: CONSENTS MONTHLY REPORT**

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**Three Consents Sites Visit were undertaken 29 August to 25 September 2019**

02/09/2019	RC-2019-0098 – Global Sanctuaries Limited, Discharge of sewage effluent, Lake Mahinapua Hotel	To assess the application against the receiving environment.
06/09/2019	RC-2019-0092 – International Panel and Lumber (West Coast) Limited, Industrial discharges, Gladstone	To discuss the application for renewing consents.
12/09/2019	RC-2018-0031 – KP & JM Kilkelly, Earthworks in the Greymouth Earthworks Control Area, Tasman View Road	To discuss the consent application information requirements with the applicant.

**14 Non-Notified Resource Consents were Granted 29 August to 25 September 2019**

<b>CONSENT NO. &amp; HOLDER</b>	<b>PURPOSE OF CONSENT</b>
RC-2018-0102 Buller District Council Hector	To alter the foreshore/seabed to construct a rock wall, Hector. To occupy space in the Coastal Marine Area (CMA) with a rock wall, Hector. To construct a structure (rock wall) in the CMA, Hector. To deposit material (rock) in the CMA, Hector.
RC-2019-0046 Westland District Council Arahura	To take and use groundwater for a community water supply, Arahura.
RC-2019-0049 PB Gardiner Kaniere River	To disturb the dry bed of the Kaniere River for gravel extraction.
RC-2019-0067 DJ Lynch Limestone Creek (north of Meybille Bay)	To alter the foreshore or seabed to clear the channel of Limestone Creek. To deposit material (soil and rock) in the CMA as a result of channel clearance and protection works, Limestone Creek.

<p>RC-2019-0068 Bonar Farms Limited Waitaha River</p>	<p>To disturb the dry bed of the Waitaha River to extract gravel for river protection purposes.</p> <p>To disturb the bed of the Waitaha River to undertake river protection works.</p>
<p>RC-2019-0083 TrustPower Limited Kaniere River (Kaniere Forks Power Station)</p>	<p>To undertake earthworks and vegetation clearance within riparian margins, Kaniere River.</p> <p>To disturb the dry bed of the Kaniere River to extract gravel for river protection purposes.</p> <p>To disturb the bed of the Kaniere River to extract gravel from the wet bed and to construct river protection structures.</p> <p>To discharge sediment to water incidental to river protection works, Kaniere River.</p>
<p>RC-2019-0084 Trustpower Limited Kaniere River (McKays Power Station)</p>	<p>To undertake earthworks and vegetation clearance within riparian margins, Kaniere River.</p> <p>To disturb the dry bed of the Kaniere River to extract gravel for river protection purposes.</p> <p>To disturb the bed of the Kaniere River to extract gravel from the wet bed and to construct river protection structures.</p> <p>To discharge sediment to water as a result of undertaking river protection works, Kaniere River.</p>
<p>RC-2019-0085 Trustpower Limited Lebel &amp; Wainihinihi Creeks</p>	<p>To undertake earthworks and vegetation clearance within riparian margins, Lebel and Wainihinihi Creeks.</p> <p>To disturb the dry bed of Lebel and Wainihinihi Creeks to extract gravel for river protection purposes.</p> <p>To disturb the bed of Lebel and Wainihinihi Creeks to extract gravel from the wet bed and to construct river protection structures and bank reinstatement.</p> <p>To discharge sediment to water as a result of undertaking river protection works, Lebel and Wainihinihi Creeks.</p>
<p>RC-2019-0086 Department of Conservation Waikowhai Stream, Gillespies Beach</p>	<p>To disturb the bed of the Waikowhai Stream to construct a boardwalk.</p>
<p>RC-2019-0089 Trustpower Limited Big Wainihinihi Creek</p>	<p>To undertake earthworks on slopes greater than 25 degrees associated with repairs to the Big Wainihinihi access road.</p>
<p>RC-2019-0093 New Zealand Transport Agency Bruce Bay</p>	<p>To alter the foreshore/seabed to construct a rock wall, Bruce Bay.</p> <p>To occupy space in the Coastal Marine Area (CMA) with a rock wall, Bruce Bay.</p> <p>To construct a structure (rock wall) in the CMA, Bruce Bay.</p> <p>To deposit material (rock) in the CMA, Bruce Bay.</p>

RC-2019-0094  
DJ & SL Carew  
Inangahua River

To disturb the dry bed of the Inangahua River for the purpose of removing gravel.

RC-2019-0096  
River Terrace Farms Limited  
Andersons Road, Reefton

To take and use groundwater for irrigation purposes, Reefton.

RC-2019-0100  
Birchfield Coal Mines Limited  
Inangahua River

To disturb the dry bed of the Inangahua River for the purpose of removing gravel.

No Changes to and No Reviews of Consent Conditions were granted in the period 29 August to 25 September 2019.

No Limited Notified and no Notified Resource Consents were granted in the period 29 August to 25 September 2019.

