



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

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

TUESDAY, 10 MARCH 2020

The programme for the day is:

10.30 a.m: Resource Management Committee Meeting

On completion of RMC Meeting: Council Meeting

**RMC Workshop: Land and Water Plan – Plan Change 1
Annual Plan**

Presentation: JB Were

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, 10 March 2020**

S. CHALLENGER
CHAIRPERSON

M. MEEHAN
Chief Executive Officer

<u>AGENDA NUMBERS</u>	<u>PAGE NUMBERS</u>	<u>BUSINESS</u>
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		PUBLIC FORUM Bruce Truman – Sphagnum Moss Farmer Ian Aynsley and Andrew Thompson – Coastpak Ltd
2.		MINUTES
	1 - 3	2.1 Confirmation of Minutes of Resource Management Committee Meeting – 11 February 2020
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3.		PRESENTATION
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		5.1 Planning and Operations Group
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		6.0 GENERAL BUSINESS

THE WEST COAST REGIONAL COUNCIL**MINUTES OF THE MEETING OF THE RESOURCE MANAGEMENT COMMITTEE
HELD ON 11 FEBRUARY 2020, AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL,
388 MAIN SOUTH ROAD, GREYMOUTH, COMMENCING AT 10.33 A.M.****PRESENT:**

S. Challenger (Chairman), A. Birchfield, P. Ewen, D. Magner, B. Cummings, J. Hill, L. Coll McLaughlin, J. Douglas, F. Tumahai

IN ATTENDANCE:

R. Mallinson (Corporate Services Manager), H. McKay (Consents & Compliance Manager), H. Mills (Planning, Science & Innovation Manager), R. Beal (Operations Director), T. Jellyman (Minutes Clerk), J. Hawes (IT Support), The Media.

1. APOLOGIES

There were no apologies.

2. MINUTES

The Chairman asked the meeting if there were any changes to the minutes of the previous meeting.

Moved (Magner / Coll McLaughlin) *that the minutes of the previous Resource Management Committee meeting dated 10 December 2019, be confirmed as correct.*

Carried

Matters Arising

There were no matters arising.

3. PUBLIC FORUM

There was no public forum.

4. CHAIRMAN'S REPORT

Cr Challenger stated that he received numerous phone calls during the recent heavy rainfall event.

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

H. Mills advised that J. Hawes (IT support staff member) is present should Councillors require any assistance with their devices as this is the first paperless meeting.

H. Mills spoke to his report and advised that all issues relating to the RPS have now been resolved. He stated that work is progressing well with the Grey Mawhera and Kawatiri Freshwater Management Units, along with the Hokitika FMU which now held two information sessions.

H. Mills reported that the submission staff are preparing on the proposed (Draft) NPS for Indigenous Biodiversity will be lengthy and will oppose various parts. He stated that Council will argue for regional exemptions as the West Coast is quite different to other parts of the country, and will be the odd one out

nationally due to the makeup of our region. H. Mills stated that compensation packages will be sought for SNA's on private land, SNA's on public land and DoC estate.

H. Mills reported that Council will support DoC's "Improving Whitebait Management Discussion Document", as most of the parts of this are about bringing other regions into alignment with the West Coast. He stated that the main concern is around proposed closure of rivers for up to two years and potentially more than two years. The submission will be circulated to Council for their comments.

H. Mills reported that Council has now gone through a lengthy process on Plan Change 1 to the Regional Land and Water Plan. He stated that the recommendations from the Hearing Panel are now to hand. H. Mills advised that the Plan Change is removing wetland classifications from property owners and is tidying up wetland boundaries, essentially. He advised that sites were visited to ascertain whether they were wet land or not, or if they are perhaps a road, firm underfoot, or had no indigenous vegetation, then Council's recommendation is that this is removed. H. Mills advised that landowners are awaiting a decision as this will be positive for them. He stated that sphagnum moss harvesters are hoping that the rule will come through as this will allow for the harvesting of sphagnum moss on Schedule 2 Wetlands. H. Mills advised that once the decision is made, it then goes into an appeals period where submitters can appeal decisions. H. Mills answered questions from Councillors. Extensive discussion took place with both H. Mills and Cr Birchfield providing background and historic information on Plan Change 1. Cr Ewen stated that there is considerable hectareage on the West Coast of state coal reserve and he queried if this could be transferred into the Crown parcel. He stated that this was done at Stockton in 1953. Cr Ewen stated that he is mindful that the 85% of land may only be temporary, and the hectareage of state coal reserve could be many thousands of hectares. Cr Birchfield stated that approximately 500 hectares of private land have effectively been put into the DoC estate. He stated that anyone who want to develop a wetland needs to apply for a resource consent, and DoC are an affected party. H. Mills agreed and advised that this plan change is outside of the Environment Court decision years ago. Cr Birchfield stated he would like to know how much is private land, how much land is being taken into SNA's, and wetlands. It was agreed that it would be good to have this information. Cr Coll McLaughlin stated that Council does focus on DoC and Crown land but there is also a recognition that freehold land is uncovered and it would be good to have this as a separate category. H. Mills advised that today's decision and recommendation is quite outside of the SNA discussion, this is specifically wetlands, and specifically taking out wetlands off Schedule 1 & 2. Cr Coll McLaughlin stated that she would like to better understand decision 1.45, as sphagnum moss is one of the most critical decisions. H. Mills advised that an extension will need to be requested in view of the deferral. H. Mills answered questions relating to boundary changes, assessments of wetlands and wetland identification. Cr Birchfield stated that there was no proper assessment done of potential wetlands before they were put into the plan, and landowners were not notified. He stated that landowners are now lumbered with the cost of getting an ecologist in, and landowners have effectively lost around 5,000 hectares of private land into the DoC estate. Cr Birchfield stated that landowners have to pay rates on this land, as DoC don't pay rates. Cr Coll McLaughlin stated that some landowners may not have submitted on the Plan Change and are affected and may have wanted to appeal, but there are landowners who did submit, and are still affected, is not unduly high that would potentially require some support to work through the assessment. H. Mills advised that this could be considered. Cr Birchfield provided an extensive history on this matter. It was noted that this could also impact on the One District Plan. It was agreed that a special meeting would be arranged for a week's time.

H. Mills advised that December was a particularly wet period with a large number of flood alarms triggered during this time. He stated that the flood warning team was in constant contact with civil defence personal during this time.

Moved (Hill / Birchfield)

1. *That the report is received.*
2. *That a decision is deferred, for one week, and a Special Council meeting is held to consider the Hearing Panel's recommendations as the Council Decisions on Submissions to the proposed Plan Change 1 to the Regional Land and Water Plan.*

Carried

5.1.2 CONTACT RECREATION WATER QUALITY SAMPLING UPDATE

H. Mills spoke to this report and advised that the higher readings at various sites relate to heavy rainfall during the reporting period.

Moved (Coll McLaughlin / Cummings) *That the report is received.*

5.2.1 CONSENTS MONTHLY REPORT

H. McKay spoke to this report and advised that two site visits were carried out, 18 non-notified resources consents were granted, and nine changes to consent conditions were granted during the reporting period. H. McKay advised that the reporting period was two months and therefore numbers are slightly higher than usual. She reported that three limited notified resource consents were granted during the reporting period, with one going on to a hearing.

H. McKay answered questions from Councillors relating to monitoring and bonds.

Moved (Ewen / Birchfield) *That the February 2020 report of the Consents Group be received.*

Carried

5.2.2 COMPLIANCE & ENFORCEMENT MONTHLY REPORT

H. McKay spoke to this report and advised that this is also a two month reporting period. She reported that 104 site visits were carried out during the reporting period. H. McKay reported that there were 31 complaints or incidents received with 14 non-compliances occurring during the reporting period. H. McKay advised that 17 complaints or incidents were reported and some are still under investigation.

H. McKay reported that three formal warnings were issued, 10 infringement notices, and seven abatement notices were issued during the reporting period.

H. McKay reported that 11 mining work programmes were received during the reporting period, with all being approved. H. McKay advised that four bonds were received. H. McKay answered questions from Councillors.

Moved (Magner / Coll McLaughlin) *That the February 2020 report of the Compliance Group be received.*

Carried

GENERAL BUSINESS

There was no general business.

The meeting closed at 11.07 a.m.

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Chairman

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Date

2.1.1

THE WEST COAST REGIONAL COUNCIL

**MINUTES OF A SPECIAL MEETING OF THE WEST COAST REGIONAL COUNCIL
RESOURCE MANAGEMENT COMMITTEE HELD ON 20 FEBRUARY 2020,
AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOOUTH,
COMMENCING AT 3.05 P.M.**

PRESENT:

S. Challenger, (Chairman), A. Birchfield P. Ewen, B. Cummings, D. Magner, J. Hill (arrived 3.06 p.m),
L. Coll McLaughlin (via Telephone), F. Tumahai, J. Douglas

IN ATTENDANCE:

M. Meehan (Chief Executive Officer), H. Mills (Planning, Science & Innovation Manager) L. Sadler, A. Melrose (Planning Staff), T. Jellyman (Minutes Clerk)

1. APOLOGIES:

There were no apologies.

2. REGIONAL LAND AND WATER PLAN – PLAN CHANGE 1

H. Mills advised that he recently sent out figures, at the request of Cr Birchfield, on the quantity of areas that are being removed from Plan Change 1. He stated that there are two main parts to the Plan Change (PC), with the first one being the corrections to designated wetland boundaries. H. Mills stated that there were some areas that physically were not actually wetland, such as roads or farmland. H. Mills advised that the EC directed Council to check these areas, this was done and is the main part of the PC. He stated that staff have spent a lot of time meeting with property owners and doing assessments on properties. H. Mills advised that the other key part to the PC was around the harvesting of Sphagnum Moss (SM). He advised that the definition of vegetation disturbance is being amended to permit Sphagnum Moss Harvesting in Schedule 2 wetlands. H. Mills stated that this allowed Council to create a permitted activity rule for the harvesting of Sphagnum Moss in Schedule 2 wetlands. H. Mills stated that landowners are waiting for this decision to be made as are sphagnum moss harvesters. H. Mills advised that there are 6,269 hectares of Schedule 2 wetlands classification on private land currently. Council is proposing, through this PC, to have just over 500 hectares coming out of both Schedule 1 and 2 designations, mainly Schedule 2, with the key fact being approximately 500 hectares coming out of wetland designation for property owners, and farm owners. He stated these farm owners have been through a rigorous process, and are waiting for this to happen in order to get on with their lives.

Cr Birchfield declared an interest, as he has an interest in Birchfield Coal Ltd, and some schedule 2 wetlands encroaches on his land, and Birchfield Coal Ltd were also a submitter.

J. Douglas declared an interest on behalf of the Te Rūnanga Makaawhio with regard to the scheduled wetlands in the Lake Kini area.

M. Meehan suggested the Council looks at this as simply getting these people out of the Plan Change process and for landowners such as Mr Friend, it is 100% of his land that will be getting the designation removed. M. Meehan stated this is significant for the sphagnum moss industry. M. Meehan advised that there could still be appeals if Council decides to accept this, and after this, Council looks at options should they wish to review the rest of the wetlands in the Plan. He stated that if Council wishes to consider the other issues, this should be done afterwards as by adopting the Hearing Panel's recommendations, Council would be providing relief to the landowners and the sphagnum moss industry. H. Mills advised that if Council does not accept the recommendations from the Hearing Panel, Council may need to go back to rehold hearings on the whole Plan Change, which will be a significant undertaking. Cr Birchfield stated everyone's land should come out, it should never have gone in as there was no proper assessment done, and landowners were never told. Cr Birchfield stated he wants the whole thing re-done, the boundary changes are not acceptable, everyone should get their land back, as there is still 5,700 hectares of private land with a wetland designation on it. F. Tumahai asked if there is any Maori land included in the wetland schedule. M. Meehan advised that Lake Kini is included. F. Tumahai stated that he will be following

Makaawhio's lead. Cr Cummings asked if sphagnum moss harvesters have to get resource consent. M. Meehan advised that during the EC court case, due to the changes made through the EC, the vegetation disturbance definition and the changes to it meant that sphagnum moss harvesting became an activity that resource consent was needed for. M. Meehan stated that during the Court case, Council tried to come up with a permitted activity rule but the Court said Council would need to have further hearings on this matter. He stated that at the time the decision was made to accept that and to move forward with a Plan Change to rectify this as there was no appetite to go to more Court hearings. M. Meehan stated that Council has not required sphagnum moss owners to get resource consent as this gets the harvesters back to where they were pre Court case. By proposing that sphagnum moss is harvested in line with the permitted activity rule, harvesters can get on with their lives. Cr Challenger stated that he has received phone calls during the week from affected landowners expressing their disappointment that Council did not make a decision at the February meeting as they have been left hanging since 2012, they can't do anything with their land, and they want a decision made. M. Meehan advised that by accepting the Hearing Panel's Recommendations, Council is not removing anyone's rights, but Council would be freeing up 500 hectares and providing relief to the sphagnum moss industry.

Cr Hill stated he agrees with Crs Magner and Challenger and will be voting in favour of the Hearing Panel's findings. H. Mills advised that this decision would be giving back some of landowners rights.

Extensive discussion took place with all present expressing their views. Cr Challenger advised that by accepting the Hearing Panel's recommendations Council can sort out the 500 hectares and can then work on the rest. Cr Challenger warned of the costs associated with going back to a re-hearing if the recommendations from the Hearing Panel are not adopted. M. Meehan stated that if a decision to accept the Hearing Panel's recommendation is not made today, then the only way that Council could affect what they are asking to do is to do another plan change. He stated that this could be done in addition to adopting the Hearing Panel's Recommendation, as this does not lose anything, it does not accept the decision from the Environment Court, but does give relief to the landowners whom have been in this for eight years, working alongside and making submissions, and the sphagnum moss industry as it benefits this group. M. Meehan advised that by accepting the Hearing Panel's Recommendations, Council is not accepting the Environment Court case. Cr Magner stated that this would save money as there is 500 hectares of wetland designation that will be removed from the Plan.

Cr Birchfield stated that everyone should get their land back and not just a few. F. Tumahai stated that everyone either gets their land back, or everyone sticks together and fights. Cr Hill advised this is a small win and is worth taking. Cr Coll McLaughlin advised that if Council votes against this, then all the work that has been done has been lost. She stated that Council can vote for the recommendations, then make it clear that Council is aiming for more, but this is a rung on the ladder that Council is climbing. Cr Coll McLaughlin agreed with Cr Hill and said that this is a win, and turning this down is not doing anyone a favour. Cr Challenger stated that Council would be better off accepting what they have got in the Recommendations rather than throwing everything out and starting over again. M. Meehan advised that Council would need to be clear on what they are going to go back to the sphagnum moss industry with. Cr Coll McLaughlin stated that Council needs to be pragmatic, she asked if Council is throwing away a win for a principle. She asked if, realistically, is Council going to get more than this if Council goes through another plan change? Cr Challenger stated that land which is identified as Schedule 1 & 2 has already been designated but by agreeing to the recommendations, Council is getting some land back. It was suggested that a statement is included with words advising that by accepting the Hearing Panel's Recommendations, Council is not accepting the Environment Court case.

L. Sadler addressed the meeting and advised that the plan change process is set out in the Resource Management Act and is a legal process. She stated that the Court directed Council and DoC to go through the process of correcting the errors in the wetland boundaries and then make the changes in the Plan which goes through a plan change process. L. Sadler advised there is a legal obligation for this process to be completed. She suggested that a written statement could be attached at the front of the decisions document that outlines issues discussed at today's meeting. The decisions could then be released, with the statement included. H. Mills confirmed that Council would have to go through the Plan Change process again if the Hearing Panel's Recommendations are not adopted. Cr Coll McLaughlin asked M. Meehan what this process has cost to date. M. Meehan responded that this is eight years of time, not just with this government but previous governments and starting in 2002 and is nearly two decades. Cr Hill advised that he feels Council is better to take a small win as all or nothing is not going to get what Council is seeking. Cr Coll McLaughlin stated that this is an Environment Court process, and central government cannot interfere. M. Meehan stated that the chance of success in removing all wetlands in the Environment Court is virtually nil. M. Meehan advised that the compensation conversation has been going on for two decades without success. He advised Councillors to think of a strategy to achieve this and how to go about it. He advised that getting wetlands removed through the Environment Court will have a zero chance of success but Council could apply pressure to the Government to encourage the conversation regarding compensation. H. Mills advised that Council pushes this with every submission that they do. The recommendation was put.

Moved (Challenger / Magner)

1. *That the report is received.*

- 2. *That the Resource Management Committee adopts the Hearing Panel's Recommendations as the Council's Decisions on Submissions to the proposed Plan Change 1 to the Regional Land and Water Plan.*

Crs Birchfield, Ewen and Cummings, F. Tumahai & J. Douglas Against

Crs Hill and Coll McLaughlin were also in favour. The motion was lost.

M. Meehan stated that Council is in a legal process so will now seek legal advice. M. Meehan stated that Councillors will need to work out who will be the spokesperson on this as there will be a lot of questions from landowners.

The meeting closed at 4.02 p.m.

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Chairman

.....
Date

5.1.1

THE WEST COAST REGIONAL COUNCIL

Prepared for: Resource Management Committee – 10 March 2020
 Prepared by: Lillie Sadler – Planning Team Leader
 Date: 26 February 2020
Subject: Planning and Hydrology Report

Regional Policy Statement (RPS) update

All minor issues between parties have been resolved, and the Joint Memorandum of Agreements and Consent Order were lodged with the Environment Court on 11 February 2020.

Freshwater Management Unit Groups' update

Grey: The Group is formulating recommendations and will hold its last meeting on 31 March.

Kawatiri: The Group had its seventh meeting (out of 10) on 19 February 2020, with a presentation on incorporating cultural values into freshwater management.

Hokitika: Applications for Group membership closed on 7 February 2020. Fifteen applications were received, and these were shortlisted to nine candidates who were interviewed. The following is a list of the recommended candidates and their interests. This Report recommends that the Council approve those put forward for membership on the Kawatiri FMU Group.

The first Group meeting is scheduled for 24 March in Hokitika.

The candidates who were shortlisted, interviewed and recommended as appropriate for the community Group are:

- Merryn Bayliss – Lives on a lifestyle block. She volunteers for Age Concern and Riding for the Disabled, and is on other social groups related to healing and the environment. She would like freshwater to be as pristine as possible and has degree and postgraduate degree in Ecology and Conservation and wildlife management. She is not a member of Forest and Bird or Greenpeace.
- Chris Windley – Is interested in fishing and shooting and would like water to be left in very good condition for future generations
- Catherine Chague – community member Okarito/Franz Josef, interest in the environment and water quality
- Cornelius (Kees) Adrianus van Beek - Is a farmer who is connected to various organisations, including Federated farmers and Safer Community Coalition
- Mark Birchfield - Is a miner and wants the right controls and measures in place to protect rivers
- Mark Turner - Is a farmer who would like water quality to be available for all concerned and would like it to be maintained in its present condition or better
- Tom Gledhill – Lives on a lifestyle block. Is a keen kayaker, runner, and bike rider and has been involved with various groups such as Active West Coast, and West Coast Food Security Network

NPSIB submission

Attached as Appendix 1 to this report is the final draft of the West Coast Council's joint submission on the Draft (proposed) National Policy Statement for Indigenous Biodiversity (NPSIB). The submission has, or is being, adopted by the three District Councils. Key stakeholders in the West Coast region including Minerals West Coast, Development West Coast, Westland Milk Products and Straterra (mining advocate), have indicated their support for the Councils' submission at several workshops recently.

Local Government New Zealand (LGNZ) has prepared a submission, and requested a case study of the effects of the NPSIB on the West Coast region, plus other regions and districts/cities, to form part of the local government submission.

As there is a technical ecological component to some of the policies, staff took advice from Ecologist Vaughan Keesing on how these policies will affect the West Coast. The main concerns are:

- The NPSIB as currently worded is not a good 'fit' for the West Coast context of a high level of remaining indigenous biodiversity, mainly due to the large 84.2% of land in the conservation estate.
- Implementing the NPSIB will adversely impact the social and economic wellbeing of West Coast communities by substantially increased rates, and costs for consent applications, tighter restrictions on use of land, and will result in little biodiversity benefit to the region.
- The estimated costs of district councils identifying terrestrial Significant Natural Areas (SNA's) on public conservation land will be prohibitively expensive.
- Requirements for regional and district councils to undertake non-regulatory work may duplicate information or actions that DOC or other agencies undertake.
- The ecological criteria for identifying SNA's could result in a lot of indigenous bush and modified or exotic areas on private land being ranked as a 'high' SNA. Potentially small-scale activities in SNA's are likely to need a full ecological assessment of effects regardless of the scale of their effects. Activities in SNA's must avoid adverse effects, and cannot use the mitigation hierarchy to remedy, mitigate, offset or compensate for adverse effects.
- The requirements for maintaining indigenous biodiversity outside SNA's will have the effect of treating non-SNA areas as if they are SNA's. They could restrict what can be done on private property.
- The over-emphasis on regulatory changes to regional policy statements and plans will not encourage West Coast landowners and communities to maintain indigenous biodiversity. Non-regulatory measures should be prioritised.
- The proposed Implementation Requirements around monitoring highly mobile fauna, restoration and enhancement, and developing regional biodiversity strategies will not make a significant difference to indigenous biodiversity maintenance on the West Coast.
- Substantial change is needed to the NPSIB so that it is either appropriate to all regions, or it provides exemptions for areas with high proportions, at least 70%, of remaining indigenous biodiversity.
- The Government needs to compensate landowners who cannot use their land where it is identified as a SNA.

The submission period closes on 14 March 2020. A list of the Council's main concerns with the proposed NPSIB will be put on the Regional Council's website, to assist members of the public who want guidance on making their own submission.

Improving Whitebait Management Discussion Document

Attached as Appendix 2 is the draft submission on the Department of Conservation's proposals for changes to managing whitebait fishing, in the "Improving Whitebait Management: Te Whakapai ake I te whakahaere inanga Discussion Document". The main points of the submission are:

- The changes which bring fishing regulations in other regions into line with the West Coast regulations, including the start and finish dates, are supported;
- Strongly oppose closing additional rivers on the West Coast to create refuges for whitebait species;
- We are concerned about the lack of evidence to justify closing rivers for 'refuges'.

The closing date for submissions is extended to 16 March.

National Environmental Standards open for submissions

Changes to two National Environmental Standards (NES's) are out for submissions:

1. The main proposed changes to the NES for the Outdoor Storage of Tyres are:
 - a) That regional councils be responsible for administering the NES;
 - b) To introduce a threshold for requiring discretionary resource consents for the outdoor storage of tyres that are more than either 100m³ or 200m³, to provide a stronger framework for mitigating key environmental and public health risks;
 - c) To introduce a permitted activity rule with requirements for outdoor tyre storage between 40m³ and the volume threshold for discretionary resource consent.

2. The main proposed changes to the NES for Air Quality (NESAQ) are:
 - a) A shift from monitoring PM¹⁰ to PM^{2.5} (which must be monitored in every airshed);
 - b) To introduce emissions standards for newly-installed solid fuel burners, including coal, multi-fuel and pellet burners, space heaters and water boilers, on properties less than two hectares in size.

The Consultation Document released with the proposed NESAQ changes seeks feedback on whether the measuring of burner emissions during the design and manufacturing stage should be changed to include the testing of burner modifications that seek to reduce emissions.

Staff will review both sets of proposed changes and draft submissions.

The submission periods for the two sets of changes are:

NES for the Outdoor Storage of Tyres: 25 March

NES for Air Quality: 24 April

Below are links to the documents outlining the two sets of changes:

NES for the Outdoor Storage of Tyres:

<https://www.mfe.govt.nz/publications/waste/proposed-national-environmental-standard-outdoor-storage-of-tyres-2020>

NES Air Quality:

<https://www.mfe.govt.nz/publications/air/proposed-amendments-national-environmental-standards-air-quality-particulate-matter>

Hydrology

Flood Warning

There were two flood events during the reporting period.

Site	Time of peak	Peak level	Warning Issued	Alarm threshold
Hokitika River at Gorge	04/02/2020 17:20	4921 mm	04/02/2020 05:05	3750 mm
Hokitika River at Gorge	16/02/2020 19:45	4474 mm	16/02/2020 19:00	3750 mm
Waiho River at SH Bridge	04/02/2020 16:45	9129 mm	04/02/2020 02:00	8000 mm
Waiho River at SH Bridge	16/02/2020 18:00	8153 mm	16/02/2020 17:30	8000 mm

Butchers Creek Flow Recorder

On 27 February the Hydrology team visited the Butchers Creek flow recorder in the Hokitika catchment. As a result of 4 February 2020 floods, this recorder was ripped out of its foundation and washed 10 metres downstream. The site was opened in 1971. This recorder is not currently used for flood warning, and in recent times has been used only for modelling and consent applications.



Figure 1: Flood damage to the Butchers Creek flow recorder after the 4 February 2020 floods.

Recommendations

1. *That the report is received.*
2. *That the Resource Management Committee approve the Implementation Team's recommended applicants for membership of the Hokitika Freshwater Management Unit Group.*
3. *That the Resource Management Committee approves the joint West Coast Council's submission on the Draft (proposed) National Policy Statement for Indigenous Biodiversity.*
4. *That the Resource Management Committee approves the submission on the "Improving Whitebait Management: Te Whakapai ake I te whakahaere inanga Discussion Document".*
5. *That the Butcher Creek flow recorder is permanently closed.*

Hadley Mills

Planning, Science and Innovation Manager

Appendix 1



Date

Ministry for the Environment
PO Box 10362
Wellington 6143

Dear Sir/Madam

West Coast Council's submission on Draft (proposed) National Policy Statement for Indigenous Biodiversity (2019)

The four West Coast Councils (Buller, Grey and Westland District, and West Coast Regional Council) welcome the opportunity to submit on the Draft (proposed) National Policy Statement for Indigenous Biodiversity 2019 (NPSIB). The four Councils provide this as a joint submission.

We are extremely concerned about the proposed NPSIB as currently worded, and the impact that it would have on the West Coast. It is not a 'good fit' for this region and will incur significant costs on West Coast Councils and ratepayers to implement. It will also unreasonably restrict appropriate development in the region that can be undertaken without reducing the indigenous biodiversity values that make SNAs significant. The four West Coast Councils therefore **strongly oppose** the majority of the proposed NPSIB, and seek that it is amended to 'fit' the West Coast context, to achieve the maintenance of indigenous biodiversity, as well as providing for the economic, social and cultural wellbeing of our communities under the RMA.

The West Coast region is unique with its high level of remaining indigenous biodiversity compared to other regions. While we understand the concerns Government holds in regards to indigenous biodiversity decline, the fact is that retaining an excess of the particular biodiversity types on the West Coast will not benefit biodiversity nationwide, it just means an abundance of West Coast biodiversity examples are retained. As such, we have proposed that in refining the NPSIB to be 'fit for purpose', policy requirements should focus on regions and/or districts that have less than 50% of indigenous biodiversity remaining. We expand on this concept, and how it can be applied, in the following submission.

Central Government is in the midst of the biggest legislative and policy reform we have seen for some time. We are concerned that the indigenous biodiversity proposals are not as well connected to the other national directives being considered as they could be, or how these impact a region

overall. We see that there are real benefits in aligning the national policy approach, ensuring that they do not duplicate each other (NPSIB, National Policy Statement Freshwater Management, New Zealand Coastal Policy Statement).

The West Coast Regional Council has recently undertaken successful Environment Court mediation on its Regional Policy Statement which has included a policy framework for the protection and maintenance of indigenous biodiversity in the region. Parties included in this process came from Iwi, conservation, industry and local government sectors. The outcomes of this process have been generally explained in our submission for your information, noting that the actual wording remains confidential until it has been approved by the Environment Court. These RPS provisions illustrate how development can take place in a manner which still provides for significant values.

We also support the submissions on the proposed NPSIB made by the following parties:

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Our contact details for service are:

Lillie Sadler
Planning Team Leader
West Coast Regional Council
Po Box 66
Greymouth 7840

Phone: 03 768 0466 ext 8242

Email: ls@wrc.govt.nz

Please contact us if you have any questions regarding the content of our submission.

Yours faithfully,

Michael Meehan
Chief Executive

Draft West Coast Regional, Councils' submission on the draft (proposed) National Policy Statement for Indigenous Biodiversity (NPSIB)

Introduction

The West Coast region has a high level of remaining indigenous biodiversity compared to other regions, making it unique. 84.2% of the region is public conservation land managed by the Department of Conservation (DoC), with the majority of this having indigenous vegetation cover. The Draft (proposed) NPSIB is underpinned by the premise that indigenous biodiversity is in serious decline and seeks that there is no reduction of indigenous biodiversity. While this reflects the situation in a number of other regions it is not the case on the West Coast. The 'absolute' terms used in much of the proposed NPSIB, as currently drafted, will therefore be extremely difficult to implement on the West Coast. For these reasons, the four West Coast Councils do not support the majority of the proposed NPSIB.

This submission outlines the costs and issues involved with implementing the proposed NPSIB on the West Coast. We have considered what will work on the West Coast to enable Councils' to fulfil their obligations under the Resource Management Act to maintain indigenous biodiversity, and enable West Coast people and communities to provide for their economic, social and cultural wellbeing. This submission sets out our "outcomes sought" to provide practical and workable solutions for the NPSIB to be implemented on the West Coast.

Structure of this submission

This submission has seven parts:

1. The West Coast context
2. General comments on policy development
3. Comments on specific provisions of the NPSIB
4. Comments on Discussion Document questions
5. Conclusions
6. Appendix 1: Map of DoC land on the West Coast
7. Appendix 2: NPSIB requirements for regional policy statements, and regional and district plans

The first two sections provide background on the physical, cultural socio-economic and indigenous biodiversity setting of the region, and the impacts of the proposed NPSIB overall for the West Coast. Section 3 provides our comments on the specific Implementation Requirements¹ of the NPSIB. Section 4 outlines our responses to some of the questions in the Discussion Document "*He Kura Koiora i hokia*" that are the most relevant for the West Coast and our districts. Section 5 includes Appendix 2 –a list of the NPSIB requirements for regional policy statements, and regional and district plans.

Note that we refer to the 2019 version of the Draft NPSIB as the proposed NPSIB, to avoid confusion with the 2018 version which is also called the Draft NPSIB.

¹ "Information Requirement" is referred to as "IR".

1.

1. The West Coast context

Physical background

The West Coast region covers 23,000 km² (2,327,600 ha), making it the fifth largest region in New Zealand. The vast majority of land in the West Coast region is in the public estate with 84.2% managed by DoC (1,955,184ha – see map in Appendix 1). The West Coast is the wettest region in New Zealand with annual rainfalls ranging from 2.5 - 12 metres per annum, depending on the location. Climate change is predicted to make the West Coast generally wetter.

The West Coast has a small population of 32,000, scattered along a long narrow coastline that spans a length of over 600 km. The three main towns - Westport, Greymouth and Hokitika - have traditionally serviced the mining and farming sectors. In the southern part of the region, and increasingly in the northern part, tourism forms an important economic contributor to towns and settlements.

Cultural background

Poutini Ngāi Tahu is defined as the section of Ngāi Tahu who, by whakapapa, derive their status as tangata whenua from their ancestors who held the customary title and rights to the lands of Westland (West Coast) at the time of the signing of the Treaty of Waitangi in 1840. Within Te Tai Poutini (West Coast), Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio are the two papatipu marae-based Rūnanga, which have manawhenua over Te Tai o Poutini from Piopiotahi (Milford Sound) in the south, to Kahurangi in the north and into the middle of the Southern Alps. Each Rūnanga has its own area determined by natural boundaries such as mountain ranges and rivers. These takiwā are defined in the Te Rūnanga o Ngāi Tahu Act. The area that is in the exclusive takiwā of Te Rūnanga o Makaawhio extends from the south bank of the Poerua River mouth to Awarua Point. The area that is in the exclusive takiwā of Te Rūnanga O Ngāti Waewae extends from the north bank of the Hokitika River mouth to Kahurangi Point.

Poutini Ngāi Tahu holds a holistic view of the environment and believes that all things are interrelated. This includes people and their interaction with the environment. Poutini Ngāi Tahu input into resource management policy and plans is driven by this view, and an all-embracing concern for the total environment.

Economic background

The West Coast has the smallest regional economy at \$1.6 billion (2018 GDP value), and has struggled economically with little growth observed in the last 10 years (0.1%). This situation appears to have worsened recently (-0.3%) compared with the rest of the country (3.2%, as of 2018). Corresponding trends in regional and national employment are similar to these figures.³

Both the population and economy has declined in the last 4-6 years in the northern and central parts of the region due to significant job losses from the closure of several coalmines, the cement works in Westport, and reductions in the dairy pay-out. In 2015, the West Coast was the only region that had a population loss. Loss of population can severely limit the viability of a range of services and has a negative impact on economic and social structures, and the health of small, tight-knit and often isolated communities.

Mean income, and income growth, lags behind the national average at \$54,000 and 2.9%, compared with \$60,000 and 3.7%, as of 2018. Housing affordability is three times better than the national average. Rental affordability, while a third better, is closer to the rest of New Zealand when compared with house prices.³

² <https://www.stats.govt.nz/>

³ <https://ecoprofile.infometrics.co.nz/>

Deprivation indices for the West Coast indicate moderate to low deprivation in areas where there is significant agricultural activity. This is particularly apparent in the Hokitika and Grey Valley areas. The main urban population centres have moderate or better deprivation scores owing potentially to a conglomeration of public services and facilities that service tourism and industry. The Franz and Fox Glacier areas are a major tourist hub, which contributes to their higher prosperity.

High deprivation is evident in areas that have lower population densities and no significant industry in the area. Many of these areas had substantial coal mining communities which have struggled as this industry has contracted in recent times. The Buller District is an example of such an area.

The dichotomy in land ownership presents additional resourcing challenges for the Regional and District Councils in being unable to rate Crown land, as well as limiting the productive capacity of the region. While there are some activities undertaken on land administered by the Department (grazing, mining, tourism) there is limited other opportunities for productive land development.

Main industry state and trends

Reliance on the natural resource base has been a feature of the region's history for more than 100 years. Sustainability and profitability of the natural and physical resource base is fundamental to, and interconnected with, the continued welfare of our region's communities.

Historically, forestry was a significant income stream for the West Coast, owing primarily to the value and accessibility of native timber species. Attempts to improve the sustainability of native logging began with the 1986 West Coast Accord and ended with the Forests (West Coast Accord) Act 2000. This effectively ended the West Coasts' native logging industry, leaving exotic forestry, which accounted for 0.6% of employment in 2018.³ In the earlier part of the last decade, mining gold and coal was the most significant income source on the West Coast, particularly in the northern parts of the region. Global market trends and policy changes (e.g. safety and environmental), have substantially reduced coal mining activity and eliminated underground mining. Smaller scale alluvial gold mining operations continue to be economically sustainable and provide useful income for certain communities. Overall, employment growth in the mining sector has declined substantially.

Table 1: Main industries on the West Coast (source: <https://ecoprofile.infometrics.co.nz/>)

	Annual GDP 2018 (millions of dollars)	GDP% 2018	% of population employed	Employment growth 2016-2018
Dairy, sheep, deer, and beef farming	205.6	13.5% (Dairy 11.7%)	7.8%	-3.7
Tourism	199.4	13.1%	21%	5.3
Mining	106.8	7.0%	2.9%	-18.4

The West Coast is well endowed with scenic and historic attractions and has significant land and water-based recreational assets. Tourism has become increasingly important to the local economy in more recent times. In 2018 tourism GDP was just below that of agriculture and employed 21% of the West Coast population. This was more than twice the number of jobs provided by agriculture, with job growth increasing at 5.6% per annum from 2015-2018. Sustainability of the tourism sector is reliant on the development of additional private and public infrastructure.

West Coast guest nights increased by 17% over the last 16 years (2003 to 2019), which while positive, was approximately half of the New Zealand average increase for this period.² The West Coast is particularly popular with free and independent tourists travelling in mobile accommodation and accounts for the majority of tourists passing through the region. From 2015 to 2017, tourist numbers and income from freedom camping in New Zealand, nearly doubled.³

Agriculture was the largest industry on the West Coast in 2018 in terms of GDP. At this time agriculture accounted for 14% of GDP and 8% of employment, although these figures are likely to be higher if contributions from Westland Milk Products are included (another 2-3%), and the work created for support industries. The estimated agricultural area is 107,074 ha or 5% of the region.

Dairy farming is the main agricultural activity on the West Coast accounting for 84% of its GDP and 78% of its jobs (this does not include the 403 jobs provided by Westland Milk Products). Sheep and beef account for 13% GDP and 17% of jobs, with deer farming at 3% and 6% (GDP and jobs, respectively). Stock numbers have diminished for all these sectors from 2012-2017² (Table 2).

Table 2: Main industries on the West Coast (source: <https://www.stats.govt.nz/>)

	Total sheep	Total dairy cattle	Total beef cattle	Total deer
Stock numbers 2017	40,000	156,000	27,000	28,000
Percent change 2012-2017	-31%	-10%	-5%	-17%

The size of West Coast farms varies, similar to elsewhere in New Zealand. Relative to the rest of the country, the West Coast has a smaller proportion of farms less than 100 ha or greater than 1000 ha. The most common farming units are between 100 ha and 600 ha²(Figure 1).

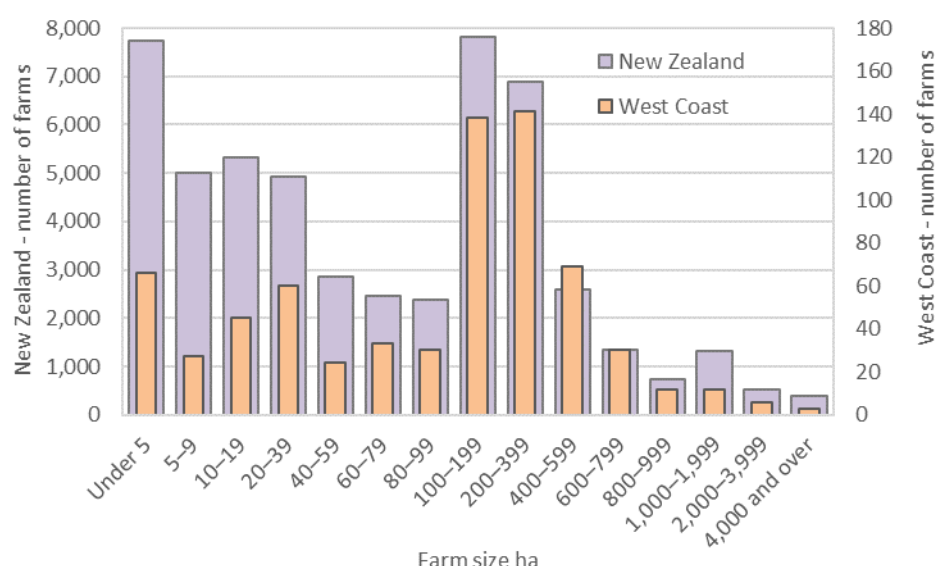


Figure 1: Farm size distribution on the West Coast (<https://www.dairynz.co.nz/publications/dairy-industry>)

Indigenous biodiversity background

Although the West Coast Regional Council does not have information on the number of species present,⁴ the region is rich in its level of remaining indigenous biodiversity compared to other regions, making it unique. In a national context, one quarter of New Zealand's protected land is located on the West Coast. Five of the 14 national parks are wholly, or partly, located within the West Coast Conservancy. All DoC land south of the Whataroa River is located in the Te Wahipounamu *South-West*

⁴ We obtained ecological advice (pers comm, V Keesing, 24/1/2020) that there is no specific information, and no one knows, how many indigenous species are on the West Coast, but there will be more than most regions. What is known, is that in New Zealand, there are approximately 2,500 vascular plant species, 560 mosses, 20 hornworts, 600 liverworts, 2,500 lichens, about 200 bird species, 2 mammals and 39 freshwater fish, at least 200 species of freshwater invertebrate and at least 45,000 (many more likely) species of terrestrial arthropods. The West Coast will have a high proportion of these totals.