#### Public Enquiries

44 written public enquiries were responded to during the reporting period. 41 (93%) were answered on the same day, and the remaining 3 (7%) within the next ten days.

#### **RECOMMENDATION**

*That the October 2019 report of the Consents Group be received.*

Heather McKay

**Consents & Compliance Manager**

Prepared for: Resource Management Committee – 8 October 2019  
 Prepared by: Heather McKay – Consents & Compliance Manager  
 Date: 27 September 2019  
 Subject: **COMPLIANCE & ENFORCEMENT MONTHLY REPORT**

### **Site Visits**

A total of 113 site visits were undertaken during the reporting period, which consisted of:

<b>Activity</b>	<b>Number of Visits</b>
Resource consent monitoring	72
Mining compliance & bond release	24
Complaints	17
Dairy farm	0

A total of 28 complaints and incidents were recorded.

### **Non-Compliances**

Note: These are the activities that have been assessed as non-compliant during the reporting period.

A total of seven non-compliances occurred during the reporting period.

<b>Activity</b>	<b>Description</b>	<b>Location</b>	<b>Action/Outcome</b>	<b>INC/Comp</b>
Gold Mining	Complaint received that the New River was discoloured with sediment	Camerons	The site was investigated and established that the miner's sediment retention pond was leaking through its wall. The discharge went to a road side drain then into the New River. An abatement notice has been issued to cease the discharge and enquiries are ongoing.	Complaint
Discharge to land	A compliance officer noticed that at a resource consented clean fill site there were materials present which breached the consent conditions.	3 Mile Hokitika	The consent holder has been required to remove the materials and has been issued with a formal warning.	Incident
Quarry	An inspection was undertaken at a quarry and established that they were operating without a current work programme and had extracted in excess of what was authorised by the resource consent.	Inchbonnie	A letter of direction has been issued to submit a work programme and to obtain a variation to the resource consent conditions to allow greater volumes to be extracted.	Incident



Activity	Description	Location	Action/Outcome	INC/Comp
Meal Plant	An inspection was undertaken at a Meal Plant operation and established that they had not undertaken sampling as required by their resource consent. They also burn used oil in their boiler which was a breach of their resource consent and the Regional Air Quality Plan.	Haupiri	Enquiries are ongoing	Incident
WWTP	An inspection was undertaken at a community WWTP. Enquiries established that the consent holder had not been undertaking the sampling required by their resource consent.	Haupiri	Enquiries are ongoing	Incident
Discharge to water	Westport Port staff reported a discharge of oil into the Buller River.	Westport	A hydraulic hose on the Kawatiri Dredge had burst and the clean up discharged a small amount of oil into the river. The hose was fixed immediately. No other action is required to be undertaken.	Complaint
Discharge to water	Complaint received that there had been a discharge of diesel from the Holcim Wharf.	Westport	Currently on site there is a demolition crew demolishing the Holcim silos on the wharf. The site has been investigated and established a minor discharge had occurred from a small diesel fuel trailer. The discharge was mitigated. A letter has been sent to the operator to remind them of their environmental obligations when refuelling.	Complaint

### **Other Complaints/Incidents**

Note: These are the other complaints/incidents assessed during the reporting period whereby the activity was not found to be non-compliant or compliance is not yet established at the time of reporting.

Activity	Description	Location	Action/Outcome	INC/Comp
Discharge to water	Complaint received that Waimea Creek was discoloured with sediment.	Stafford	The site was investigated and unable to find the source of the discharge.	Complaint
Flooding	Complaint received that the large tide and sea swells were overtopping the beach front and causing flooding.	Rapahoe	The site was visited and noted minor flooding from the natural event. No action was undertaken.	Complaint

Activity	Description	Location	Action/Outcome	INC/Comp
Discharge to water	Complaint received that Houhou Creek was discoloured with sediment.	Hokitika	The site was investigated and the source of the sediment was not located.	Complaint
Discharge to air	Complaint received that smoke from a domestic fire was offensive to a neighbouring property.	Greymouth	The complaint was referred to the GDC to investigate under the Health Act.	Complaint
Discharge to water	Complaint received that the Okari River was discoloured with sediment.	Westport	The site was investigated and the source of the sediment was not located.	Complaint
Discharge to air	Complaint received that the odour from the Karoro Waste Water Ponds was offensive.	Karoro	The site was investigated and at the time of the inspection there was no issues with odour.	Complaint
Discharge to water	Complaint received that a gold miner was discharging sediment laden water which was discolouring a creek.	Westport	The site was investigated and established that the person was undertaking small scale mining. There were no discharges from the site when inspected.	Complaint
Vehicle in River	Information received that a vehicle was in the Taramakau River near Rocky Point.	Rocky Point	A site visit was undertaken and located a vehicle on its roof submerged in the water. Enquiries with the driver of the vehicle established that the vehicle slid off the road into the river and he was currently organising the removal of it.	Incident
Whitebaiting	Complaint received that several whitebait stands on the Orowaiti River are incorrectly located.	Westport	The site was investigated and established that the stands are in their correct locations.	Complaint
Discharge to water	Complaint received that a farm is discharging dairy effluent to a water body.	Ross	Enquiries are ongoing.	Complaint
Discharge to water	Compliance staff saw that Saltwater Creek was discoloured with sediment.	Paroa	Enquiries were made but were unable to locate the source of the discharge.	Incident
Discharge to land	Westland Milk Products report that they have had an incident where a burst pipe has sprayed dilute nitric acid to land.	Hokitika	Enquiries were carried out and established that the chemical is used to wash the inside of the railed milk tanks. The infrastructure is new and the burst pipe was not foreseeable. The area was remediated by WMP. There is no adverse effect from the discharge and no further action will be undertaken.	Incident