New Zealand World Heritage Area, identified as having international significance. Twelve wetlands and wetland complexes meet the criteria for international importance under Article 2 of the Ramsar Convention; most are managed by DoC.⁵ The West Coast Tai Poutini Conservancy is therefore one of the largest, and most comprehensively, protected of New Zealand's 13 conservancies.

As at 2012, the total percentage of indigenous land cover in the region was 88.98%.⁶ Land cover is characterised by a predominance of forest cover (about two thirds of the land area), of which most is indigenous forest. In Table 3 below, the yellow highlighted rows are those that could be considered as indigenous land cover in the West Coast region. Apart from matagouri or grey scrub⁷, there has been either no reduction, or a very small percentage reduction in other types of land cover, and a small increase in the proportion of fernland. These figures question the relevance of the primary reason of the NPSIB approach in relation to the West Coast, that habitat is in serious decline. On the West Coast, habitat is neither limited, nor is it in serious decline.

Updated indigenous land cover data from the Land Cover Data Base (LCDB) for 2018 has been recently released. We understand that there are unlikely to be any significant changes in indigenous land cover from the 2012 data due to the large proportion of indigenous land cover on conservation land on the West Coast.

**Table 3: Types of indigenous land cover –
Amount in ha in 1996 and 2012, and area change as a % of the 1996 area**

Detailed Category	Area 1996 (ha)	Area 2012 (ha)	Area change as a % of 1996 area (%)
Regional Area total	2331965	2331965	0
Transport infrastructure	205	213	4
Surface mine or dump	1634	2255	38
Sand or gravel	2510	2513	0
Landslide	2890	2788	-4
Gravel or rock	119473	118241	-1
Permanent snow and ice	51140	51140	0
Alpine grass/herbfield	42294	42294	0
Built-up area (settlement)	2210	2465	12
Urban parkland/open space	600	608	1
Short-rotation cropland	37	37	0
Orchards, vineyards or other perennial crops	11	13	19
Forest - harvested	3128	3720	19
Exotic forest	36299	38555	6
Deciduous hardwoods	1348	1205	-11
Indigenous forest	1408032	1404022	0

⁵ West Coast Te Tai o Poutini Conservation Management Strategy, Volume I, Chapter 2 Context, 2.2 Overview of Conservation Values, Pgs 18-21.

⁶ Figure from the Land Cover Database via LAWA (Land, Air, Water Aotearoa): <https://www.lawa.org.nz/explore-data/land-cover/>

⁷ It is probable that some of the grey shrub has succeeded to the next seral stage - young forest, broadleaf shrub, and it is likely that much has been cleared for pasture. There would never have been much naturally on the West Coast in the low lands, as it is a high montane community, a dryland community (such as found in Otago) or early successional where forests, especially on braided river edges, burnt down or were removed. However, there is no drastic decline in the wider set of indigenous vegetation cover (pers comm, V Keesing, 4/2/2020).

Detailed Category	Area 1996 (ha)	Area 2012 (ha)	Area change as a % of 1996 area (%)
Broadleaved indigenous hardwoods	47651	46302	-3
Depleted grassland	3	3	0
High producing exotic grassland	142562	152156	7
Low producing grassland	18521	19009	3
Herbaceous freshwater vegetation	20064	19871	-1
Flaxland	2320	2299	-1
Herbaceous saline vegetation	1436	1410	-2
Tall tussock grassland	201762	201774	0
Gorse and/or Broom	20682	16594	-20
Mixed exotic shrubland	172	191	11
Manuka and/or Kanuka	43528	41694	-4
Matagouri or Grey scrub	1252	160	-87
Fernland	8372	8547	2
Sub-alpine shrubland	121595	121592	0
Lake or pond	13486	13508	0
River	15436	15473	0
Estuarine open water	1314	1314	0
Total indigenous 2012		2075071	88.98%

Much indigenous biodiversity is present on private land due to it being primarily rural or rural-residential. One of the three District Councils have identified terrestrial⁸ SNA's. A recent Order in Council from the Local Government Commission directed the West Coast Regional Council, by way of a transfer of functions, to review the three district plans and prepare one district plan for the three West Coast District Councils. The approach to take regarding reviewing, and/or identification and mapping, of terrestrial Significant Natural Areas (SNA's) is being considered in the new district plan process.⁹ The new district plan is rated for by the Regional Council.

There are a number of threatened or endangered species present throughout the West Coast region. These include great spotted kiwi, Okarito brown kiwi, Haast toeka, South Island kaka, kea, blue duck, yellowhead, scarlet mistletoe and Powelliphanta land snails. White heron are the fourth most endangered bird species in New Zealand, and the only New Zealand breeding colony is at Whataroa on the West Coast.

Given the large area that is managed by DoC, and the small rating base of the West Coast Regional Council (16% of land area), the Council has a relatively small role in protecting and maintaining indigenous biodiversity in the region. The Regional Council does not employ an in-house ecologist. DoC is advised weekly of consent applications lodged within or adjoining conservation land where indigenous biodiversity values may be adversely affected. DoC may also be an affected party. The Department is also a frequent submitter and appellant on Council's Regional Policy Statement and regional plan reviews. 225 Schedule 1 and 2 wetlands were identified in an Environment Court process and added to the Regional Land and Water Plan in 2012. These wetlands cover 57,832 Ha or ~2% of the

⁸ The West Coast Regional Council has already identified significant wetlands to fulfil its RMA s6(c) obligations, and mapped them in the Regional Land and Water Plan. To avoid duplication, the District Council's do not need to repeat this exercise, and so only need to identify terrestrial (non-wetland) SNA's.

⁹ The correct title of the new district plan is "Te Tai o Poutini Plan".

entire region, on private and DoC land. The Plan also has objectives, policies and rules to protect the significant values of these wetlands.

The Council's main roles which relate to maintaining indigenous biodiversity are:

1. Employment of a Biosecurity Officer to implement its Pest Plant Management Plan. This is a requirement under the Biosecurity Act. The Officer works closely with the DoC biodiversity rangers to enforce compliance around the control of invasive plant species which suppress or replace native species, thereby reducing indigenous biodiversity or hindering the regeneration of native species.
2. Through its operational arm, Vector Control Services (VCS), the delivery of large scale aerial pest control contracts for DoC as part of the Department's [Tiakina Ngā Manu](#) programme targeting possums, rats and stoats, to protect vulnerable and threatened native species. VCS also delivers contract work for Ospri. This work is primarily to prevent the spread of bovine tuberculosis from possums to cattle, and is carried out under the National Pest Management Plan for Bovine Tuberculosis. These contracts also have the benefit of reducing vertebrate pest populations which predate on native birds and vegetation.

Resource management background

Although West Coast Councils are small, they are still required to deliver the same services and functions as the other districts and regions. Resourcing is therefore one of the biggest challenges. Traditionally, resource management activities have been prioritised, including those regarding our indigenous biodiversity, in the areas where the greatest resource pressures exist. For example, Westland District Council requires an ecological assessment for any vegetation clearance exceeding 2,000m² per five years per site and where the land adjoins conservation land, or where more than 5ha of indigenous vegetation is proposed to be cleared.

The high level of remaining indigenous biodiversity is primarily an outcome of the climate on the West Coast, the abundance of 'seed' material (regeneration capacity) and the nature of land ownership (16% in private ownership and 84% under the administration of DoC). The dichotomy in land ownership presents additional resourcing challenges for the Regional and District Councils in not being able to rate this land, as well as limiting the productive capacity of the region. While there are some activities undertaken on land administered by the Department (grazing, mining, tourism) the opportunities are limited.

Due to the extensive indigenous cover on the West Coast, development activities (farming, subdivisions or single housing development, roading), can often trigger the need for indigenous vegetation disturbance, particularly in rural areas. While the region generally experiences low development pressure, the ability to provide for the region's continued wellbeing by providing for appropriate development activities is paramount, and may involve the removal of indigenous vegetation and habitat. In contrast to other regions, the West Coast has thriving resource-based industries alongside the natural environment, and it is important to be able to provide for both.

We recognise that indigenous biodiversity and habitats in the region provide benefits that support tourism, recreation and the health and well-being of our people and communities. Development of new tourism related infrastructure within public conservation land will provide incentives for growth and investment in the wider region. There are also a number of other activities that occur on land administered by the Department including grazing licences, mining and sphagnum moss harvesting. The large areas of well-vegetated upper catchments also reduce flooding, erosion and sediment downstream.

The Councils support in principle the protection of significant indigenous biodiversity that is rare or threatened. But we, on the West Coast, are less focused or worried about the typical, as we have an abundance of “typical” which is not, and being in DoC management cannot, come under threat. There is no desire to see indigenous species in the West Coast region become extinct as a result of natural resource use, but that cannot, in today’s RMA world, occur. This approach is reflected in the Council’s Regional Policy Statement (RPS) Chapter 7 Ecosystems and Indigenous Biodiversity policy framework which requires that activities do not cause, as a ‘bottom line’, the extinction or reduction of nationally critical, endangered or threatened indigenous biodiversity.

We recognise that councils need to undertake functions for maintaining indigenous biodiversity under sections 30 and 31 of the RMA. We acknowledge the work that the West Coast Department of Conservation Conservancy does in the region to protect significant indigenous vegetation and significant habitats of indigenous fauna, and the voluntary work undertaken by individual landowners and community groups. We support the undertaking or promoting of non-regulatory actions that contribute to the protection and maintenance of indigenous biodiversity at a level that is commensurate with our resources.

The context of the region, and the challenges and pressures facing the West Coast Councils, have shaped the comments provided on the NPSIB proposals. What we have repeatedly found is that the West Coast differs to other parts of New Zealand. Central government, while having the best of intentions, does not take into account that there are these regional variations across the country. ‘Cookie cutter’ policy may achieve little in a region where there are limited or no pressures on that particular resource (in this case indigenous biodiversity). In the case of the West Coast, ‘cookie cutter’ policy will impose significant cost implications and restrictions on our economic, social and cultural wellbeing. We recognise that it is challenging to apply workable policy across large areas but believe that it can be achieved.

2. General comments on policy development

Implementation costs

If West Coast Councils are required to implement the proposed NPSIB as currently worded across the whole region, the cost to ratepayers will be prohibitive. The proposed NPSIB makes sense in developed regions where many indigenous ecosystems and species have been lost, or are in serious decline. However, the NPSIB, as currently drafted, is not appropriate in the West Coast context where there is considerable indigenous biodiversity present, and 84% of the region is located within the conservation estate comprising vast areas of indigenous vegetation and habitats. Implementing the NPSIB across the entire region will adversely impact the social and economic wellbeing of West Coast communities, and will result in little, if any, biodiversity benefit to the region.

The drive towards decentralisation and a push for central government policy to be delivered by local government through ‘unfunded mandates’ is, in the case of the West Coast, impossible to deliver without significant rate increases.

Government will be well aware that rural regions are already concerned about the potential impact of the various policy documents the Government is currently consulting on. Having relevant and robust regulatory impact assessments to quantify the social and economic cost would go some way towards alleviating this concern. In addition to this, being clear on what the proposal will achieve is paramount. Will the cost to achieve what is sought by Government justify the outcomes? This is particularly the case whereby extra regional policy statement and plan changes, identification, strategy development and monitoring will result in additional costs on the West Coast Council’s resources, and landowners budgets, but return little, if any, benefit due to the already high level of indigenous biodiversity present.

We draw attention to the Rural Proofing Guide for policy development and service delivery planning¹⁰ and question how this has been given effect to throughout the development of the proposals for indigenous biodiversity. Is the effort required going to achieve the gains sought?

Relying on regulatory provisions to improve indigenous biodiversity will significantly increase the costs of preparing regional policy statements and plan changes for the West Coast. Appendix 2 of this submission lists the numerous NPSIB requirements for regional policy statement's, and regional and district plans. Extra time will be required to draft workable policies to give effect to the NPSIB, particularly in regards to undertaking pre-hearing consultation to explain all the changes to lay submitters and stakeholders. There will be greater costs for the extra time for hearing commissioner's to hear increased numbers of submitters wanting to present further evidence, as well as extra costs of additional numbers and length of submissions and appeals by affected landowners. The costs of making changes to regional policy statements and plans, and the other requirements, are extremely likely to be higher than the Ministry's estimates as there are greater numbers of SNA's, taonga, highly mobile fauna, and percentage of indigenous cover etc. on the West Coast.

Example – The estimated cost to implement the NPSIB in the West Coast region

The estimated costs for the WCRC to implement the proposed NPSIB **across the whole region** based on the figures in the Ministry for the Environment's Regulatory Impact Statement are set out below:

\$2,254,000 - \$4,172,000 for implementation costs, cost up front

\$1,019,000 - \$3,949,000 for ongoing operational costs over the next 30 years (not including costs on landowners, iwi etc.).

A breakdown of these amounts is:

- *For detailed identification and mapping of SNA's in the whole region: \$1,770,000 - \$3,285,000*
- *Regional Plan Change: \$211,000 - \$247,000 (could be light)*
- *District Plan Change for each of the three Districts, through the Te Tai o Poutini Plan (One District Plan): \$213,000 - \$528,000*
- *Biannual updates to SNA's x 3: \$192,000 - \$387,000*
- *Developing a regional biodiversity strategy: \$60,000 - \$112,000*
- *Monitoring programme set up and ongoing operational cost: \$955,000 - \$3,820,000*

We understand that these figures do not include implementing the requirements to change the Regional Policy Statement, promoting resilience to climate change, identifying and mapping taonga, surveying and recording highly mobile fauna, promoting restoration and enhancement, and assessing the percentage of indigenous cover in rural and urban areas. More importantly, the Regulatory Impact Statement does not analyse the opportunity cost on landowners, the impact on the rating agencies, Council's ability to implement other work streams and connection with other policy development.

The West Coast Regional Council's Annual General Rate collected totals \$2,400,000.

Using the Ministry's estimates for implementation costs, the WCRC would have to increase the general rate 2-3 times its current take, not including the additional ongoing operational costs and costs to landowners, iwi and industry.

The Regulatory Impact Statement identifies additional costs on landowners in regards to loss of opportunity to be **medium to high** and in relation to additional pest control costs as **high**.

¹⁰ Ministry for Primary Industries 2018 - <https://www.mpi.govt.nz/about-us/our-work/rural-proofing/>

The Ministry for the Environment's section 32 Evaluation report assessed that: *"Overall, the national approach required under the NPSIB is likely to have a disproportionately high negative impact on the West Coast compared to the rest of New Zealand."* Due to these outcomes, there is a reasonable expectation that some form of exemption needs to be made for the West Coast.

Given that the West Coast is the 5th largest region, with current significant existing indigenous biodiversity values, it is expected that the four Councils will sit at the top end of implementation costs. There is also the potential that the Government's Regulatory Impact Statement has underestimated the costs identified.

Outcome sought

Some form of exemption or alternative provisions needs to be provided in the NPSIB for regions with existing high levels of indigenous biodiversity. For example, a provision could be added that where a region or district has at least 50% of indigenous land cover, the following will apply¹¹:

[REDACTED]

¹¹ West Coast RPS Mediation version, Chapter 7 Ecosystems and Indigenous Biodiversity, Policies 2-7 inserted. Confidential until Court signoff on the Regional Policy Statement mediation agreements.

[REDACTED]

[REDACTED]

[REDACTED]

Other issues with implementation

Cost of implementing NPSIB on private land

If the land administered by DoC on the West Coast is excluded and the NPSIB, as currently worded, is implemented across the remaining 16% of private land, the costs will still be unreasonable and difficult for ratepayers to bear. It is estimated that the cost for identifying the SNAs on private land by consultants would be between \$265,000 - \$493,000.

The Biodiversity Collaborative Group (BCG), who developed the 2018 Draft NPSIB, recognised that smaller councils would need support for identifying and mapping SNA's. District-wide SNA identification takes time, requires a high level of expert input, and is resource-intensive. We acknowledge that this cannot be provided for in a national policy statement, however, some demonstrable commitment of assistance is needed from the Government to give councils certainty.

Should the Government wish to place further restrictions on private freehold land through legislative change, a straightforward compensation package for West Coast landowners should be developed at a minimum. We understand the importance of wetlands in the national context, however the West Coast Regional Council's mandate is focussed on the region. Our belief, and one we have supported for many years, is that if West Coast wetlands are that important in the national context then the Crown needs to purchase these in the national interest.

Example – costs of identifying SNAs on West Coast private land

The figure of \$265,000 - \$493,000 is based on using consultants to identify the SNAs, and would be markedly less if ecology students are used. If students are used to do the identification assessments, at some stage one or more consultant ecologists would need to check the student's assessments. They would also need to be supervised by the consultant ecologist who would potentially undertake the further assessment of those needing more detailed work to confirm their significance status. Given the relatively high proportion of indigenous bush on private land (and changes to the significance criteria, plus the wording of other IR's discussed later in this submission), there could be a substantial number of SNA's on private land which will put the cost at the higher end of the estimated range.

Outcomes sought

1. That the Government gives a commitment, in writing, to provide support for small councils with limited resources to implement the NPSIB.
2. That the Government compensates landowners for the opportunity cost of not being able to develop their land, or that the Government purchases these land parcels in the national interest.
3. That additional funding is made available to the Nature Heritage Fund for the Crown to purchase SNAs on private land.

Insufficient provision for existing RPS and plan provisions

The West Coast Regional Council has recently resolved appeals on the proposed Regional Policy Statement through Environment Court mediation. We are concerned that the NPSIB requirements will 'over reach' the newly written, and soon to be operative, RPS, particularly the pathway that has been created to provide for activities within and outside of SNAs that do not affect the significant indigenous biodiversity values. Agreement was reached with all the mediation parties¹⁵ on the policy framework and criteria for identifying SNA's and managing adverse effects of existing and new development on SNAs. Most of the additional changes that the NPSIB requires to regional policy statements are not

¹⁵ DoC, Royal Forest and Bird Protection Society of New Zealand Inc (Forest and Bird), West Coast Fish and Game Council, Te Rūnanga o Ngai Tahu, Bathurst Resources Ltd, Stevensons Mining, Buller District Council, Federated Farmers, Transpower, Frida Inta, Grey District Council, Trustpower, Westpower.

currently included in the West Coast RPS. To incorporate these would require a further Schedule 1 process.

Attempting to have all the regional policy statement and plan change requirements, listed in Appendix 2 of this submission, ready at the same time to apply through one plan change will take considerable work over the next few years. We are uncertain if it is possible to meet these timeframes given the other national policy work, including the freshwater plan changes, currently underway and/or proposed.