Activity	Description	Location	Action/Outcome	INC/Comp
Flood protection work	Complaint received that flood protection work has been undertaken on the Waitaha River which may cause an issue to another property.	Waitaha	The site was investigated and established that the work is authorised by a resource consent. Further inspections will be undertaken as the work progresses.	Complaint
Gravel Extraction	Complaint received that a gravel contractor has not remediated the river bed at the conclusion of extracting.	Hokitika	Enquiries are ongoing	Complaint
Gravel Extraction	Complaint received that gravel extraction contractors are causing the discharge of dust which is affecting nearby residences.	Hokitika	Enquiries are ongoing	Complaint
Agriculture aerial spraying	Complaint received that the spray drift from a helicopter spraying a nearby farm property has caused an issue to the neighbouring property.	Totara Flat	Enquiries are ongoing	Complaint
Discharge to water	Westland Milk Products report that they have had a discharge of a milk product into a stormwater drain.	Hokitika	The site was investigated and it was observed that a white substance was discharging from the stormwater drain. WMP staff had undertaken mitigation work to block the drain off from the Hokitika River. A slurry tanker was used to remove the contaminant from the drain. Follow up investigation established that the milk by-product had been poured into a sink within the factory lab which goes into the District Councils sewerage system. It was established that a sewerage pipe had broken allowing the discharge into the stormwater pipe. The sewerage pipe has since been fixed. No further action will be undertaken.	Complaint
Noise Complaint	Complaint received regarding the discharge of noise from a gold mining operation.	Stafford	Enquiries are ongoing.	Complaint
Discharge to water	Compliance staff saw that the New River was discoloured with sediment.	Marsden	Enquiries were made but were unable to locate the source of the discharge.	Incident

Activity	Description	Location	Action/Outcome	INC/Comp
Discharge to water	Complaint received that earthworks being undertaken is causing the discharge of sediment to a waterbody.	3 Mile Hokitika	The site has been investigated and enquires are ongoing.	Complaint
Gold Mining	Complaint received that Waimea Creek was discoloured with sediment.	Goldsborough	The site has been investigated and established that the operation was discharging sediment laden water into Waimea Creek. Samples of the discharge have been obtained and enquiries are ongoing.	Complaint

### **Update on Previously Reported Ongoing Complaints/Incidents**

There is no update on previously reported complaints/incidents

### **Formal Enforcement Action**

**Formal Warning:** There was one formal warning issued during the reporting period.

Activity	Location
Clean fill Operation – depositing of non-compliant materials	3 Mile Hokitika

**Abatement Notices:** There was one abatement notice issued during the reporting period.

Activity	Location
Gold Mining – cease the discharge of sediment laden water	Cameron's

### **Mining Work Programmes and Bonds**

The Council received the following 10 work programmes during the reporting period. Nine of the work programmes have been approved. The remaining work programme requires a site visit.

Date	Mining Authorisation	Holder	Location	Approved
04/09/2019	CML37-159	Birchfields Coal Mines Ltd	Strongman	Yes
06/09/2019	RC-2016-0100	J A Morley Family Trust	Ahaura	In progress
09/09/2019	RC-2016-0073	Agri Partners Ltd	Stafford	Yes
12/09/2019	RC-2014-0117	Granville Mining Ltd	Slab Hut	Yes
19/09/2019	RC-2017-0092	Fitzherbert Investments	Rimu	Yes
19/09/2019	RC-2016-0034	Amalgamated Mining Ltd	Notown	Yes
19/09/2019	RC-2014-0047	Amalgamated Mining Ltd	Notown	Yes
19/09/2019	RC11117	Amalgamated Mining Ltd	Notown	Yes
19/09/2019	RC09059	P and R Mining Ltd	Blackwater	Yes
23/09/2019	RC10253	Phoenix Mining Ltd	Stafford	Yes

**No bonds were received during the reporting period**

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**Three bonds are recommended for release**

<b>Mining Authorisation</b>	<b>Holder</b>	<b>Location</b>	<b>Amount</b>	<b>Reason For Release</b>
RC00084	Phoenix Mining Ltd	Moonlight	\$8,000	Mining has concluded and rehabilitation completed.
RC13082	Eldon Holdings Ltd	Deadman's	\$12,000	Mining has concluded and rehabilitation completed.