Additionally, short timeframes to implement the NPSIB will not provide councils sufficient time to build good working relationships and trust with landowners, for them to feel comfortable letting council staff and/or ecologists on to their land to undertake assessments and monitoring. Approaching this in haste could result in landowners not allowing access to their land.

If the required changes listed in Appendix 2 are made to the proposed district plan while it is being prepared, there is a risk that they may be inconsistent with changes to the RPS which would be undertaken at a later stage. The alternative is to wait until the RPS is updated before making the changes to the district plan. This means that the changes to the district plan may not be notified by 31 December 2028 as required by the NPSIB 1.5 (3) timeframe.

Implementing the NPSIB as currently worded will increase the costs of preparing RPS and plan changes. Extra time will be required to draft workable policies to give effect to the NPSIB, undertaking pre-hearing consultation to explain changes to lay submitters and key stakeholders. There will be increased costs for hearing commissioner's time to hear increased numbers of submitters wanting to present further evidence, as well as extra costs of additional numbers and length of submissions and appeals by affected landowners.

Outcomes sought:

That the Implementation Requirements provide for:

1. Existing RMA indigenous biodiversity regional and district policy and plan provisions which are generally consistent with the NPSIB, similar to IR 3.8(4); and
2. Greater flexibility with timeframes for implementing the NPSIB that take into account small councils' limited resources.

Disconnect between intent and wording

Following discussions with Ministry for the Environment and DoC staff, it appears that the intent of the NPSIB as outlined in the Discussion Document, to halt large-scale biodiversity loss, is not clearly reflected in the 'absolute' wording of parts of the NPSIB. Some of the Implementation Requirements are ambiguous and unclear as to how they will be interpreted and applied, for example, the criteria for identifying SNAs in Appendix 1 of the NPSIB, creating uncertainty for landowners. While we understand that the intent is not to stop all development, some of the wording can be interpreted in absolute terms, and in the West Coast context could have such an effect.

A number of the policies/implementation requirements are very broad and open-ended with no qualifiers or parameters to give clear or practical direction. This reflects inherent tensions in the proposed NPSIB between providing national policy direction for councils to implement sections 6(c), 30 and 31 of the Resource Management Act, and the national policy direction being drafted by DoC who operate under the Conservation Act, and may be seeing implementation of s30 to maintain indigenous biodiversity through the lens of the Conservation Act, and possibly informed by other philosophical views about 'protecting' the environment.

Example – Fundamental concept of maintaining indigenous biodiversity**“(3) Maintenance of indigenous biodiversity**

The maintenance of indigenous biodiversity requires at least no reduction, as from the commencement date, in the following:

- *The size of populations of indigenous species:*
- *Indigenous species occupancy across their natural range:*
- *The properties and function of ecosystems and habitats:*
- *Connectivity between and buffering around, ecosystems.*

The maintenance of indigenous biodiversity may also require the restoration or enhancement of ecosystems and habitats.”

This is one interpretation of what “maintain indigenous biodiversity” can mean. The ‘no reduction’ approach is reflected in IR 3.9 as avoiding the loss of extent or of any portion of an area of indigenous biodiversity. However, it is not clear if it is absolute, or if it means “maintain” such that after effects and when offsets are completed, the net outcome is the same level of indigenous biodiversity, or more. It is also uncertain how the fundamental concept sits with the other Implementation Requirements in the NPSIB, for example:

Implementation Requirement 3.7 Social, economic and cultural wellbeing, clause b): *“that the maintenance of indigenous biodiversity does not preclude subdivision, use and development in appropriate places and forms, within appropriate limits;....”*

Outcomes sought:

1. Provide guidance on how the Implementation Requirements are intended to be implemented, and ensure the guidance has legal weight.
2. Strengthen Implementation Requirement 3.7 to make it clear that the social, economic and cultural wellbeing of people and communities is critical.

3. Comments on specific provisions of the NPSIB**Part 1: Preliminary provisions****1.5 Application***Geographic application*

We **support** the scope of the proposed NPSIB being limited to terrestrial indigenous biodiversity, and **not** applying in the coastal marine area or freshwater environments. The New Zealand Coastal Policy Statement (NZCPS) already has specific provisions for protecting coastal indigenous biodiversity in Policy 11.

Clause (2)(a): We **oppose** the NPSIB having provisions for the restoration and enhancement of wetlands. Having both the National Policy Statements for Freshwater Management (NPSFM) and Indigenous Biodiversity directing the management of wetlands is confusing and unnecessary. Meeting the NPSFM requirements for water quality and quantity can include restoring and enhancing wetlands. Without maintaining freshwater quality and quantity within wetlands, the wetland and its biodiversity values will not remain. While the NPSFM does not have criteria for identifying the significant values of wetlands and outstanding freshwater bodies, this does not necessarily mean there is a gap in the NPSFM that the NPSIB needs to fill, nor does it exclude councils using recognised ecological criteria to identify significant freshwater indigenous biodiversity to give effect to the NPSFM. Therefore it is our view, that the NPSFM is the most suitable place for provisions regarding wetlands.

We are further **opposed** to the NPSIB having policy direction for the restoration and enhancement of wetlands. Our reasons are outlined under IR 3.16.

Clause (2)b): We **oppose** the requirement for regional biodiversity strategies to apply to maintaining indigenous biodiversity in the coastal marine area, and in waterbodies and freshwater ecosystems, for the reasons explained above. Our reasons for opposing the requirement for regional councils to prepare regional biodiversity strategies under the IR 3.18 apply here, namely, the cost of covering the whole region, duplication of work undertaken by DoC and other agencies and groups, and the questionable benefit to ratepayers from having a strategy given the scale of restoration and enhancement activities being undertaken already without a strategy. There is no significant threat to biodiversity values in our region from rampant development, due to the relatively low development pressure, and this is not expected to change in the future.

Outcomes sought:

1. Refer to the “Outcomes sought” under IR’s 3.16 and 3.18.

Temporal application

Clause (3): We **oppose** the proposed wording of IR 3.8 clause 3 which requires completion of the district wide assessment of SNAs within the five year time-frame, and notification of changes to regional policy statements and plans to add SNAs by 31 December 2028. The time frame for identifying SNAs is unlikely to be met on the West Coast given the scale of the exercise over some very rugged terrain and the need for adequate engagement with landowners. In our submission on the Freshwater Package, we outlined the difficulty for small councils with limited resources to notify plan changes by December 2023 and release decisions by December 2025. If we cannot meet the timeframes in the NPSFM, or appeals are lodged on the freshwater changes, we will potentially have one-two years to draft biodiversity changes to the RPS and regional plan, making the 2028 timeframe difficult to achieve. The timeframe is also unreasonable for a small regional council in the context of business as usual activities, ongoing civil defence responses and natural hazard management from climate change events, amongst other things, that we have to deal with.

Clauses (4), (5) and (6): We comment on these timeframes for undertaking RPS and plan changes for SNA identification, regional biodiversity strategies and adding the section 3.19 policy to plans, later in Part 3 of this submission.

1.6 Relationship with New Zealand Coastal Policy Statement (NZCPS)

We **strongly oppose** the proposed approach of both the NPSIB and the NZCPS applying in the terrestrial part of the coastal environment (above Mean High Water Springs) unless there is conflict, whereby the NZCPS prevails. The proposed approach means that there are two sets of policy direction applying in the terrestrial environment, and it could place unreasonable requirements on resource users. We believe it will potentially lead to a high level of conflict and litigation. It is more efficient, and effective, that only one of the NPS’s applies. We assume that the purpose of the proposed approach is to ensure that SNAs in the terrestrial coastal environment are identified and added to the district plans, as the NZCPS 2010 does not currently require this. If the NPSIB does not apply in the coastal environment, the risk of coastal terrestrial SNAs not being identified is, in our view, low, as councils still have to meet their RMA s6c and s30 and 31 obligations for this domain in their regional and district plans. It is now also recognised as good practice, and sought by submitters on plans, to identify such sites and protect them.

Outcome sought:

1. Amend 1.6 of the NPSIB so that only the NZCPS applies in the terrestrial coastal environment. The NZCPS came into effect in 2010 so it must soon be due for review. This would be an opportune time

to add provisions to the NZCPS requiring the identification and protection of SNAs, to provide consistency between this and the NPSIB.

Fundamental concepts

(1) Indigenous biodiversity

We **oppose** having “indigenous biodiversity” in the “Fundamental Concepts” section. The explanation reads more like a definition, however there is no definition of “indigenous biodiversity” in the Definitions section. This makes its legal status confusing.

Outcome sought:

1. Remove “indigenous biodiversity” from this section, and add it as a definition to 1.8 Definitions.

(2) Maintenance of indigenous biodiversity:

We **strongly oppose** the inclusion of “maintenance of indigenous biodiversity” as a ‘concept’. It is too broad brush, aspirational and potentially unachievable. It is more like an environmental standard, and its legal status in relation to the definitions is unclear.

West Coast Councils do not hold enough information about indigenous biodiversity dynamics, that is, how throughout the region indigenous vegetation regeneration and seral¹⁶ recolonisation is occurring as well as losses of indigenous vegetation, to determine whether there is “no reduction”, especially in regards to the list of ecological parameters in this ‘concept’. This ‘concept’, in effect, means “avoid”, and as a blanket approach for maintaining indigenous biodiversity, is contrary to the RMA, which is not a ‘no effects’ based legislation.

Outcome sought:

1. That clause (3) be deleted, or substantially amended to have a more appropriate meaning or explanation in line with the RMA, allowing the offset and mitigation hierarchy to be enacted.

(3) Adverse effects on indigenous biodiversity:

Clause (4): This ‘concept’ reads more like a definition. It is unclear how it sits with IR 3.9, 3.10 and 3.19.

Outcome sought:

1. Refine the intent of what is sought with this ‘concept’ and wording, and the relationship it has with other IR’s.

1.8 Definitions

General comment

The definitions are considerably different from those proposed in the Draft 2018 NPS. A number of new definitions have been added, mainly technical ecological terms, other definitions from the Draft version are removed, and a small number of existing definitions have been amended.

We **do not support** the following definitions:

Fragmentation: This is a new definition. The reference to “altered spatial configuration” is about the shape of a SNA. It is not about fragmentation.

¹⁶ “Seral” refers to the [series](#) of relatively [transitory plant communities](#) that [develop](#) during ecological [succession](#) from [bare ground](#) to the [climax stage](#).

Highly mobile fauna: This definition is totally uncertain and vague, and is problematic for implementing IR 3.15. It has the effect of making a site where a highly mobile fauna is present the equivalent of an SNA.

Terrestrial environment: The reference to 'coastal marine area' should be removed. The proposed NPSIB does not apply to the coastal marine area.

Outcomes sought:

1. Delete "altered spatial configuration" from the definition of fragmentation.
2. Delete the definition of highly mobile fauna, and provide clear direction in a guidance manual accompanying the NPSIB.
3. Delete the reference to "coastal marine area" in the definition of terrestrial environment.

Part 2: Objectives and Policies

2.1 Objectives 1 and 5

Objective 1: “to maintain indigenous biodiversity:”

We **strongly oppose** Objective 1. As an objective it is too open ended and does not provide clear direction for councils. Given that the Fundamental Concept clause (3) is potentially unachievable as worded, Objective 1 cannot be applied in the West Coast context.

Outcome sought:

1. Amend Objective 1 so it can be applied both in the West Coast context as well as developed regions, or delete the Objective in its entirety.

Objective 5: “to restore indigenous biodiversity and enhance the ecological integrity of ecosystems:”

We **strongly oppose** Objective 5. As drafted, it is too open ended and does not provide clear direction for councils. The Objective does not reflect the different range of circumstances where restoration or enhancement is very necessary, due to a low level of indigenous biodiversity in the region, and where conversely, there is a high level of remaining biodiversity and less urgency for restoration and enhancement. There are likely to be ecologically degraded areas on the West Coast, both on DoC and private land. However, depending on the scale of degradation in comparison to the proportion of the region that is not degraded, the necessity and cost of restoration and enhancement may be unjustified. The urgency with which councils’ focus on restoration and enhancement of indigenous biological diversity should be related to the level of indigenous biodiversity retained, such that those with greater than 50% of original land cover in indigenous ecosystems can prioritise restoration to achieve an amended Objective 5 that is appropriate to their regional or district context.

Outcome sought:

1. Amend Objective 5 so it practically applies in the West Coast context as well as developed regions, for example: “To restore indigenous biodiversity and enhance the ecological integrity of ecosystems, giving this priority according to the proportion of indigenous biodiversity that is retained, and to a level of at least 50% of indigenous land cover”; or words to this effect, or delete the Objective in its entirety.

2.2 Policies

General comment

We **oppose** the section 2.2 policies as they are unnecessary and confusing. They repeat some, or most, of the wording in the Part 3 IRs. Their legal status is unclear in comparison to the Part 3 IRs as they do not repeat verbatim the Part 3 IRs. This could create extra work and costs for councils to resolve differences in interpretation by consent applicants, affected parties and submitters, and ultimately increase litigation. For example, Policy 10 is to “*provide for appropriate* (italics added) existing activities that have already modified indigenous vegetation and habitats of indigenous fauna”, giving the impression that existing activities will be provided for. However, the effect of the corresponding IR 3.12 is potentially different as it does not include the terms “provide for appropriate”.

The section 2.2 Policies are also difficult to interpret as they are not in the same order as the Part 3 IRs, and there is no corresponding Policy for every IR.

Outcome sought:

1. Delete the Part 2.2 Policies.

Part 3: Implementation Requirements (IRs)

General comment

Further to our comments regarding the deletion of the Part 2.2 Policies, Part 3 should be relabelled as the Policies, to make their legal status clearer. The RMA requires that national policy statements must have policies (and objectives and methods) under s45A(1) of the RMA, while the section 45A(2) matters are optional. However, the directive and stringent nature of the Part 3 'requirements' means that when they are implemented, the focus is likely to be on them rather than the section 2.2 'policies', making the 'policies' potentially redundant and confusing. The Part 2.2 policies and Part 3 Implementation Requirements seem to be inconsistent with the requirements of section 45A of the RMA.

The following comments on the NPSIB's IRs examine further the types of costs and potential issues for West Coast Councils in implementing the Draft (proposed) NPSIB 2019.

3.5 Resilience to climate change

We are concerned about the requirement to add provisions in regional policy statements, plans or regional biodiversity strategies to promote the resilience of indigenous biodiversity to climate change. We understand that this is about keeping all, or representative populations of indigenous species alive through climate events, and not having 'all eggs in one basket'. However, West Coast Councils do not have the knowledge or capacity to achieve this. We are concerned about the associated cost implications, and whether positive outcomes for the West Coast will actually be achieved. This is a relatively new concept that we anticipate will evolve considerably in the future. The West Coast DoC Conservancy has considerably more knowledge about the effects of climate change on indigenous biodiversity than local councils, and are already undertaking actions in this area, for example, by relocating skinks from two coastal locations where coastal erosion is threatening their habitat.

To implement this IR, West Coast Councils would need to obtain information from DoC, duplicating the work DoC are already undertaking. Clause a) is worded as "*providing*" for the maintenance of ecological integrity through "*natural adjustments....*", but we do not know what is meant by "*natural adjustments*". If central government wants councils to undertake work in this space, it will need to fund them accordingly.

Outcome sought:

1. Amend IR 3.5 Resilience to climate change by:

- a) Removing the requirement to add provisions to regional policy statements and regional biodiversity strategies promoting the resilience of indigenous biodiversity to climate change, to avoid duplication in planning documents, and the need to update RMA planning documents more frequently as a result of changes in technology, practice and methods.
- b) Adding qualifiers to IR 3.5 so that it does not place unrealistic or unreasonable requirements on all councils, or make it optional subject to sufficient knowledge and resourcing.

3.8 Identify significant natural areas

Note: We have made comments on IR 3.8(3) under Part 1.5 temporal application, regarding the timeframes for identifying SNAs.

We **strongly oppose** the proposed wording of clause (1)a) which requires every territorial authority to undertake a **district wide assessment**. On the West Coast, this will require district councils to identify SNAs on public conservation land, which comprises the majority of land in each district, making the cost of the identification process prohibitively expensive (see estimated costs in the General Comments section of this submission), and the timeframes greatly expanded. If District Councils are required to

assess all areas on the West Coast, including the DoC estate, the estimated cost of \$1,126,000 in the Regulatory Impact Statement to implement the whole of the proposed NPSIB will be significantly woeful.

Identifying terrestrial SNA's will involve an initial in-depth aerial survey, followed by a filtering process to identify which potentially significant areas need an 'on the ground' assessment, and then an assessment of which ones need a more detailed assessment to confirm their significance status. Anything that is a conservation area is likely to be identified as a SNA. The Biodiversity Collaborative Group's report on "Complementary and Supporting Measures for Indigenous Biodiversity", released in October 2018 with the Draft NPSIB, stated that DoC would identify SNAs on public conservation land. This is not currently reflected in the wording of the proposed IR 3.8.

The Crown needs to identify SNAs on conservation land. If there is a stand of bush on private land near a national park, it could be reasonably expected that the private stand of bush would not meet the rarity and distinctiveness criteria compared to the bush in the national park, which would be more likely to be a SNA. Although SNAs are to be identified at the Ecological District level, they need to be assessed in the ecological context of the whole region. SNAs on private land should not be assessed in isolation.

Outcomes sought:

1. Add an exemption to this IR so that the West Coast territorial authorities do not need to implement IR 3.8 clause (1) a) on public conservation land.
2. Amend the NPSIB to provide for alternative options to undertaking a district wide assessment for small councils. Without having identified SNA's in the Westland District Plan, the Westland District Council (WDC) currently considers all vegetation to be an SNA until proven otherwise. Therefore, on a case by case basis ecological assessments are undertaken by the applicant to assess the effects of potential vegetation clearance, achieving the same result as an SNA but without the costs to undertake the on-site inspections en masse.
3. Add a provision to the effect that the Crown will identify SNAs on public conservation land.

Regarding the direction in clause (1)a) to use the significance criteria in Appendix 1 of the NPSIB to identify SNAs, we **strongly oppose** the changes to the Appendix 1 ecological significance criteria for identifying SNAs. We understand that the Appendix 1 criteria are different to what the caucus of ecologists provided to the Collaborative Working Group. We have received expert ecological advice that the changes to the criteria will have the effect of identifying virtually all indigenous biodiversity on the West Coast as significant, including even modified or exotic areas on private land being firstly recognised as significant and then, through Appendix 2, also ranked as a 'high' SNA due to the focus on "typical" character, and perceived rarity of the indigenous biodiversity in an Ecological District (ED). Degraded areas where biodiversity is depleted, remnants and areas in a state of modification will also be caught by the changes to the criteria. The NPSIB as currently framed, will effectively preclude any appropriate development opportunities.

The "diversity and pattern" criteria refer to any indigenous biodiversity where there is an ecotone or sequence present, but there are always ecotones present where there is indigenous biodiversity, and they are not necessarily an indicator of ecological significance. Additionally, the representativeness criteria includes a modified seral regeneration system which is, in effect, reflective or representative of itself. Our understanding of the intent behind the identification of SNAs is that it should capture the most iconic and highly valued indigenous biodiversity, and the criteria should not capture wider than that. This is the purpose of the representativeness criteria, to avoid lots of the same biodiversity being identified as SNAs.

The West Coast Regional Council has only recently completed Environment Court mediation on its RPS with a new and modern set of ecological criteria for identifying SNAs. These are attached as Appendix 3.

Outcome sought:

1. Remove the Appendix 1 criteria from the proposed NPSIB 2019, and replace them with the criteria that the ecologists' caucus provided to the Collaborative Working Group, or the criteria from the 2018 Draft NPSIB.

IR 3.8 Clause (1)b): We **strongly oppose** the change to IR 3.8 which now requires the ranking of SNA's as high or medium as part of the identification process, using the attributes in Appendix 2 (in the Draft 2018 NPSIB the ranking attributes were to be used to assess environmental effects on a SNA). This new approach is unworkable for the West Coast as it is likely that most, if not all, SNA's in the region will be classified as high. This will make it extremely restrictive to undertake any activities in a SNA, as the 'carve out' provisions in IR 3.9(2), for nationally significant infrastructure, mineral and aggregate extraction, papakainga, marae and ancillary community facilities associated with customary activities on Māori Land, as well as for a single dwelling (section 3.9(3)) created on an allotment before the NPS is in force, are limited to SNAs that have been classified as medium, and therefore will not apply in most, if not all, cases on the West Coast.

Outcomes sought:

1. Effects, of any sort on indigenous biodiversity should be assessed and managed through the mitigation and offset hierarchy in the usual, current RMA way.
2. Amend IR 3.8 and 3.9 so that:
 - a. The high and medium ranking of SNA's using the Appendix 2 criteria is removed from IR 3.8 (the identification process), and added back into IR 3.9 to be undertaken as part of an assessment of environmental effects; or,
 - b. Provision is made for the West Coast region to undertake the ranking process as part of an assessment of environmental effects which can then be managed by the mitigation hierarchy, as opposed to being part of the identification process; or
 - c. The West Coast region is added to IR 3.9(2)d), and Appendix 2 is amended to enable medium classified SNAs to be identified on the West Coast. That is, the "bar" is raised appropriately; or
 - d. Appendix 2 is removed and Appendix 3 (offsetting) limits is clarified to ensure that appropriate avoidance is understood.

IR 3.8 Clause (2)e) consistency: The statement that identification of SNAs must be undertaken consistently through using the Appendix 1 criteria, "regardless of who owns the land", completely ignores that this is impossible to undertake on the West Coast. As well as the cost and resources involved, some parts of the region are so remote that it would be unsafe to require assessors to make an 'on the ground' assessment of the indigenous biodiversity present.

Outcome sought:

1. Amend clause (2)e) so that West Coast Councils do not have to undertake an 'on the ground' identification and assessment of SNAs on public conservation land.

IR 3.8 Clause (8): We **oppose** the requirement to re-notify the Te Tai o Poutini Plan (One District Plan) "at least every two years"....where practicable,...." to add any SNA identified through other processes, for example, through the consent process or Notice of Requirement process. These will have to be added through another RMA Schedule 1 process which is lengthy, expensive, contentious, and likely to exceed the two year timeframe. West Coast Councils cannot afford to undertake plan changes this

often. The clause is impractical and unnecessary due to low development pressure and it being beyond the capacity of West Coast Councils to achieve.¹⁷

Outcome sought:

1. Delete clause (8) from IR 3.8.

3.9 Managing adverse effects on SNA's

We **oppose** this IR not allowing for appropriate activities within SNAs which have been classified as high, as explained above under IR 3.8. Due to the significant extent of indigenous biodiversity in the region, there is likely to be many identified West Coast SNA's classified as high. Significant infrastructure, or Maori customary use, may need to be located within such SNA's. MFE staff have advised that it is not the intent of the NPSIB for all West Coast indigenous vegetation to be identified as high SNA; the "high" ranking" is only for the very special indigenous biodiversity. However, this may not be reflected in actual outcomes on the West Coast.

The "avoid" matters in clause (1)a) are too broad-brush and restrictive for the West Coast. They set an extremely high bar for the establishment of new activities in SNA's which may have minimal adverse effects, which in any case will not be allowed through an RMA process. Clause (1)a) will have the effect of requiring detailed ecological assessments for new small-scale activities that may not result in removing the ecological values that make a SNA significant. The costs of consent applications will increase, as well as likely changing the activity status to non-complying, resulting in full notification for even small-scale activities in, or near, SNAs.

This approach differs to the one taken in the West Coast RPS that has been crafted to ensure it reflects, and is appropriate to, the regional context,



Providing exemptions in the NPSIB for regions such as the West Coast with a high level of significant indigenous biodiversity will not leave a gap in biodiversity protection. The West Coast RPS has a robust framework for protecting significant indigenous vegetation and habitat to meet section 6(c) of the RMA.

Managing adverse effects on SNAs under IR 3.9 could be inconsistent between private and conservation land. Within SNAs on conservation land, there will likely be new walking tracks, bridges, roads and infrastructure sought to support visitor demand in the future. DoC's mandate is to provide such facilities, so "avoiding" adverse ecological effects of new visitor facilities in SNAs may be difficult to achieve on conservation land. If visitor facilities are considered appropriate within an SNA on conservation land, then activities with a similar scale of effects should be allowed in SNAs on private land.

The definition of nationally significant infrastructure in clause (2)d)i. is too narrow and only applies to major infrastructure. It excludes maintenance of local roads, services and local lines that may be located within a medium classified SNA, and in addition to this, if locally or regionally significant infrastructure is located in a high SNA, there appears to be an inability to be able to maintain this

¹⁷As an example, the Buller District Council has one large scale application (generally a mine) approximately every five years that would trigger a full ecological assessment and potentially identify a SNA, and possibly 1-2 applications for agricultural land development (relatively small scale) which would trigger a less intensive ecological assessment. It is totally un-necessary to have to undertake a whole plan change when the reality is that we could potentially go through a whole plan cycle (10 years) without any new SNAs.

infrastructure if it impacts indigenous vegetation/habitats. This infrastructure is obviously important for the regions' social and economic well-being. For example, Westport's water supply infrastructure is located in an area that would likely be classified as a high SNA (kiwi, manuka and other threatened species are present), and it is likely that the same would apply to some of the local lines and roads (for example, the Karamea road which is not a State Highway).

We **strongly oppose** IR 3.9 clause (3) as being too restrictive for the West Coast where single dwellings are constructed within areas of indigenous vegetation/habitat, particularly on life-style blocks. Due to much of the region's indigenous biodiversity will be classified as high SNAs, this will restrict the ability of landowners to construct a single dwelling in such areas; and for those located within medium SNAs, they will have the onus of establishing that they are avoiding the clause 1(a) matters, which are a high bar for a low impact activity.

The effect of implementing IR 3.9 on the West Coast is that Councils are likely to receive more appeals from affected landowners, developers, infrastructure providers and stakeholders on plan changes, as more parties will challenge the NPSIB provisions reflected in RPS's and plans. We estimate that there will be increased staff time dealing with objections to resource consent conditions, and complaints about non-compliance and enforcement. Difficulties may arise with enforcement due to having to enforce restrictive plan provisions if there is insufficient evidence to prove cause and effect of adverse impacts. There will also be cost implications with compliance staff having to travel long distances to investigate complaints.

The critical impact will be on the social and economic well-being of our communities due to the very limited ability to establish new activities in SNAs. The proposed NPSIB prevents any development within SNA's classified as high (which, on advice from an ecologist, we are anticipating will capture a significant portion of the region), and provides for limited development within SNA's classified as medium, with no ability to maintain some of our vital regional infrastructure located within any SNA.

Outcomes sought:

1. Amend the definition title in "1.8 Definitions" to "nationally and regionally significant infrastructure", and add to the definition "regionally significant infrastructure identified by local authorities in Regional Policy Statements".
2. Amend IR 3.9 clause (2)d)i. to: "nationally and regionally significant infrastructure".
3. Also refer to the outcomes sought under IR 3.8.

3.12 Existing activities in SNA's

We are concerned that while IR 3.12 appears to provide for a landowner to continue undertaking indigenous vegetation clearance where a part of an SNA has previously been cleared and regenerated, the effect of the word "and" at the end of clause (4)b) in the West Coast context of extensive indigenous flora and fauna, means that a landowner will likely need to obtain a resource consent and have an ecological assessment completed every time clearance is proposed. We are concerned that the requirement for landowners to establish that vegetation clearance is part of a regular cycle to maintain improved pasture will prove difficult, and the requirement for "*no loss of extent*" will be impossible to achieve. IR 3.12 does not provide for the relatively fast rate of vegetation regeneration on the West Coast due to the higher rainfall and mild climatic conditions. The IR appears to be intended to provide for existing farming activities to continue to be undertaken in an SNA or a newly defined SNA area, however implementing it on the West Coast may not achieve this outcome.

Clause (4) will involve a plan change to the RPS and the Regional Land and Water Plan, resulting in additional costs on ratepayers, onerous requirements for farmers, and likely to result in no perceived indigenous biodiversity gains.

Furthermore, IR 3.12 does not provide for appropriate existing activities as it requires significant outcomes to be met, that is, no loss of extent and no increase in adverse effects. Arguably, existing activities should all be considered appropriate given that they are presumably consented and have been rigorously assessed.

Outcomes sought:

1. Delete clause (2), as clause (3) provides for adding provisions in RPS's and plans.
2. In clause (3)a), remove or amend the reference to "loss....of extent", as this is too broad brush and does not provide for assessing the nature and scale of effects through the mitigation hierarchy. It is also contrary to the flexible approach that we have been advised by DoC is the intent of the NPSIB.
3. Clause (4): Delete the word "and" at the end of clause (4)b).

3.13 General rules applying outside SNA's

We **strongly oppose** these requirements to maintain indigenous biodiversity outside SNA's, as they are unnecessary on the West Coast due to the low development pressure and the extent of indigenous vegetation cover. They are also onerous as clauses (1)a) and c) will have the effect of treating non-SNA areas as if they are SNA's. They are too broad and open-ended, and could restrict what can be undertaken on a significant proportion of private land that has, for example, threatened native birds present. Indigenous vegetation on the West Coast regenerates relatively quickly compared to other drier regions, so in one year, it might mean that an area is not considered SNA, but the next year it might be.

The West Coast District Councils have not overly regulated for protection of indigenous biodiversity because the threats are different to those experienced by other regions. Our level of residential development is considerably lower than elsewhere in New Zealand resulting in a very low demand for land. The proportion of protected land is extremely high, and there is not the land suitable for mass dairy conversions or land development. This is partly due to the region's isolation, and climatic and topographic constraints.

Outcome sought:

1. That regions with a high level of indigenous biodiversity present be exempt from maintaining indigenous biodiversity outside a SNA, and implementing clauses (1)a) and c); or, apply this provision to regions with less than 50% of remaining indigenous land cover.

3.15 Highly mobile fauna

We **strongly oppose** West Coast Councils having to undertake work which is considered to be a role that is already being undertaken by DoC. Being required to undertake this would result in having to pay for the surveying and recording work to be completed by an ecologist, unless another organisation such as DoC or Landcare Research already hold it. One of DoC's roles is to undertake public education. Requiring councils to undertake this work duplicates the role of DoC in the region, shifting the cost of such work onto the local ratepayer. We do not believe that there would be any further improvements to indigenous biodiversity maintenance gained from West Coast Councils undertaking this work.

The scope of this work is too broad and vague, especially the terms in clause (1) "*...where highly mobile fauna have been, or are likely to be, sometimes present*". Highly mobile fauna may cover large areas of the West Coast region. For example, kea have recently been seen on the outskirts of Hokitika, a considerable distance from their usual alpine habitat. In some cases, individuals or pairs of birds may temporarily frequent an area outside of the main breeding season for a few days in winter. For example, a single kotuku has been seen on rural land in a rural-residential area on the outskirts of Greymouth each year for a number of years, but not in the last 1-2 years. Requiring councils to

undertake this work will be expensive, time-consuming and inefficient. The sheer number of species and possible ranges would make surveying an enormous task and beyond our capacity to achieve.

Substantial funding from central government will be required for either DoC, or councils, to undertake this work across the whole region. Some parts of the West Coast are very remote and difficult to access. The region is the same length as the distance between Auckland and Wellington. The work would require several consultant ecologists over several months, and their associated costs of travel, food, accommodation and IT support. If all councils are undertaking this process, there will be a national shortage of available ecologists. Costs will be incurred over months or years as identification cannot be adequately undertaken in poor weather on the West Coast.

Clause (3)b) requires councils to provide “best practice techniques for managing adverse effects on any highly mobile fauna...”. Without in-house ecological expertise, West Coast Councils cannot provide such advice. This IR assumes that all councils have some in-house capability in terms of providing advice and guidance to the public on indigenous biodiversity issues, which is obviously not the case for West Coast Councils.

Outcome sought:

1. That councils with a high level or number of highly mobile indigenous fauna are exempt from having to undertake the work required for surveying and recording the presence of these in their region, and providing information to their communities as per clause (3).

3.16 Restoration and enhancement

Note: We have commented on the inclusion of wetlands in IR 3.16 under 1.5, Geographic application, earlier in this submission.

This requirement does not reflect the differences between regions where restoration or enhancement is extremely necessary, due to a low level of indigenous biodiversity remaining in their region, and where, conversely, there is a high level of remaining biodiversity and a reduced priority for restoration and enhancement in others. There are likely to be ecologically degraded areas on the West Coast, both on DoC (e.g. stewardship land)¹⁸ and private land. However, depending on the type of indigenous biodiversity that needs restoring or enhancing, the necessity and cost of restoration and enhancement may not be justified if there are other locations where such habitat and/or fauna are abundant or present in ecologically sustainable numbers.

The requirements to have objectives, policies, methods and maps in RPSs and regional plans promoting restoration and enhancement, and identifying areas and opportunities for this to be undertaken, is impractical for the West Coast. The requirements apply to any wetlands, not just those identified as significant, and not even indigenous wetlands. There is no timeframe around the extent of “former”. All fragments of indigenous wetlands and other vegetation on private land have some degree of modification.

There are some lowland forest and wetland areas that would benefit from restoration and these are generally the habitats that are under pressure from development. Some West Coast communities, like others in New Zealand, would expect incentives to be provided. The discussion document gives scenarios which involve rates remission and incentives if fencing etc. is undertaken. This is not within

¹⁸ Stewardship land was previously NZ Forest Service land that was passed on to DOC during the 1980’s restructuring. West Coast Councils are keen for this land to be made available for development, however those with environmental interests may wish to see it restored and enhanced for indigenous biodiversity, and eventually become SNA’s.

the capacity of our Councils to provide, as well as requiring specialist input in identifying those areas to be restored.

The requirement for councils to promote, in regional policy statements and plans, the restoration and enhancement of indigenous biodiversity to communities is unlikely to be welcomed by West Coast communities. We already have a highly unmodified natural environment that people utilise and enjoy without enhancement. There are numerous community groups in the region already voluntarily undertaking restoration and enhancement work, for example, vertebrate pest eradication/control and planting native species. Non-regulatory approaches can be more effective and palatable than regulation.

The reconstruction of areas of historical wetlands which no longer have ecological integrity could be limitless on West Coast private land. We question where the funding will come from to spend time working with landowners to get them on board with the proposal to undertake such work, pay for the costs of extra staff and labourers to do the work, the costs of fencing and/or planting, and publicity costs? Most significantly, how will the opportunity costs of the loss of private land use be addressed?

This policy does not distinguish between restoration and enhancement on DoC land and non-DoC land. DoC have undertaken substantial enhancement and restoration work, for example, in the Aromahana Estuary on the north bank of the Grey River by Greymouth.

Clauses 2, 3, and 4 require that the areas listed in (1) and (4) must be identified, promoted in plans and opportunities for restoration etc. identified and prioritised. We are concerned that once in the plans, this could potentially prevent a landowner from being able to fully utilise their land if an area is identified in the plan as a former wetland or stand of native bush which could provide connectivity if the wetland or bush is reinstated.

Developed land, should be recognised as developed land, whether it be residential housing, industrial, forestry, farming or some other form of land use.

Outcomes sought:

1. Remove references to restoring and enhancing wetlands from clauses (1)(a) and (d), and (4)(a) and (d).
2. This IR needs to be amended to reflect the differences between regions where restoration or enhancement is very necessary, due to a low level of indigenous biodiversity in their region, and where conversely there is a high level of remaining biodiversity and a reduced priority for restoration and enhancement.
3. Should this IR be implemented as currently worded, or be amended but still results in costs on Councils to undertake, then Government needs to provide substantial funding for its implementation.

3.17 Increasing indigenous vegetation cover

We **strongly oppose** the requirement to assess and add targets to regional policy statements for increasing indigenous vegetation cover in urban and rural areas to at least 10% of the area. This will incur further costs to ratepayers for something that is not an issue on the West Coast, and will not substantially increase the amount of indigenous vegetation cover in the region. This may be applicable in other regions where indigenous biodiversity is severely limited and in decline. While it is understandable that the Government does not want wetland figures to reduce further, the fact is that retaining an excess of the particular wetland types on the West Coast will not benefit native biodiversity either on the West Coast or nationwide, it just means an abundance of West Coast wetland examples are retained.

The wetland types that have been lost or reduced in the North Island, and on the East Coast of the South Island, do not contain the same species mix as the West Coast wetland types. Retaining all remaining examples of West Coast types does not increase biodiversity. Retaining many examples of the 'south western' wetland types simply means there are many examples of the species represented within western wetlands, but that does not equate to a greater diversity of organisms, just many examples of the same species assemblages. Many examples of the same thing does not equal enhanced diversity. This is a critical point that does not seem to be recognised.

The IR does not provide guidance on how to define the boundaries of urban and rural areas, in terms of where they start and stop.

It is also unclear in clause (7) whether objectives, policies and methods must go in RPSs and/or plans.

Outcomes sought:

1. Exempt regions with a high level of remaining indigenous biodiversity from having to implement this requirement.
2. Provide guidance on how to implement this requirement.

3.18 Regional biodiversity strategies

We **strongly oppose** the requirement for regional councils to prepare a regional biodiversity strategy as it will apply to the whole West Coast region, including the 84% of land administered by DoC. While there are likely to be areas on West Coast DoC land that may need restoration or enhancement, West Coast ratepayers should not bear the cost of managing conservation land in the public interest for the rest of the country. Council funds will be spent on RPS and plan changes to address real resource pressures.

Clause (2)a) of Appendix 5, which outlines what must be in a regional biodiversity strategy, is likely to be unachievable as even DoC staff do not have complete comprehensive knowledge of the species in the regional conservation estate due to its size. It is unrealistic to record all biodiversity maintenance actions in the region as a significant proportion of these are undertaken by DoC and volunteers.

In regards to clause (3), the "West Coast Te Tai o Poutini Conservation Management Strategy" (CMS), Volumes 1 and 2 have desired outcomes for various 'places' in the conservation estate, and maps showing the 'places' where the outcomes are sought. If WCRC were to develop a regional biodiversity strategy, it would likely duplicate these sections of the West Coast CMS, resulting in an inefficient use of time and resources, for arguably little gain.

There are numerous local community volunteer groups undertaking weed and pest control, and planting throughout the West Coast region. This work is progressing without having a regional biodiversity strategy promoting, identifying or recording these actions. We seriously question the rationale for the West Coast Regional Council having to prepare such a document.

We also **strongly oppose** the timeframes for initiating and completing the development of a regional biodiversity strategy. The WCRC does not have the resources or capability to complete a biodiversity strategy on top of the other work required by the NPSIB, other national direction and our business as usual activity. If a decision is made to require Councils to have a strategy then the timeframe needs to be extended out to a minimum of 10 years.

Outcome sought:

1. Amend IR 3.18 to make it optional for councils to prepare a regional biodiversity strategy, or exempt for regions that have good retention of indigenous biodiversity, that is, greater than 50% of indigenous land cover.