**RECOMMENDATIONS**

- 1. That the October 2019 report of the Compliance Group be received.*
- 2. That the bonds for RC00084 of \$8,000 held by Phoenix Mining Ltd, and RC13082 of \$12,000 held by Eldon Holdings Ltd are released.*

Heather McKay  
**Consents and Compliance 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, 8 October 2019** commencing on completion of the Resource Management Committee Meeting

A.J. ROBB  
CHAIRPERSON

M. MEEHAN  
CHIEF EXECUTIVE OFFICER

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<u>AGENDA NUMBERS</u>	<u>PAGE NUMBERS</u>	<u>BUSINESS</u>
1.		<b>APOLOGIES</b>
2.		<b>PUBLIC FORUM</b>
3.		<b>MINUTES</b>
	1 - 3	3.1 Minutes of Council Meeting 10 September 2019
4.		<b>REPORTS</b>
	4 - 7	4.1 Engineering Operations Report
	8 - 13	4.2 Corporate Services Manager's Monthly Report
5.		<b>CHAIRMAN'S REPORT</b> (verbal)
6.	14	<b>CHIEF EXECUTIVE'S REPORT</b>
7.		<b>GENERAL BUSINESS</b>

**THE WEST COAST REGIONAL COUNCIL**

**MINUTES OF THE MEETING OF THE COUNCIL HELD ON 10 SEPTEMBER 2019,  
AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH,  
COMMENCING AT 11.22 A.M.**

**PRESENT:**

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

**IN ATTENDANCE:**

M. Meehan (Chief Executive Officer), R. Mallinson (Corporate Services Manager), H. McKay (Consents & Compliance Manager), H. Mills (Planning, Science & Innovation Manager), T. Jellyman (Minutes Clerk).

**1. APOLOGY:**

There were no apologies. It was noted that Cr Clementson was granted a leave of absence at last month's meeting.

**2. PUBLIC FORUM**

There was no public forum.

**3.1 CONFIRMATION OF MINUTES**

The Chairman asked the meeting if there were any changes to the minutes of the previous meeting. There were no changes requested.

**Moved** (Ewen / Birchfield) that *the minutes of the Council meeting dated 13 August 2019, be confirmed as correct.*

*Carried*

**Matters arising**

Cr Ewen asked if it was Council staff who provided the second redesign and costings for the Karamea stopbank upgrade. M. Meehan confirmed this.

**REPORTS:**

**4.1 OPERATIONS REPORT**

M. Meehan spoke to this report in R. Beal's absence. He spoke of work that has been carried out in several rating districts recently.

M. Meehan reported that heavy seas have caused some damage to the seawall at Punakaiki. He stated that preparation work has been carried out in the Karamea rating district with an access track constructed to allow trucks to clear debris for when the stopbank upgrade commences. M. Meehan advised that work is progressing well with the Hokitika Seawall Rating District.

M. Meehan reported that 75% of the total volume of rock required has now been placed for the Milton & Others stopbank in the Lower Waiho Rating District. He advised that completion is expected around 11 October but this is dependent on weather and river conditions. M. Meehan advised that 50,000 tonne of rock has been recovered from the river to date, with another 10,000 tonnes to go.

M. Meehan invited R. Mallinson to update the meeting on progress with the insurance claim. R. Mallinson advised that the Crown has made their first payment with the second payment expected today. R. Mallinson stated that he is now focussing his attention on the insurer and is working with Aon to get a



definitive response to the insurance claim. R. Mallinson stated that he is hoping the insurer will pay out based on the full declared value. He stated that if this happens borrowing by the rating district will not be required.

R. Mallinson advised that the second claim to the Crown relates to work at Inchbonnie and Kaniere rating districts. He stated that the Crown and insurer are both very aware that the same event caused damage in several locations, not just Franz Josef.

M. Meehan advised that he would follow up with R. Beal on questions asked by Crs Archer and Birchfield in relation to the diagram on page 12 of the agenda. M. Meehan agreed to follow up on matters relating to Kiwi Quarry on behalf of Cr Ewen.

Cr Challenger stated that he has received comments from people who are very impressed with the work being done on the Hokitika Seawall. Cr Challenger asked questions relating to the charging of this work to the rating district. M. Meehan advised that Council had agreed to take out a five year loan to pay for this work. He stated that currently there has been no changes to the rating district classifications but this could be considered by the new council as part of the annual plan. R. Mallinson explained the terms of the loan for this rating district and advised that this is a \$1.5M loan over a 20 year period and is being paid off at \$75,000 per year. R. Mallinson advised that any changes to the funding arrangement would need to go through the annual plan process.

**Moved** (Challenger / Birchfield) *That the report is received.*

*Carried*

#### **4.2 CORPORATE SERVICES MANAGER'S MONTHLY REPORT**

R. Mallinson spoke to his report and advised that he has been heavily committed to finalising the Audit Report for Audit NZ. He stated that the auditors will be on site for two weeks from Monday.

R. Mallinson advised that it is now unlikely that 8 October Annual Report audit sign off will be achieved due to delays PCR LP audit is yet to be finalised and is not expected until around 11 October. R. Mallinson stated that sign off is expected in late October.

R. Mallinson confirmed to Cr Birchfield that the Catastrophe Fund has now been liquidated, and will be rebuilt once the insurance proceeds are to hand.

**Moved** (Archer / Challenger) *That the report is received.*

*Carried*

#### **4.3 SUBMISSION ON THE DRAFT PRODUCTIVITY COMMISSION REPORT ON LOCAL GOVERNMENT FUNDING AND FINANCE**

M. Meehan spoke to this report and took it as read. He confirmed that the submission has been lodged.

**Moved** (Birchfield / McDonnell) *That the report is received.*

*Carried*

#### **5.0 CHAIRMANS REPORT**

The Chairman spoke to his report and took it as read. He spoke briefly of recent meetings he attended including the meeting to discuss engineering options for Lower Cobden. M. Meehan advised that Council was asked to look at what private property was affected by inundation by the sea. M. Meehan advised that staff are looking at the existing information they have on this area; it is likely that there are five or six properties near the carpark area that could be affected.

The Chairman reported that he attended the Regional Sector meeting with the major focus being the Fresh Water Package announcements. He stated that the Regional Sector is considering drafting a submission which may be circulated to Councillors to see if they support this.

The Chairman stated that the Te Tai O Poutini Committee meeting was held yesterday.

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

*Carried*

**6.1 CHIEF EXECUTIVE’S REPORT**

M. Meehan spoke to his report. He stated that a lot of time is currently being spent looking at what is coming out of central government. M. Meehan advised the he, H. Mills and H. McKay will be meeting tomorrow to work through some of these matters.

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

*Carried*

**GENERAL BUSINESS**

Cr Archer asked if there is funding available for Westport 2100 to undertake the studies identified in relation to gravel shifts in the Orowaiti overflow. He stated that BDC has provided \$5,000 but there is a shortfall of \$8,000. M. Meehan advised that there is a \$50,000 budget in the operations area for this type of work and Envirolink funding could be applied for. M. Meehan agreed to liaise with R. Beal regarding this.

Cr Archer asked what the plans are to address how Council will fill vacancies on working groups following the elections. M. Meehan advised that this will be one of the first matters the new council will need to deal with. He stated that in view of four out of seven elected members not standing this will be quite a new Council and it might pay to hold a few workshops as well as field trips for new Councillors.

The meeting closed at 11.45 a.m.

.....  
Chairman

.....  
Date

Prepared for: Council Meeting – 8 October 2019  
Prepared by: Paulette Birchfield – Engineer, Brendon Russ - Engineer  
Date: 27 September 2019  
Subject: **ENGINEERING OPERATIONS REPORT**

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### **WORKS COMPLETED AND WORKS TENDERED FOR**

#### Hokitika Seawall Rating District

Construction of the approximately 300m of temporary rock work from the Hampden Street groyne to the north has been completed by Henry Adams Contracting. The works involved placing 3,155.5 tonnes of 3 to 6 tonne rocks at a total price of \$177,086.66 + GST

The remaining 150m of unprotected foreshore from where the temporary rock work finishes to the Tudor Street groyne will be monitored along with the section from the north end of the Hokitika Seawall to the Hampden Street groyne.





### Franz Josef Rating District

Only the section of the heliport stopbank which is owned by the Franz Josef Rating District is currently being upgraded and will be paid for by the rating district. The remaining section of the heliport stopbank is owned by Destination Westland.

Work involving the strengthening of the Heliport stopbank has been awarded to Henry Adams Contracting at a price of \$109,570 (GST Exclusive).

The work involves placing 16,000m<sup>3</sup> of bulkfill to widen the topwidth of the stopbank from 4.5m to 8.0m and to also increase the batter slope to a 3:1 grade.





Lower Waiho Rating District

Re-construction of Milton and Others Stopbank- Progress Update:

Earthworks on the 710m of new the stopbank has been completed while a further 90m of stopbank has been constructed to a lower level as was the original Milton & Others stopbank. 90% of the total volume of rock required has been placed.



The following plant is currently being used onsite:

Arnold Contracting Team

1 x 20T Excavator

3 x 30T Excavators

1 x 50T Excavator

1 x 26T Dump Truck

1 x 40T Dump Truck

1 x 12T Construction Roller

As of 27 September 2019 approximately 60,000T of rock has been recovered and placed into the new stopbank and the temporary diversion channel.

As of 31 August 2019 \$2,125,000 +GST has been spent on this project.

As of 30 September 2019 approximately \$2,450,000 +GST has been spent on this project.

Approximate completion date for this project is 11 October 2019 (weather dependent).