3.19 Assessment of environmental effects

We **strongly oppose** this IR as it is unworkable for the West Coast. It implies that any activity, regardless of the type and scale of effects, will need consent if it affects an area of indigenous vegetation, a habitat of indigenous fauna, an area identified as highly mobile fauna, an area providing connectivity or buffering, or an area identified as containing identified taonga. This will capture any scale of development on any residential, commercial, industrial, rural or public conservation land with native flora and/or fauna. It will place unreasonable, additional and potentially unwarranted costs on small-scale development to obtain an ecologist's assessment of effects on indigenous vegetation or habitat of fauna to prove that it does not have significant biodiversity values (which under the Appendix 1 criteria will be rare). There are very few consultant ecologists on the West Coast, which means that resource users need to pay additional costs for an ecologist outside of the region to travel to undertake a site assessment.

IR 3.19 is all encompassing, and treats all indigenous species and assemblages as having equal, or nearly so, value, none of which can be afforded to be lost. This IR is unqualified, that is, it does not have a tiered approach depending on the values of the indigenous biodiversity or habitat relevant to the regional context, and the nature and scale of effects. Not all indigenous biodiversity is of such value that none of it can be lost. It will preclude much of the future potential management and restoration gained through activity/consent-based offsets and mitigations.

We **strongly oppose** the requirements in clauses (1) and (2) to include the information requirements for Assessment of Environmental Effects in RPSs and plans. With regards to plans, the IR requirement seems to contradict the National Planning Standards, which requires that plans do not have a section on information requirements (for Assessment of Environmental Effects) for consent applications.

Outcomes sought:

1. Amend IR 3.19 so that it takes a tiered approach depending on the values of the indigenous biodiversity or habitat relevant to the regional context, and the nature and scale of effects.
2. Remove the requirement to change plans to include a requirement that information be included in any Assessment of Environmental Effects (AEE) where a proposed activity will affect indigenous biodiversity.

3.20 Monitoring by regional councils

We **strongly oppose** having to prepare a monitoring plan to monitor the maintenance of indigenous biodiversity across the region. WCRC does not have an indigenous biodiversity monitoring plan/programme due to the predominance of indigenous biodiversity located on land administered by DoC. Implementing this requirement would result in another significant cost to Council, and will potentially duplicate monitoring work undertaken by DoC. We understand that the estimated figure in Part 2 of our submission includes the cost of obtaining ecological advice to draft a monitoring plan, consulting with mana whenua, District Councils, DoC and other relevant agencies, and employing an ecologist to undertake the monitoring on an ongoing basis. As noted previously, even DoC staff do not have a robust understanding of the extent of indigenous biodiversity across the region. We believe that this is a further inefficiency of the proposed NPSIB, and contrary to the principle of efficient operation of local government required under sections 14(1)(a)(ii) and 42(2)(d) of the Local Government Act.

We also **strongly oppose** any monitoring requirement in IR 3.20 that is for national monitoring purposes. National monitoring must be funded by taxpayers, not ratepayers.

Outcomes sought:

1. An exemption needs to be made so that councils do not have to monitor the maintenance of indigenous biodiversity on public conservation land; or

Should a monitoring programme be progressed in the final NPSIB, suitable qualifiers need to be included to IR 3.20 to reflect that where there is extensive indigenous biodiversity in a region (greater than 50%) and councils do not have the resources to monitor it all, then prioritisation can be undertaken to focus on monitoring that will provide a benefit to the region, avoiding duplication of DoC, or any other organisation's, work, and is proportionate to a council's resources.

2. Delete any monitoring requirement in IR 3.20 that is for national monitoring purposes, or central government needs to give a commitment in writing to fund monitoring that is for national purposes.

Appendix 1: Criteria for identifying significant indigenous vegetation and significant habitat of indigenous fauna

Note: We have made other comments on the Appendix 1 criteria under IR 3.8.

We **strongly oppose** the changes to the Appendix 1 criteria in the proposed NPSIB 2019 for identifying SNAs. We have been advised by an expert ecologist that the criteria in the 2018 Draft NPSIB were consistent with criteria in our Regional Land and Water Plan for identifying significant wetlands. These criteria and sites were identified and added to the Land and Water Plan through an Environment Court process involving an expert caucus of ecologists, and a policy and rule framework that restricts what activities can be undertaken in these wetlands. Under the Draft NPSIB 2018 criteria, the West Coast Regional Council's Schedule 1 and 2 wetlands do not need reviewing again.

Our expert ecologist further advised that the criteria put forward in the appeals are consistent with the Draft NPSIB 2018 criteria.

The different wording of some of the proposed NPSIB 2019 Appendix 1 criteria creates uncertainty about whether the two sets of significance criteria added to our RPS "substantially conform to" (refer to IR 3.8(4)), or are consistent with, the proposed NPSIB Appendix 1 criteria. The NPSIB should recognise and provide for where councils have already adopted ecological criteria using the four principles commonly recognised by the ecology profession, and identified SNAs. We understand that the proposed NPSIB 2019 criteria are unnecessarily more restrictive. If councils' existing criteria and identified sites do not conform to the proposed 2019 criteria, this could potentially result in SNAs unnecessarily having to be re-assessed at a significant financial cost to ratepayers, for arguably little gain.

Outcomes sought:

1. Refer to outcomes sought under IR 3.8.
2. Alternatively, the NPSIB should recognise and provide for where councils have already adopted ecological significance criteria using the four principles commonly recognised by the ecology profession, and identified SNAs, so that this exercise does not need to be unnecessarily, and inefficiently, repeated.

Appendix 2: Tool for managing effects on significant natural areas

Refer to our comments about Appendix 2 under IR 3.8.

While Appendix 2 clarifies that if an SNA is identified only due to the presence of manuka/kanuka then it is not to be treated as an SNA, we are concerned that the stringent nature of the Appendix 1 criteria will result in many areas of manuka and kanuka still being captured as SNAs.

There is an abundance of these species on the West Coast, and in some cases its growth is like a weed as it rapidly re-generates. Giving these species SNA status is a disincentive to replant them if they are depleted by disease. Landowners will not want to plant, or replant, manuka or kanuka on their property, or let it naturally regenerate, when there is the risk that the vegetation will then be classified as a SNA. Giving these species 'significant' status will not necessarily protect them from Myrtle Rust.

Outcome sought:

1. Delete this provision.

4. Additional Comments on Discussion Document accompanying the proposed NPSIB

In this section, we mostly only comment on matters that are not already covered in the main part of our submission, although we reiterate the key issues for West Coast Councils with implementing the proposed NPSIB.

Section B: Identifying important biodiversity and taonga

B.1 Identifying and mapping Significant Natural Areas

Question 10: Territorial authorities will need to identify, map and schedule Significant Natural Areas (SNAs) in partnership with tangata whenua, landowners and communities. What logistical issues do you see with mapping SNAs, and what has been limiting this mapping from happening?

Many landowners will not want Council staff or other experts on their properties to undertake assessments. This is because they will be concerned that their property, or portions thereof, will become an SNA, limiting their land use options. Landowners will want compensation, namely the land purchased, or rates relief at a very minimum. However, rates relief is something that the West Coast Councils cannot afford to provide, given the small rating bases.

We expect to encounter significant landowner resistance due to our regional setting, whereby most of the public conservation estate comprises indigenous vegetation. Hence, many landowners are likely to be of the view that the SNA process is unwarranted.

The Buller District Council (BDC) undertook a preliminary desktop exercise to identify SNAs several years ago. Due to concerns over landowner engagement, and the extent and cost of the task, the process of identification was not progressed.

WCRC has recently undertaken a plan change process to correct errors in Schedule 1 and 2 wetland boundaries¹⁹, which generated a substantial level of stress amongst private landowners who had a scheduled wetland on their land. Some wetland owners refused to allow DoC and Council staff on their property to review the wetland boundary. Others were confused about what the exercise involved, thinking it was to review the significance of their wetland, rather than simply determining if areas were wetland or not. It will significant time, and staff patience and resources, to build trust with West Coast landowners, about identifying potential SNAs on their land.

¹⁹ These boundaries were drawn based on topographical maps and contained a number of errors.

Identifying and mapping SNAs will require significant financial and technical support as none of the West Coast Councils have in-house expertise, and all have very limited resources. It is worth noting that the size of the District and Regional Council's consents/planning teams are small, for example, each of the District Councils have between 1-3 consents staff with no dedicated policy planner, so all work would need to be out-sourced.

Question 11: Of the following three options, who do you think should be responsible for identifying, mapping and scheduling of SNAs? Why?

a. territorial authorities

b. regional councils

c. a collaborative exercise between territorial authorities and regional councils.

These options do not include DoC who should be undertaking this activity given the large proportion of public conservation land on the West Coast region, due to the scale of the exercise in the region and potential duplication of information.

For private land on the West Coast, WCRC has already identified significant wetlands through an Environment Court process, and mapped and added these to the Regional Land and Water Plan. It would be inefficient for territorial authorities to duplicate this work. Territorial authorities should be responsible for identifying terrestrial SNA's on private land that are not wetlands.

Question 14: The NPSIB proposes SNAs are scheduled in a district plan. Which of the following council plans should include SNA schedules? Why?

a. regional policy statement

b. regional plan

c. district plan

d. a combination.

The District Plan as this is a district council process. Inclusion of criteria for identifying an SNA is more appropriately located within an RPS.

We anticipate that a 5-year time frame for the identification and mapping will be insufficient given the scale of the exercise in our region and the need for adequate engagement with landowners that we expect will be a contentious process. We have very few ecologists based on the West Coast so this advice will need to be contracted from outside the region.

B.3 – Surveying for and managing highly mobile fauna

Question 18: What specific information, support or resources would help you implement the provisions in this section (section B)?

Data about locations of highly mobile fauna, the times of year that they are at these locations, and what can councils reasonably do to reduce impacts on these fauna. If central government requires West Coast councils to survey and record highly mobile fauna then they should fund it accordingly. The provisions are beyond the capacity of our Councils to fulfil. We also have concerns around the provision of information to our communities about highly mobile fauna given the lack of capacity and in-house expertise in this area.

Section C

C.2 – Providing for specific new activities within SNA's

Question 24: Do you agree with the proposed definition for nationally significant infrastructure? Yes/no? Why/why not?

We do not agree. There is no recognition of regionally significant infrastructure identified by local authorities in RPS's and plans. On the West Coast, there is renewable electricity generation and transmission/distribution infrastructure, and telecommunications and radio communications facilities

which play an important role in providing electricity and communications to remote communities. Much of this infrastructure is located on public conservation land, or road or rail reserve that runs through public conservation land, and has minimal or no impact on indigenous biodiversity. The West Coast RPS definition of regionally significant infrastructure also includes seawalls, stopbanks and erosion protection works, community sewage treatment plants; public water supply intakes and stormwater management systems, and community solid waste storage and disposal facilities. These are all important infrastructure for small settlements surrounded by public conservation land on the West Coast. The meaning of “rapid transit” is unclear, but it should include road networks classified in the One Network Road Classification Sub-category as ‘strategic’. Refer to the “Outcomes sought Nos 1 and 2” under IR 3.9 seeking changes to the definition of “nationally significant infrastructure”, and to IR 3.9 clause (2)d), to add reference to regionally significant infrastructure.

C.5 – Managing adverse effects on biodiversity outside SNA’s

Question 28: Do you think it is appropriate to consider both biodiversity offsets and biodiversity compensation (instead of considering them sequentially) for managing adverse effects on indigenous biodiversity outside of SNAs? Yes/no? Why/why not?

We agree with a more flexible approach to the management of adverse effects outside SNAs which allows use of biodiversity offsets and/or biodiversity compensation rather than the sequential assessment for SNAs. The West Coast RPS has a policy framework agreed to through recent Environment Court mediation that is appropriate for the West Coast context.

C.8 – Applying a precautionary principle to managing indigenous biodiversity

Question 36: What level of residual adverse effect do you think biodiversity offsets and biodiversity compensation should apply to?

a. More than minor residual adverse effects

b. All residual adverse effects

c. Other. Please explain.

None of these options. The IR’s for offsetting and compensation do not need to refer to residual effects which may limit or hinder options for offsetting or compensation. Instead, the approach could be taken that where the adverse effects on a SNA cannot be avoided, remedied or mitigated, then consider biodiversity offsetting that meets nationally recognised criteria. This approach is appropriate in the West Coast context.

If the NPSIB does refer to residual adverse effects, our view is that ‘more than minor’ is the appropriate threshold to trigger biodiversity offsets and compensation. Minor residual effects should not trigger the mitigation hierarchy.

Section E: Monitoring and implementation

E.4 – SNA’s on public land

Table 7: Options for identification and reassessment for SNAs on Crown land

Options for SNA identification and reassessment for SNAs on public conservation land	Factors to consider
Option 1: Territorial authorities keep responsibility for identifying and mapping all SNAs on public conservation land.	This option may be most efficient for council RMA processes and mean SNA criteria would be applied consistently across the district. It could be resource intensive, especially for districts with high distributions of public conservation land, or for those districts who have not yet carried out the identification of SNAs on public conservation land. In some cases, it may be appropriate for the Crown to contribute to the identification and mapping.

Option 2: Public conservation land could be deemed as SNAs. This could apply to all public conservation land, or to higher-value areas (such as national parks, conservation areas, scientific reserves, or nature reserves). For other public conservation land that contains fewer biodiversity values, this option could be an interim or default measure until an assessment is done using the SNA identification criteria (such as by a council, government agency, or a consent applicant).

This option could create efficiencies and reduce costs to territorial authorities.

Where conservation values are already legally protected (e.g., public conservation land) the reduced benefit of SNA identification and mapping, as well as a lower risk of biodiversity loss from activities on this land, also needs to be considered.

This option may also provide a transitional approach that would allow territorial authorities to spread costs for the identification of SNAs on public conservation land over time, by first doing field assessments in the rest of the district.

Option 3: SNAs are not identified on public conservation land.

This recognises that public conservation land has legal protection already and removes the cost of identifying SNAs on this land.

Question 51: Which of the three options to identify and map SNAs on public conservation land do you prefer? Please explain.

a. Territorial authorities identify and map all SNAs including public conservation land

b. Public conservation land deemed as SNAs

c. No SNAs identified on public conservation land

We support option c, no SNA's identified on public conservation land. This will allow the West Coast Councils to focus on assessing SNA's on non-public conservation land and save ratepayers money. Plan rules still apply on DoC land, so a proposed development that may adversely affect indigenous biodiversity on DoC land can be assessed on a case by case basis.

We fail to see the justification for identifying SNA's on public conservation land which is already subject to legal protection.

Question 58: What support in general would you require to implement the proposed NPSIB? Please detail.

a. Guidance material

b. Technical expertise

c. Scientific expertise

d. Financial support

e. All of above.

f. Other (please provide details).

We consider all of the above support to be appropriate. The NPSIB will have serious financial implications for our Councils. The identification and mapping of SNAs will be a massive task let alone meeting all of the other requirements of the NPSIB. We will require significant support on all levels to implement the NPS.

Section F: Statutory Frameworks

Question 59: Do you think a planning standard is needed to support the consistent implementation of some proposals in the proposed NPSIB? Yes/no? If yes, what specific provisions do you consider are effectively delivered through a planning standard tool?

No. The Planning Standards for Regional and District Plan Structure already requires a chapter on ecosystems and indigenous biodiversity. Therefore, we see little benefit in having a specific biodiversity planning standard. It could have the perverse outcome of being appropriate for regions with little indigenous biodiversity remaining, but inappropriate for the West Coast region which has high levels of indigenous biodiversity. This NPSIB, as currently written, is a case in point.

5. Conclusions

- The NPSIB, as currently worded, does not 'fit' with indigenous biodiversity protection and maintenance in the West Coast context. This is because of the abundance of indigenous biodiversity remaining on the West Coast, and the existing protection of indigenous biodiversity in public conservation land (which makes up 84.2% of all land on the West Coast) under the Conservation Act.
- Substantial change is needed to the NPSIB so that it is either applicable to all regions, or it adds exemptions for areas with high proportions, at least 50% of remaining indigenous biodiversity. A 'cookie cutter' approach to policy development will not work with the NPSIB and it makes the outcomes sought unachievable.
- SNA identification on public conservation land, and particularly on the West Coast, should not be required of West Coast Councils.
- The proposed effects management approach is impractical on the West Coast and will have adverse economic and social outcomes, as well as longer term reductions in gains currently only attainable through consent offsetting processes.
- The over-emphasis on regulatory changes to regional policy statements and plans will not encourage West Coast landowners and communities to maintain indigenous biodiversity. Non-regulatory measures should be prioritised.
- The proposed Implementation Requirements around highly mobile fauna, restoration and enhancement, regional biodiversity strategies and others will not make a difference to indigenous biodiversity maintenance on the West Coast.
- The extremely high costs to West Coast Councils and ratepayers to implement the proposed NPSIB is inefficient and will achieve little in securing the outcomes sought by the policy.

Appendix 1: Map of public conservation land (shown in green) in West Coast region



Appendix 2: List of NPSIB Implementation Requirements for regional policy statements, regional plans and district plan

Plan changes to the West Coast Regional Policy Statement: (for an indicative comparison, it has cost the West Coast Regional Council approximately \$404,000 for decisions and mediating appeals on its proposed RPS from 1 July 2018 - 31 December 2019, not including the drafting, notification or hearing stages)

Implementation Requirements to add matters to regional policy statements are:

IR 3.5: Promote the resilience of indigenous biodiversity to climate change.

IR 3.12: Specify where, how and when plans must provide for existing activities that may adversely affect indigenous biodiversity in a SNA.

IR 3.12: Provisions for and limiting regenerating indigenous vegetation being cleared as part of existing, ongoing farm activities.

IR 3.13: Provisions specifying where, how and when controls on development outside SNA's are needed to maintain indigenous biodiversity.

IR 3.14: Develop a process with the District Councils and mana whenua for identifying taonga indigenous biodiversity.

IR 3.15: Jointly survey outside SNAs and record where highly mobile fauna, for example, native birds, have been or are likely to be present.

IR 3.15: Provisions to manage adverse effects of development on highly mobile fauna areas.

IR 3.16: Record the location of wetlands, degraded SNA's, areas that provide connectivity or buffering, and former wetlands identified by the District Councils, in RPS's;

IR 3.16: Promote the restoration and enhancement of the areas recorded in the RPS;

IR 3.17: Assess the percentage of urban and rural areas that have indigenous vegetation cover; where an area has less than 10% indigenous cover, add targets for increasing vegetation cover.

IR 3.19: Add a requirement for an assessment of environmental effects where a proposed development may adversely affect indigenous taonga biodiversity, ecosystem services, and the maintenance of ecological integrity and connections.

Regional Plan Change: \$211,000 - \$247,000 (could be light)

Implementation Requirements to add matters to regional plans are:

IR 3.5: Promote the resilience of indigenous biodiversity to climate change.

IR 3.9: Add provisions requiring that any new development in SNA's must avoid adverse ecological effects, and can only use the mitigation hierarchy to remedy, mitigate, offset or compensate for other adverse effects.

IR 3.12: Provisions for and limiting regenerating indigenous vegetation being cleared as part of existing, ongoing farm activities.

IR 3.13: Provisions specifying where, how and when controls on development outside SNA's are needed to maintain indigenous biodiversity.

IR 3.14: Develop a process with the District Councils and mana whenua for identifying taonga indigenous biodiversity, and add these to the District Plan.

IR 3.15: Provisions to manage adverse effects of development on highly mobile fauna areas.

IR 3.16: Promote the restoration and enhancement of wetlands, degraded SNA's, areas that provide connectivity or buffering, and former wetlands that are recorded in the RPS.

IR 3.19: Add a requirement for an assessment of environmental effects where a proposed development may adversely affect indigenous taonga biodiversity, ecosystem services, and the maintenance of ecological integrity and connections.

District Plan change across three districts: \$213,000 - \$528,000

Implementation Requirements to add other matters to the District Plan are:

IR 3.5: Promote the resilience of indigenous biodiversity to climate change.