**Quarry Rock Movements for the Period 1 August to 31 August 2019**

<b>Quarry</b>		<b>Opening Stockpile Balance</b>	<b>Rock Sold</b>	<b>Rock Produced</b>	<b>Closing Stockpile Balance</b>
Camelback	Small/medium	11,943	0	0	11,943
	Large	3,165	2558	2558	3,165
Whataroa	Small/medium	5,640	0	0	5,640
	Large	790	3714	3714	790
Blackball		850	0	0	850
Inchbonnie		11,397	3837	0	7,560
Kiwi		0	0	0	0
Miedema		0	0	0	0
Okuru		1,000	0	0	1,000
Whitehorse		1,334	0	0	1,334
<b>Totals</b>		<b>36,119</b>	<b>10,109</b>	<b>6,272</b>	<b>32,282</b>

**RECOMMENDATION**

*That the report is received.*

Randal Beal  
**Operations Manager**

Prepared for: Council Meeting 8 October 2019  
 Prepared by: Robert Mallinson – Corporate Services Manager  
 Date: 30 September 2019  
**Subject: Financial Report 1 July 2019 to 31 August 2019**

	ACTUAL Year to Date	BUDGET Year to Date	BUDGET Annual	% ACTUAL vs BUDGET
<b>REVENUES</b>				
General Rates and Penalties	597,077	580,000	3,480,000	17%
Investment Income	159,924	249,497	1,496,980	11%
Resource Management	274,734	305,990	1,835,938	15%
Regional Land Transport	12,238	13,833	83,000	15%
Emergency Management	195,718	195,833	1,175,000	17%
River, Drainage, Coastal Protection	1,337,275	270,316	1,621,898	82%
Warm West Coast	11,724	2,480	14,879	79%
VCS Business Unit	726,222	671,000	4,026,000	18%
	3,314,911	2,288,949	13,733,695	
<b>EXPENDITURE</b>				
Governance	81,789	98,996	593,976	14%
Resource Management	646,672	718,368	4,310,207	15%
Regional Land Transport	24,170	31,798	190,790	13%
Hydrology & Floodwarning Services	112,368	152,108	912,645	12%
Emergency Management	205,646	203,740	1,222,442	17%
River, Drainage, Coastal Protection	708,838	414,639	2,487,831	28%
VCS Business Unit	667,121	587,667	3,526,000	19%
Other	10,470	6,090	36,540	29%
Warm West Coast	1,331	1,378	8,270	
	2,458,405	2,214,784	13,288,701	
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>856,507</b>	<b>74,166</b>	<b>444,994</b>	

	Net Variance ACTUAL vs BUDGETED Year to Date	ACTUAL	BUDGET Year to Date	ANNUAL BUDGET
<b>BREAKDOWN OF SURPLUS / (DEFICIT)</b>				
Rating Districts	721,463	775,051	53,588	321,527
Quarries	- 27,477	- 35,409	- 7,932	- 47,592
Investment Income	- 89,573	159,924	249,497	1,496,980
VCS Business Unit	- 24,232	59,101	83,333	500,000
General Rates Funded Activities	197,249	- 102,083	- 299,332	- 1,795,990
Warm West Coast	9,291	10,392	1,102	6,609
Other	- 4,380	- 10,470	- 6,090	- 36,540
<b>TOTAL</b>	<b>782,341</b>	<b>856,507</b>	<b>74,166</b>	<b>444,994</b>

Net Contributors to General Rates Funded Surplus /(Deficit)	Net Variance ACTUAL vs BUDGETED Year to Date	ACTUAL	BUDGET Year to Date	ANNUAL BUDGET
Rates	17,077	597,077	580,000	3,480,000
Representation	17,207	- 81,789	- 98,996	- 593,976
Resource Management	63,881	- 371,937	- 435,819	- 2,614,911
Transport Activity	6,033	- 11,932	- 17,965	- 107,790
River, Drainage, Coastal Protection	55,333	- 111,205	- 166,538	- 999,226
Hydrology & Floodwarning	39,740	- 112,368	- 152,108	- 912,645
Emergency Management	- 2,021	- 9,928	- 7,907	- 47,442
<b>TOTAL</b>	<b>197,249</b>	<b>- 102,083</b>	<b>- 299,332</b>	<b>- 1,795,990</b>

**CURRENT ASSETS**

Cash	-	214,102
Deposit - Westpac		1,783
Accounts Receivable - General		1,528,037
Accounts Receivable - Rates		42,030
Prepayments		201,038
GST Refund Due		
Stock		407,668
Accrued Income		3,095,766
		<u>5,062,220</u>

**NON CURRENT ASSETS**

Investments		10,615,666
Strategic Investments		943,174
Strategic Investments		207,947
Strategic Investments		89,600
Term Deposit - PRCC Bond		50,000
MBIE & DOC Bonds		23,866
Investments-Catastrophes Fund		776
Warm West Coast Loans		265,847
Commerical Property Investment		1,480,000
Fixed Assets		4,793,021
Infrastructural Assets		72,587,465
		<u>91,057,362</u>

<b><u>TOTAL ASSETS</u></b>		<b><u>96,119,582</u></b>
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**CURRENT LIABILITIES**

Bank Short Term Loan	-	910,000
Accounts Payable	-	1,586,180
GST		19,816
Deposits & Bonds	-	1,588,638
Sundry Payables	-	82,000
Revenue in Advance	-	198,321
Accrued Annual Leave, Payroll	-	379,881
	-	<u>4,725,205</u>

**NON CURRENT LIABILITIES**

Future Quarry Restoration	-	404,000
LGFA	-	9,082,993
	-	<u>9,486,993</u>

<b><u>TOTAL LIABILITIES</u></b>	<b>-</b>	<b><u>14,212,198</u></b>
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**EQUITY**

Ratepayers Equity	-	19,286,477
Surplus Transferred	-	856,506
Rating District Equity	-	883,850
Revaluation	-	49,912,171
Catastrophe Fund	-	1,059,380
Investment Growth Reserve	-	9,909,000
TOTAL EQUITY	-	<u>81,907,383</u>

<b><u>LIABILITIES &amp; EQUITY</u></b>	<b>-</b>	<b><u>96,119,581</u></b>
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1 July - 31 August 2019		JBWere Portfolio
Opening balance	1 July 2019	\$10,471,940
Income year to date	July	\$141,548
	August	\$2,178
Deposit		
Withdrawal		\$-00
Closing balance	1 July - 31 August 2019	\$10,615,666
Total income year to date to		\$143,726

## 2. Commentary

Operating surplus for the two months amounted to \$856,000. This includes \$865,000 in Crown payments with regard to the 26 March floods.

The payments by Council regarding the Milton stop-bank rebuild are on capital account but the receipts from the Crown (and eventually the Insurer) are on revenue account.

### Revenue

\$3.315 million actual compared to budgeted \$2.289 million.

Main difference is in River, Drainage & Coastal income which includes the \$865,000 of Crown contributions referred to above.

### Expenditure

\$2.458 million actual compared to \$2.215 million budgeted.

Main difference was River, Drainage, Coastal Activity which includes \$214,000 expenditure regarding RDs Kaniere, Waitangitaona and Kowhitirangi on operating account but relating to 26 March 2019 event.

### Other Comments

VCS and Investment income running below budget.

### Balance Sheet

Council River, drainage & Coastal infrastructure was revalued from \$58 million to \$71 million @ 30/6/19

## 3. Annual Audit

A small team from Audit NZ was on site for the two weeks ending 27 September 2019 and further work will be undertaken week ending 4 October off site. The only really outstanding issues with Audit NZ relates to Quarry rock.

## 4. Financials Year Ended 30 June 2019

I am including as an annexure to this report the key financial pages from the Annual Report for the year to 30 June 2019. Councillors will recall that the interim end of year financial results reported to the August meeting pointed to a deficit > \$1 million.

This is substantially reduced by Council accounting for Crown contributions relating to the 26 March Flood event of \$546,000.

The adjusted deficit of (\$426,937) compares to the budgeted deficit of (\$551,762)

Council budgeted for a deficit of (\$551,762) in 18/19 because we had budgeted \$700,000 on operating account for the Greymouth Floodwall remedial fix (to be part funded by borrowing of \$600,000) that didn't actually occur during 18/19

## RECOMMENDATION

*That the report be received.*

Robert Mallinson  
**Corporate Services Manager**

**Statement of Comprehensive Revenue and Expense for Year ended 30 June 2019**

Page 6

2018 Actual	Cost of Services	Notes	2019 Actual	2019 Budget
461,814	Governance		488,962	480,042
377,223	Economic Development		268,159	300,000
3,648,739	Resource Management		3,917,522	3,761,372
194,801	Transport		195,049	203,591
796,066	Hydrology & Floodwarning Services		863,206	960,219
1,042,407	Emergency Management		1,374,010	1,202,395
1,432,712	River, Drainage & Coastal Protection		2,242,993	2,829,019
3,384,546	Vector Control Services Business Unit		3,720,577	3,389,000
272,549	Impairment on transfer held for sale			-
-	Revaluation Movement		-	
110,249	Other		143,916	62,037
20,749	Warm West Coast Scheme		8,857	10,223
<u>11,741,856</u>		<u>3(a),4,5</u>	<u>13,223,251</u>	<u>13,197,898</u>
	<u>Less</u>			
	<u>Less Income</u>			
4,227,076	Rates		5,724,162	5,779,422
212,118	Subsidies & Grants		96,422	82,330
96,183	Commerical Property Rental		96,182	96,183
10,230	Gains/-Losses disposal of Assets		34,969	-
-	Commercial Property Revaluation		-	35,526
943,609	Investment Income		557,733	750,000
5,393,004	User Fees & Charges		6,286,847	5,902,675
<u>10,882,220</u>		<u>1,2</u>	<u>12,796,315</u>	<u>12,646,136</u>
<u>(859,636)</u>	Net Surplus / (Deficit) for year		<u>(426,937)</u>	<u>(551,762)</u>
<u>-</u>	Revaluation Reserve Movement		<u>11,572,882</u>	<u>3,693,931</u>
<u>(859,636)</u>	Total Comprehensive Revenue & Expense		<u>11,145,945</u>	<u>3,142,169</u>

(Refer Page 67 for explanation of major variances)

The accompanying notes and accounting policies form part of these financial statements.