IR 3.9: Provisions requiring that any new development in SNA's must avoid adverse ecological effects, and can only use the mitigation hierarchy to remedy, mitigate, offset or compensate for other adverse effects.

IR 3.12: Provisions that provide for the continuation of existing activities in a SNA and ensure that the activity does not lead to the loss of extent or degradation of the SNA, etc

IR 3.12: Provisions for and limiting regenerating indigenous vegetation being cleared as part of existing, ongoing farm activities.

IR 3.13: Provisions specifying where, how and when controls on development outside SNA's are needed to maintain indigenous biodiversity.

IR 3.14: Develop a process with the Regional Council and mana whenua for identifying taonga indigenous biodiversity, and add these to the District Plan.

IR 3.15: Provisions to manage adverse effects of development on highly mobile fauna areas.

IR 3.16: Identify the location of wetlands, degraded SNA's, areas that provide connectivity or buffering, and former wetlands.

IR 3.16: Promote the restoration and enhancement of wetlands, degraded SNA's, areas that provide connectivity or buffering, and former wetlands that are recorded in the RPS.

IR 3.19: Add a requirement for an assessment of environmental effects where a proposed development may adversely affect indigenous taonga biodiversity, ecosystem services, and the maintenance of ecological integrity and connections.

Appendix 3

West Coast Regional Policy Statement Mediation version – ecological criteria for identifying significant natural areas

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Appendix 2

28 February 2020

Whitebait Management Consultation
Department of Conservation
P. O. Box 10420
Wellington 6143

Dear Sir/Madam

Comments on the "Improving Whitebait Management Te Whakapai ake I te whakahaere inanga Discussion Document"

The West Coast Regional Council welcomes the opportunity to make comments on the *"Improving Whitebait Management Te Whakapai ake I te whakahaere inanga Discussion Document"*. Attached are our comments.

Our contact details for service are:

Lillie Sadler
Planning Team Leader
West Coast Regional Council
Po Box 66
Greymouth 7840

Phone: 03 768 0466 ext 8212
Email: ls@wcr.govt.nz

Yours faithfully

Hadley Mills
Manager Planning, Science and Innovation

Draft - West Coast Regional Council comments on "Improving Whitebait Management: Te Whakapai ake I te whakahaere inanga: Discussion Document"

Introduction

The West Coast Regional Council (WCRC or the Council) supports having one set of regulations for managing whitebait throughout New Zealand. In particular, the Council supports any changes which bring the Whitebait Fishing Regulations 1994 for the rest of New Zealand (New Zealand Regulations) into line with the Whitebait Fishing (West Coast) Regulations 1994 (West Coast Regulations).

Many of the proposed changes are supported by the Council. However, we have concerns about some of the changes.

This submission covers our comments on the proposal generally, and the key points of changing the fishing season dates and closing river areas as refuges.

Background

Whitebaiting on the West Coast is a long-established activity that is enjoyed by many West Coasters and people from other regions. Whitebaiters have been undertaking the activity for many generations, with whitebait stands and sites often passing from one generation to the next. It is an activity that is undertaken both commercially and recreationally, with the activity indirectly supporting many local communities. Having the specific West Coast Regulations reflects this long history and association with the activity.

In addition to the specific West Coast Regulations, our Council has a regional plan that includes comprehensive provisions for managing whitebait stands on listed rivers, and these are monitored throughout the fishing season. Hence, whitebait fishing on the West Coast is closely managed and monitored by both the Department of Conservation (DOC) and our Council.

General comments

The West Coast is largely undeveloped with most spawning sites being located within the DOC estate. Whitebaiting within most of these areas is also prohibited under the West Coast Regulations. Regional plan provisions also manage adverse effects on spawning sites.

The Discussion Document provides very little scientific information about the state of whitebait species on the West Coast. While numbers of whitebait are declining nationally, there is uncertainty about whether numbers on the West Coast are declining, remaining stable, or increasing. The Discussion Document also does not provide information about how the proposed changes will stop the decline of whitebait and increase their numbers. Therefore we **request** that detailed analysis of whitebait numbers and spawning sites on the West Coast is undertaken before any changes are made to create one set of national regulations.

The current West Coast Regulations are already substantially more restrictive than the regulations for the rest of New Zealand. For example, the West Coast has a shorter whitebait season, there are 23 rivers that are closed to whitebaiting, back pegs are used to identify the upper limit of where whitebaiting can occur, and there are also more restrictions around the use of fishing gear. Therefore, we **suggest** amending New Zealand's regulations to align with the current West Coast Regulations. This should contribute to protecting whitebait, and increasing their numbers overall.

3.1 Timing of the whitebait fishing season

The Council **supports** having the same whitebait fishing season for all New Zealand. Our preference is for the season to align with the current West Coast season of 1 September to 14 November inclusively. This is a shorter season than the rest of New Zealand by approximately four weeks. Having a shorter season that aligns with the West Coast will likely reduce the number of whitebait caught in other regions, causing the number of whitebait available for spawning to increase, and thus increasing overall numbers.

The Discussion Document also does not provide scientific evidence to support changing the West Coast season. The Department of Conservations (DOC) preferred season of 15 August to 14 October, is longer than the current West Coast season.

3.3 Creating short-term and longer-term refuges for whitebait species

We **strongly oppose** closing additional rivers on the West Coast to create refuges for whitebait species. The West Coast Regulations prohibit whitebaiting in 23 rivers. These rivers are already acting as refuges as they provide suitable habitat for spawning.

The Discussion Document lists over 40 rivers that could be closed to whitebaiting on the West Coast. Many of these are in addition to the 23 rivers where fishing is currently prohibited. A large number of these additional rivers are commonly used for whitebait fishing. While we acknowledge that not all rivers included in the Discussion Document will be closed, we are concerned that increasing the number of closed rivers will have a detrimental effect on the species. For example, closing additional rivers will greatly reduce the number of rivers where whitebaiting can occur. This will lead to whitebaiters relocating to rivers that they do not normally fish on, placing a greater fishing demand on these rivers which could impact specific populations of fish.

The Discussion Document does not provide scientific evidence that numbers of whitebait are declining on the West Coast. Nor does it provide evidence that closing additional rivers, or specific rivers, will increase whitebait numbers. We understand that trout predate upon whitebait species, and this threat is not addressed in the Discussion Document. There is no information provided on the presence of trout in the 40 rivers proposed to be closed to whitebait fishing. We also understand that some whitebait species are more under threat than others, however management of this issue is not discussed. Therefore the Council cannot support closing any additional rivers unless scientific evidence clearly shows that numbers of whitebait on the West Coast are declining, and that closing additional rivers will increase numbers.

The Discussion Document also does not provide any explanation or justification for why the 40 rivers on the list were chosen. Nor does it provide an explanation for how a final decision on the rivers to be added to the current list will be made. Before a decision is made on a river, thorough consultation with the Council, local whitebaiters, and communities is required to ensure that only rivers with a high degree of certainty of increasing whitebait numbers, and with no predators, are closed. Greater transparency with scientific information and decision-making is needed.

Page 41 of the Discussion Document explains that rivers selected to be refuges will be regularly reviewed, but no information is provided about how they are to be reviewed, or who will undertake the review. We presume that DOC will be reviewing the rivers, and they will have a process for doing this. We are concerned that if a specific process and timeframes for reviewing the rivers is not set out, then the review may not be undertaken. This could lead to rivers remaining unnecessarily closed when they could be opened to whitebaiters.

Summary of outcomes/changes sought

- **Undertake** a detailed analysis of whitebait numbers and spawning sites on the West Coast prior to changing the Regulations.
- **Align** the rest of New Zealand's Regulations with the current West Coast Regulations.
- **Support** aligning the fishing season nationally with the current West Coast season of 1 September to 14 November inclusively.
- **Strongly oppose** closing additional rivers on the West Coast to create refuges for whitebait species.
- **Require** that rivers only be closed where scientific evidence clearly shows that closing the river will increase whitebait numbers.
- **Require** that thorough consultation with relevant stakeholders is undertaken before closing rivers.
- **Require** greater transparency with scientific information and decision making.

This ends our submission.

5.1.2

THE WEST COAST REGIONAL COUNCIL

Prepared for: Resource Management Committee Meeting 10 March 2020
 Prepared by: Emma Perrin-Smith, Senior Surface Water Quality Technician
 Date: 28 February 2020
Subject: CONTACT RECREATION WATER QUALITY SAMPLING UPDATE

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

The table below presents the results of sampling so far this season.

There was moderate to heavy rainfall in the week prior to sampling for all sites that were in the low or moderate to high risk categories. Faecal indicator bacteria can be elevated at sites, following heavy rainfall, due to contamination from diffuse and/or point sources such as drains and surface run-off.

The most recent round of Hokitika samples were unable to be analysed as they arrived too late at the lab due to a courier error. These have been re-sampled and will be reported in the next Council report.

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

Rainfall past 24hrs	Rainfall past week		Category
*	•	0-10 mm	minimal
*	•	10-30 mm	light
*	•	30-60 mm	moderate
*	•	>60 mm	high
😊		< 260 E. coli; < 140 Ent	very low risk
😊*		260-550 E. coli; 140-280 Ent	low risk
😞		> 550 E. coli; > 280 Ent	moderate to high risk

RECOMMENDATION

That the report is received.

Hadley Mills
 Planning, Science and Innovation Manager

5.1.3**THE WEST COAST REGIONAL COUNCIL**

Prepared for: Resource Management Committee - 10 March 2020
 Prepared by: Claire Brown -Regional Director Emergency Management and Natural Hazards
 Date: 3 March 2020
 Subject: **Civil Defence and Emergency Management Update**

Purpose

To provide an update from the West Coast Emergency Management Group, specifically the key decisions from the Joint Committee meetings on 13 November 2019 and 19 February 2020 including:

- Electing a new Chair of the Joint Committee Civil Defence Emergency Management and Iwi representation
- Reviewing the Heads of Agreement on Joint Civil Defence Services from 28 July 2014
- An increase in the number of local controllers
- Noting multiple activations in December 2019 and standby arrangements in February 2020

Chair of the Joint Committee and Iwi Representation

A new Chair of the Joint Committee Civil Defence Emergency Management is elected at the start of each triennium term. At the November 2019 meeting Mayor Smith was elected as the new Chair of the Joint Committee.

We continue to work hard to improve the connection of emergency management with Iwi / Maori in our region. In August 2018 Te Rūnanga o Makaawhio and Te Rūnanga of Ngāti Waewae were invited as full voting members of the Coordination Executive Group (made up of Chief Executives of each council, Department of Conservation, Health, Police, Fire Emergency NZ and St John).

At the Joint Committee meeting in November 2019 the committee endorsed full membership and voting rights to Te Rūnanga o Makaawhio and Te Rūnanga of Ngāti Waewae to the committee.

Heads of Agreement for Joint Civil Defence Services

The Heads of Agreement for Joint Civil Defence Services was signed in July 2014 by the district and regional councils. This formalised the agreement that their responsibilities under the Civil Defence Emergency Management Act 2002 be combined and delivered through one body, the West Coast Emergency Management Group. The Agreement involved a secondment arrangement of the 'Emergency Management Officer' in each district council to the newly appointed Group Manager employed by the Regional Council.

At the Joint Committee meeting in February 2020 it was noted that the Agreement, now six years old, has aspects that are out-of-date. Several changes have occurred in the sector and across councils since then, as well as some significant change expected nationally as the National Emergency Management Agency (NEMA) continues to evolve. Given this the Joint Committee agreed that the Coordination Executive Group workshop a review of the Agreement at their next meeting in April 2020.

Capability Building and New Controllers

A significant focus of our team is to improve capability across response communities (including council staff and community volunteers). We will deliver the following range of courses this year:

- 'Emergency Operations Centre' Short Courses
- Emergency Management Inductions for council staff
- Coordinated Incident Management System (CIMS) Level 4 Courses
- First Aid
- Quick Capture app based 'Rapid Building Assessment' training targeted at Building Compliance Officer and Engineering staff across councils

CDEM Local Controller Appointment

On 19 February 2020 the Joint Committee appointed Mr Don Scott and Mr Vern Morris as additions to our Controllers pool under Section 27 of the Civil Defence Emergency Management Act 2002. In accordance with the 'Controllers Policy' both appointments will commence at Tier 4 – that allows them to act as Deputy Controllers, while they potentially qualify through to Tier 1 – Group Controller.

During the March 2019 weather event, and subsequent events in Westland including the most recent in December 2019, Mr Scott and Mr Morris carried out key primary functions in Operations, Planning, Intelligence, and as Local Recovery Manager/s. Both have extensive experience in emergency management, incident management, emergency services and hold relevant qualifications.

We currently have nine approved controllers for our region. This falls short of our minimum capacity of 16 Controllers. We also recognise some of our controllers hold positions (for example Council Chief Executives) that will have significant additional day-job responsibilities in an emergency which is likely to constrain their ability to step in as response Controllers. We have begun discussions with other groups in the South Island about how we might utilise a shared pool of Controllers.

Multiple Activations since December 2019 across Buller and Westland

Much of December was committed to providing monitoring, response and recovery support for the weather event that affected the length of the region. Several debriefs occurred including both Westland and Buller district council staff, an agency debrief in January 2020, and a Franz Josef community debrief on 3 February 2020.

We took steps to prepare to activate for Ex-Tropical Cyclone Uesi and a separate Westland Heavy rain event, both in February. Preparatory steps include:

- communicating with range of stakeholders, agencies, businesses, local coordinators throughout our communities
- setting up the Emergency Operation Centre
- preparing rosters to staff shifts in the Emergency Operation Centre

In addition to this, two of our team went to Southland as Response Managers for a week about. This type of opportunity is invaluable and reflects well on our group to have staff deployable at such a high level to assist other regions.

RECOMMENDATION

That this report be received.

Claire Brown

Regional Director Emergency Management and Natural Hazards

5.2.1

THE WEST COAST REGIONAL COUNCIL

Prepared for: Resource Management Committee 10 March 2020
 Prepared by: Jorja Hunt – Consents and Compliance Monitoring Officer
 Date: 26 February 2020
Subject: CONSENTS MONTHLY REPORT

Two Consents Sites Visit were undertaken 30 January 2020 to 26 February 2020

12/02/2020	RC-2017-0132- Darrell Partnership, to divert Waimangaroa River, Waimangaroa	To assess application against the receiving environment
26/02/2020	RC-2019-0145 Canaan Farming Deer Limited, to divert Bellews Creek, Waitiki Downs	To investigate the game fish potential of Bellews creek, Waikiti Downs

13 Non-Notified Resource Consents were Granted 30 January 2020 to 26 February

CONSENT NO. & HOLDER	PURPOSE OF CONSENT
RC-2020-0012 DPF McDonald & HJ Bruce Slaty Creek Road, Atarau.	To discharge treated greywater associated with onsite sewage effluent from a domestic dwelling to land at 89 Slaty Creek Road, Atarau.
RC-2020-0010 SP Fox North Beach Road, Greymouth.	To discharge treated greywater associated with onsite sewage effluent from a "tiny house" to land in circumstances where it may enter water at Lot 2 DP3731, 340a North Beach Road, Greymouth.
RC-2020-0017 Westreef Services Limited Karamea River	To disturb the dry bed of the Karamea River for the purpose of removing gravel.
RC-2020-0014 New Zealand Transport Agency West Coast Wide	To discharge contaminants to land associated with bridge maintenance activities, West Coast. To discharge contaminants to water associated with bridge maintenance activities, West Coast. To discharge contaminants to the Coastal Marine Area (CMA) associated with bridge maintenance activities, West Coast. To discharge contaminants to air associated with bridge maintenance activities, West Coast.
RC-2020-0020 Department of Conservation Waiho River	To temporarily divert water from a stopbank, Waiho River.

RC-2020-0007 MC Ralfe Hokitika River	To disturb the dry bed of the Hokitika River for the purpose of extracting gravel.
RC-2020-0018 Westreef Services Ltd Little Wanganui River	To disturb the dry bed of the Little Wanganui River for the purpose of extracting gravel.
RC-2020-0019 Rosco Contractors Ltd Canoe Creek	To disturb the dry bed of Canoe Creek for the purpose of removing gravel.
RC-2020-0001 John Dimmick Contracting Ltd Hokitika River	To disturb the dry bed of the Hokitika River for the purpose of removing gravel.
RC-2019-0138 EA Percy Harihari	To undertake earthworks associated with humping and hollowing activities, at Harihari. To discharge contaminants (sediment) to land where it may enter water namely Adamson Creek and its tributaries.
RC-2019-0082 Kelvin Douglas Contracting (2004) Ltd Fox River, Coastal Marine Area	To disturb the dry bed of the Fox River within the Coastal Marine Area for the purpose of removing gravel.
RC-2019-0061 Aspiring Exploration Limited German Gully and Liverpool Bills	To undertake earthworks associated with alluvial gold mining activities at German Gully and Liverpool Bills. To take and use water for alluvial gold mining activities, at German Gully and Liverpool Bills. To discharge sediment-laden water to land in circumstances where it may enter water, namely New River and its tributaries, associated with alluvial gold mining.
RC-2019-0075 Aspiring Exploration Limited Duganville	To undertake earthworks associated with alluvial gold mining activities, Duganville. To take and use surface water and groundwater via seepage into mining ponds for the purposes of alluvial gold mining activities, Duganville. To discharge water containing sediment to land in circumstances where it may enter water associated with alluvial gold mining at Duganville.

Two Changes to and No Reviews of Consent Conditions were granted in the period 30 January 2020 to 26 February

RC-2018-0022-V2
Buller District Council
Carters Beach

To extend the length of the coastal protection bund, Carters Beach.

RC-2018-0107-V1
Robert Graham
Blue Spur

Increase disturbed gold mining area, Blue Spur (MP60453)

One Limited Notified and no Notified Resource Consents were granted in the period 30 January 2020 to 26

RC-2015-0026-V1
Ross Beach Mining Ltd
Maori Gully

To allow an increase in the gold mining area, Maori Gully

Public Enquiries

13 written public enquiries were responded to during the reporting period. All 13 (100%) were answered on the same day.

RECOMMENDATION

That the March 2020 report of the Consents Group be received.

Heather McKay
Consents & Compliance Manager

5.2.2

THE WEST COAST REGIONAL COUNCIL

Prepared for: Resource Management Committee – 10 March 2020
 Prepared by: Heather McKay – Consents & Compliance Manager
 Date: 27 February 2020
 Subject: **COMPLIANCE & ENFORCEMENT MONTHLY REPORT**

Site Visits

A total of 70 site visits were undertaken during the reporting period, which consisted of:

Activity	Number of Visits
Resource consent monitoring	10
Mining compliance & bond release	21
Complaints	8
Dairy farm	31

This report covers the period of 30 January 2020 to 26 February 2020

- A total of 17 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 four non-compliances occurred during the reporting period.