<b>Statement of Changes in Equity for Year Ended 30 June 2019</b>
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2018	Notes	Actual 2019	Budget 2019
70,764,567	Balance 1 July	69,904,932	71,304,494
(859,635)	Comprehensive Income	(426,937)	(551,762)
-	Revaluation Reserve movement	11,572,882	3,693,931
69,904,932	Balance 30 June	81,050,877	74,446,663

The accompanying notes and accounting policies form part of these financial statements

**Statement of Financial Position as at 30 June 2019**

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Actual 2018	Assets	Notes	Actual 2019	Budget 2019
	<b>Current Assets</b>			
-	Cash & Cash equivalents	6	-	
2,220,031	Receivables	7	3,602,685	1,600,000
904,133	Inventories	8	557,878	700,000
1,029,104	Interest in Limited Partnership Held for Sale	28	-	-
59,417	Loan Advances	9	56,379	70,000
985,488	Other Financial Assets	9	1,149,431	1,500,000
<u>5,198,173</u>	<b>Total Current Assets</b>		<u>5,366,373</u>	<u>3,870,000</u>
	<b>Non-Current Assets</b>			
63,075,463	Property, Plant & Equipment	10	76,064,078	66,415,927
145,746	Intangible Assets	11	112,393	112,393
1,480,000	Investment Property	12	1,480,000	1,555,526
305,778	Loan Advances	9	217,092	250,000
1,027,811	Investment in Associate	19	943,174	1,056,000
208,202	Investment in Council Controlled Organisation	20	207,947	212,300
10,998,142	Other Financial Assets	9	9,700,710	9,826,154
<u>77,241,142</u>	<b>Total Non-Current Assets</b>		<u>88,725,394</u>	<u>79,428,300</u>
<u>82,439,315</u>	<b>Total Assets</b>		<u>94,091,767</u>	<u>83,298,300</u>
	<b>Liabilities</b>			
	<b>Current Liabilities</b>			
1,162,210	Bank Overdraft		454,468	97,565
434,631	Borrowings	17	2,892,993	475,535
2,499,392	Payables	15	3,308,434	2,000,000
532,750	Employee Benefit Liabilities	16	380,995	300,000
-	Derivative Financial Liabilities	18	-	-
<u>4,628,983</u>			<u>7,036,890</u>	<u>2,873,100</u>
	<b>Non-Current Liabilities</b>			
-	Employee Benefit Liabilities	16	-	-
7,433,461	Borrowings	17	5,600,000	5,908,537
73,939	Derivative Financial Liabilities	18	-	-
398,000	Future Quarry Restoration	26	404,000	70,000
<u>7,905,400</u>			<u>6,004,000</u>	<u>5,978,537</u>
<u>12,534,383</u>	<b>Total Liabilities</b>		<u>13,040,890</u>	<u>8,851,637</u>
	<b>Equity</b>			
17,902,818	Ratepayers Equity	21(a)	18,631,685	21,187,289
2,807,695	Rating Districts	21(b)	2,458,040	2,755,522
38,339,289	Revaluation Reserve	21 (c)	49,912,171	42,033,220
-	Quarry Account	21 (e)	-	-
9,815,000	Investment Growth Reserve	21(d)	9,815,000	7,470,632
1,040,130	Catastrophe Fund	21(i)	233,981	1,000,000
<u>69,904,932</u>			<u>81,050,877</u>	<u>74,446,663</u>
<u>82,439,315</u>	<b>Total Liabilities and Equity</b>		<u>94,091,767</u>	<u>83,298,300</u>

The accompanying notes and accounting policies form part of these financial statements

**THE WEST COAST REGIONAL COUNCIL**

**Prepared for:** Council Meeting- 8 October 2019  
**Prepared by:** Michael Meehan – Chief Executive  
**Date:** 30 September 2019  
**Subject:** **CHIEF EXECUTIVE'S REPORT**

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**Meetings Attended:**

- I met with Jackie Douglas from Te Rūnanga o Makaawhio on 13 September.
- I met with a consultant who is preparing a study on the Grey and Westport ports on 13 September.
- I attended a Ministry for the Environment Workshop on 18 September.
- I attended a LGNZ meeting of the Freshwater consultation package on 24 September in Wellington.
- I attended a freshwater consultation meeting on 26 September.
- I attended a stakeholder meeting with Tai Poutini Polytechnic on 30 September.
- I will be attending the annual meeting of the Greymouth Joint Floodwall Committee on 8 October.

**RECOMMENDATION**

*That this report be received.*

Michael Meehan  
**Chief Executive**