Activity	Description	Location	Action/Outcome	INC/Comp
Trade discharge	Complaint received that anti-freeze had been tipped outside of a trade business.	Greymouth	The site was investigated and found that about two litres of used anti-freeze had been tipped onto concrete with the potential to enter a waterway. The business has the facilities to capture these fluids and dispose of them. The owner was very remorseful and followed up with the employee responsible. No substance entered any waterway and the anti-freeze was cleaned up. No further action taken.	Complaint
Gold Mining	Complaint received that a discharge from a gold mining operation had discoloured a creek.	Ross	The site was investigated and found that during a period of heavy rain runoff from the mine haul road had flowed into a subsurface tunnel. The miner has sealed the tunnel and enquires are still ongoing.	Complaint

Activity	Description	Location	Action/Outcome	INC/Comp
Gold Mining	Complaint received about a discharge from a mining operation that had discoloured a creek.	New River	The site was investigated and found that the creek was discoloured. Samples were taken and showed that they breached their consent conditions. An abatement notice to cease the discharge and an infringement notice for the discharge have been issued.	Complaint
Gold Mining	Compliance staff carried out an inspection of a gold mining operation.	Stafford	During a routine inspection it was found that the total disturbed area was above the consented allowance. The miner has been instructed to carry out work to bring the total disturbed area below 2 hectares.	Incident

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
Rubbish	Complaint received about rubbish that had been dumped near the Grey River.	Stillwater	Enquiries established that household rubbish had been dumped on a fishing access road through private land. The landowner has pushed rubbish to the side and buried. No breach of the Regional Rules as it falls under the Litter Act.	Complaint
Noise Complaint	Complaint received regarding the discharge of noise from a gold mining operation.	Stafford	The site was investigated on two occasions and no excessive noise noted on either occasion. The miner was reminded of the consent conditions.	Complaint
Noise Complaint	Complaint received regarding the discharge of noise from a gold mining operation.	Ross	The site was investigated and was found to be compliant with the consent conditions regarding noise.	Complaint
Discharge to Air	Complaint received about smoke from a fire being a nuisance.	Hokitika	The site was investigated and established that they were burning wet untreated wood, however it took some time to get the burner going which caused the discharge of smoke. There was no evidence of a non-compliant discharge when attended and they were not burning prohibited items.	Complaint
Earthworks	Complaint received about excessive earthworks on a neighbouring property.	Barrytown	The site was investigated and found no breach had occurred. Landowner was cleaning up a pre-existing road.	Complaint

Activity	Description	Location	Action/Outcome	INC/Comp
Works in the River Bed	Complaint received about work carried out to improve a whitebait spawning area having caused an adverse effect.	Punakaiki	Enquiries with DOC established that the work was outside of the riparian margin and there was no breach of the Regional Rules. DOC met with the complainant on site and explained the work to them.	Complaint
Discharge to Air	Complaint received about rubbish burning in a yard in Reefton.	Reefton	Enquiries established the materials being burnt were organic and did not breach any Regional Rules as it falls under the Health Act.	Complaint
Rubbish	Complaint received about the discharge of rubbish into the Haast River from whitebaiter huts and other equipment.	Haast	Some rubbish has been cleaned out but more has to be cleaned up. The matter is ongoing and further enquiries are being made.	Complaint
Drainage	Complaint received that a drain is blocked and causing flooding on an upstream property.	Kaihinui	Property owners have agreed to work together to improve drainage to the historic issue.	Complaint
Discharge to Air	Complaint received about a neighbour using weed spray on a shared easement.	Rutherglen	Compliance officer sent out copy of Rule 77. Application of agrichemicals on domestic properties Regional Land and Water Plan to the neighbour using the spray. No further action.	Complaint
Works in the River Bed	Complaint received about works having been carried out in the river bed and gravel being removed.	Hokitika-Kaniere Tramway.	Enquires show the work to the creek was notified as emergency works to protect Westland District Councils river intake pipeline. Enquiries are ongoing.	Complaint
Discharge to Air	Complaint received regarding the intermittent smell of sewerage.	Kaniere	The complainant has been advised to phone when the smell occurs so that it can be investigated. Enquiries are ongoing.	Complaint
Discharge to Water	Complaint received about Canoe Creek running dirty.	Canoe Creek, Barrytown	The area in the days prior to the complaint had been inundated with heavy rain due to ex-cyclone Uesi. A compliance officer observed the discolouration as likely from a slip.	Complaint

Update on Previously Reported Ongoing Complaints/Incidents

Activity	Description	Location	Action/Outcome	INC/Comp
Works in the Bed of a River	Complaint received that a person had carried out bulldozer work in the bed of a river and discharged sediment laden water.	Rotokohu, Reefton	The site was investigated and established that the person had bulldozed an extensive area of the creek bed which included the wet bed. The work is unauthorised and an abatement notice has been issued. A decision on further enforcement action is pending.	Complaint
Discharge to Air	Complaint received that a person was burning rubbish which had caused an offensive discharge.	Boddytown	The site was investigated and established that the person was burning plastics and treated timber which is prohibited. An Infringement notice has been issued.	Complaint
Flood protection work	Complaint received that a property owner has in the past undertaken unconsented flood protection work.	Karangarua, Haast	The site has been investigated along with a council engineer. A letter of direction has been sent to the landowner outlining any further works will require a resource consent.	Complaint
Discharge to land	Complaint received that a stock truck had emptied its effluent holding tanks onto the ground.	Waitaha Valley	A large quantity of effluent from a stock trucks holding tanks was discharged onto the road side at the Waitaha valley Road turnoff. The Ross fire brigade have cleaned some of the effluent away. Enquiries have been made with the company who have advised they are engaging a contractor to clean the site. The company has also provided an explanation as to how the discharge occurred. No decision has been made yet on enforcement action.	Complaint

Formal Enforcement Action

Formal Warning: There were no formal warnings issued during the reporting period.

Infringement Notice: There were two infringement notices issued during the reporting period.

Activity	Location
Burning Rubbish: Discharge to air from a trade and industrial premises, burning plastics and treated wood.	Boddytown
Gold Mining: Notice issued for the discharge of sediment laden water.	Marsden

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

Activity	Location
Gold Mining: One notice issued to cease the discharge of sediment laden water.	Marsden

Mining Work Programmes and Bonds

The Council received the following eleven work programmes during the reporting period. All of the work programmes have been approved.

Date	Mining Authorisation	Holder	Location	Approved
30/01/2020	RCN99138	MBD Contracting Limited	Whataroa	Yes
30/01/2020	RC12222	Graeme Hobbs	Nelson Creek	Yes
01/02/2020	RC-2018-0095	Gordon Lawrence Storer	Buller River	Yes
05/02/2020	RC-2014-0192	David Arthur Waghorn & Rosalie Dawn Waghorn	Ikamatua	Yes
05/02/2020	RC-2017-0079	Philip Ross Hampton	Atarau	Yes
06/02/2020	RC-2019-0141	Longford Holdings Limited	Rimu	Yes
07/02/2020	RC-2019-0071	T S Mining Limited	Dunganville	Yes
10/02/2020	RC-2015-0167	Greid Minning Limited	German Gully, Waimea Forest	Yes
14/02/2020	RC-2019-0074	Western Dynasty Holdings Limited	Stafford	Yes
17/02/2020	RC-2018-0090	Murray Brian Clegg & Jacquelin Carol Palmer-Clegg	Marsden Road	Yes
20/02/2020	RC12186	Richard Fatafehi	Marsden	Yes

One bond was received during the reporting period

Date	Mining Authorisation	Holder	Location	Amount
31-01-2020	RC12222	Graeme Hobbs	Nelson Creek	\$2880

One bond is recommended for release

Mining Authorisation	Holder	Location	Amount	Reason For Release
RC04290	Graeme Leslie Hobbs	Nelson Creek	\$5000	Mining and rehabilitation has been completed. Land owner approval obtained.

RECOMMENDATIONS

1. *That the March 2020 report of the Compliance Group be received.*
2. *That to bond of \$5000 for RC04290, Graeme Hobbs, be 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, 10 March 2020** commencing on completion of the Resource Management Committee Meeting

A.J. BIRCHFIELD
CHAIRPERSON

M. MEEHAN
CHIEF EXECUTIVE OFFICER

<u>AGENDA NUMBERS</u>	<u>PAGE NUMBERS</u>	<u>BUSINESS</u>
1.		APOLOGIES
2.		PUBLIC FORUM
3.		MINUTES
	1 - 4	3.1 Minutes of Council Meeting 11 February 2020
4.		REPORTS
	5 – 8	4.1 Engineering Operations Report
	9	4.2 Corporate Services Manager’s Monthly Report
	10 – 46	4.2.1 Audit NZ Final Management Report for Year to 30 June 2019
	47 - 55	4.3 Te Tai o Poutini Plan - Deed of Agreement
5.	56	CHAIRMAN’S REPORT
6.	57	CHIEF EXECUTIVE’S REPORT
7.		GENERAL BUSINESS

3.1

THE WEST COAST REGIONAL COUNCIL**MINUTES OF THE MEETING OF THE COUNCIL HELD ON 11 FEBRUARY 2020,
AT THE OFFICES OF THE WEST COAST REGIONAL COUNCIL, 388 MAIN SOUTH ROAD, GREYMOUTH,
COMMENCING AT 11.07 A.M.****PRESENT:**

A. Birchfield (Chairman), S. Challenger, P. Ewen, D. Magner, B. Cummings, J. Hill, L. Coll McLaughlin

IN ATTENDANCE:

R. Mallinson (Corporate Services Manager), H. McKay (Consents & Compliance Manager), H. Mills (Planning, Science & Innovation Manager), R. Beal (Operations Director), T. Jellyman (Minutes Clerk), J. Hawes (IT Support).

1. APOLOGY:

There were no apologies.

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.

Cr Hill referred to page 3 of the minutes and advised that Phil Rutherford is a current Councillor on Buller District Council, and not a former Councillor.

Moved (Challenger / Magner) *that the minutes of the Council meeting dated 10 December 2019, be confirmed as correct, with the minor amendment as above being made.*

Carried

Matters arising

There were no matters arising.

3.1.1 CONFIRMATION OF MINUTES OF A SPECIAL COUNCIL MEETING HELD 27 JANUARY 2020

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

Moved (Challenger / Ewen) *that the minutes of the Special Meeting dated 27 January 2020, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

3.1.1 CONFIRMATION OF MINUTES OF A SPECIAL COUNCIL MEETING HELD 31 OCTOBER 2019

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

2

Moved (Coll McLaughlin / Cummings) that *the minutes of the Special Meeting dated 31 October 2019, be confirmed as correct.*

Carried

Matters arising

There were no matters arising.

REPORTS:

4.1 OPERATIONS REPORT

R. Beal spoke to his report. He advised that an onsite meeting was held with members of the Inchbonnie Rating District last week, and it was agreed that the banks would be beefed up using approximately 10,000 tonnes of quarry waste materials. This will be at no cost to the rating district.

R. Beal advised that cross section survey work has been done in the Taramakau and Inchbonnie rating districts.

R. Beal reported that last week a temporary groyne at the sea end of the bank on the Waiho River was built to try to divert the river away from farm land as it was starting to come in behind the existing wall.

R. Beal advised that design and costs are now to hand for the extension of the Milton & Others stopbank, as the farmers in this area are keen to have additional protection. He stated once final figures for the rebuild and the insurance payout is to hand a meeting with the rating district will be arranged to progress this work.

R. Beal answered questions from Councillors.

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

Carried

4.1.1 RATING DISTRICT LIAISON MEETINGS REPORT

R. Beal spoke to this report. He advised that the classifications for the Hokitika Seawall will be going through the Long Term Plan process.

Moved (Challenger / Ewen)

1. *That Council receives this report.*

2. *That the rate strikes recommended be placed in the next Annual Plan.*

Carried

4.2 CORPORATE SERVICES MANAGERS MONTHLY REPORT

R. Mallinson spoke to his report and advised that this is the six month report up to 31 December 2019. He advised that the operating surplus for the reporting period was just under \$1.79M and included \$1.193M of Crown payments received or accrued with regard to the March 2019 flood event. He stated that this is a good financial result for the six month period. R. Mallinson reported that total revenue was \$11.13M with income including the \$1.193M Crown contributions and the VCS revenue for the six month period of \$5M DoC aerial contracts.

R. Mallinson advised that governance costs year to date don't yet include Council's share of the October 2019 territorial authority election costs. R. Mallinson reported that investment income is below budget as earnings from PCR LP for the 19/20 year. R. Mallinson answered questions from Cr Challenger relating to VCS revenue, and advised that VCS budgets are set as part of the annual process and are based on known facts relating to contracts. He advised that the VCS surplus was \$1.6M. R. Mallinson answered further questions from Councillors. It was agreed that R. Mallinson would not provide a financial report to the March meeting due to the extra work required for the annual plan budget.

R. Mallinson advised that Council's Fund Manager's, JB Were, will be making an informal workshop / presentation to Council's following the completion on the March meeting.

Carried

4.2.1 AUDIT AND RISK COMMITTEES

R. Mallinson spoke to this report and took it as read but advised that if Council does decide to set up this committee, they will only achieve maximum benefit if there is an independent suitably qualified external person appointed to this committee, with voting rights. R. Mallinson outlined benefits and costs, membership and frequency of meetings. Cr Magner stated that having such a committee would allow for a deeper look at issues and there is benefit in having this committee. She stated that they maybe difficulty in finding an independent person and suggested that three people are appointed initially and appoint an independent person in a few months' time. Cr Hill agreed with Cr Magner's comments, and stated that a start could be made as Grey and Buller District Councils have already done so. He suggested seeking an external Chair in the future. Cr Coll McLaughlin advised that she and other Councillor had attended the Office of the Auditor General's workshop late last year, and agrees with the establishment of this committee. She stated that the committee would be able to delve deeper into issues and will have the time and the focus for this. Cr Coll McLaughlin stated that an independent member does add value but is feels that this type of decision might be best made after a triennium when skill sets are known. She stated costs could also be a factor. Cr Coll McLaughlin asked R. Mallinson what external independent member would bring to the role. R. Mallinson responded that Councillors would be hearing a perspective that is not managements perspective, and someone serving on this committee would need to have expertise in finance, accounting, financial reporting, governance, assurance, risk management, internal controls, insurance framework, internal and external audit, asset valuations and knowledge of the local government sector. R. Mallinson clarified that he is recommending an external representative, not an external Chair. Cr Challenger agreed with the establishment of the committee but would like to have a workshop to establish the parameters of the role are. Cr Ewen and the Chairman both agreed that anyone who wishes to be on the committee could be on it. Cr Coll McLaughlin stated that it is important that following meetings, information is circulated.

Moved (Ewen / Coll McLaughlin)

That Council considers whether they wish to establish a separate Audit & Risk Committee, and the Committee scope and membership of any such committee.

Carried

4.2.2 COUNCIL CODE OF CONDUCT

R. Mallinson spoke to his report and advised that the Local Government Act requires Council to have a Code of Conduct in place. He explained the advantages of the Local Government New Zealand model. It was agreed that the word "consider" would be removed from the recommendation.

Moved (Cummings / Coll McLaughlin)

That Council adopts the Local Government NZ Model Code of Conduct.

Carried

4.2.3 SIX MONTH REVIEW – 1 JULY 2019 – 31 DECEMBER 2019

R. Beal spoke to this report and took it as read.

Moved (Magner / Coll McLaughlin) *That this report be received.*

Carried

5.0 CHAIRMANS REPORT

The Chairman spoke to his report and asked Councillors if there were any questions relating to meetings he has attended during the reporting period.

Cr Birchfield advised that the budget for the Te Tai o Poutini Plan has now been adopted and contributions are being worked through.

Moved (Coll McLaughlin / Magner) *That this report is received.*

Carried ⁴

6.1 CHIEF EXECUTIVE'S REPORT

R. Beal spoke to this report in M. Meehan's absence.

Moved (Challenger / Cummings) *that this report is received.*

Carried

GENERAL BUSINESS

There was no general business.

The meeting closed at 11.47 a.m.

.....
Chairman

.....
Date

4.1

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting – 10 March 2020
Prepared by: Paulette Birchfield – Engineer, Brendon Russ - Engineer
Date: 29 February 2020
Subject: **ENGINEERING OPERATIONS REPORT**

Works Report

Inchbonnie Rating District

Damage has occurred to rock work and stopbanks at the location shown below. A tender has been awarded to MBD Contracting to place quarry waste in between the groynes shown below. 4,000 tonnes of quarry waste will be loaded from the WCRC Inchbonnie Quarry and transported and placed at a rate of \$8.00 /Tonne + GST. Total price \$32,000 + GST.



Cross section survey of Taramakau River at Inchbonnie has been carried out by Chris J Coll Surveying at a price of \$8,820.50 + GST.

This data will be analyzed over the coming months to determine if the stopbanks are to the agreed level of service with the rating district.

Taramakau Rating District

Cross section survey of Taramakau River at the Taramakau Settlement has been carried out by Chris J Coll Surveying at a price of \$13,984.50 + GST.

This data will be analyzed over the coming months to determine if the stopbanks are to the agreed level of service with the rating district.

Matainui Rating District

Arnold Contracting was commissioned to clean out Matainui Creek. A 20T Excavator was used for 8.5hrs at rate of \$160.00/hr. Total price \$1,360.00+GST

Wanganui Rating District

Emergency works were carried out on the true left bank of Wanganui River where the river has cut into a location where the stopbank had no rock armoring.

Approximately 1400t of rock was needed to urgently repair erosion into the stopbank. This works is capital works and the property owners who benefit from this work will pay all costs.

This work was carried out by McKenzie Contracting under day works rates at a cost of \$7,127.00+GST. The rock stockpile used will be replaced by Henry Adams Contracting under an existing tendered contract.



Punakaiki Rating District

Work has begun by Rosco Contracting on the repair and reformation of the Punakaiki Seawall Crest over a distance of 250m, with geofabric being placed along a distance of 200m. Top-up of rock riprap along the seawall crest will also be completed during the period of works. 1500 tonnes of crushed gravel and 200 tonnes of rock will be used for these works. The work is to be completed by 2 March 2020

Greymouth Floodwall

Repair of the joints on the Greymouth Floodwall has begun by Liddell Contractors. They are currently working downstream along the floodwall on Mawhera Quay.



**Quarry Rock Movements for the period January 2020
(Excluding Royalty Arrangements)**

Quarry		Opening Stockpile Balance	Rock Sold	Rock Produced	Closing Stockpile Balance
Camelback	Large	0	2195	2195	0
Whataroa	Small/medium	9,056	0	0	9,056
	Large	7,500	0	0	7,500
Blackball		670	0	0	670
Inchbonnie		5,000	0	0	5,000
Kiwi		0	0	0	0
Miedema		0	0	0	0
Okuru		450	0	0	450
Whitehorse		1,334	0	0	1,334
Totals		24,010	2195	2195	24,010

Rock Requested

Quarry	Contractor	Amount	Permit Start	Permit Finish
Camelback	Henry Adams	2195	06/01/2020	15/01/2020

RECOMMENDATION

That the report is received

Randal Beal
Operations Manager

4.2

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting 10 March 2020
 Prepared by: Robert Mallinson – Corporate Services Manager
 Date: 28 February 2020
Subject: Corporate Services Manager’s Monthly Report

1. Financial Report

As agreed to at the February meeting, there is no financial report for the 7 months to 31 January 2020.

2. JBWere Portfolio Performance Seven Months to 31 January 2020

31 January 2020	Catastrophe Fund	Major Portfolio	TOTAL
Opening balance 1 July 2019	\$ 214,731	\$ 10,471,940	\$ 10,686,671
Income	\$ -	\$ 586,862	\$ 586,862
Deposit	\$ -	\$ -	
Withdrawal	-\$ 214,731	-\$ 350,000	-\$ 564,731
Closing balance 31 January 2020	\$ -	\$ 10,708,802	\$ 10,708,802
Total income year to date to 31 January 2020	\$ -	\$ 586,862	\$ 586,862

	Actual	Portfolio performance benchmark
Performance January 2020	1.87%	1.63%
Performance 1 July 2019 - 31 January 2020	6.06%	5.77%

RECOMMENDATION

That the report be received.

Robert Mallinson
Corporate Services Manager

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting 10 March 2020
Prepared by: Robert Mallinson – Corporate Services Manager
Date: 28 February 2020
Subject: **Audit NZ Final Management Report for Year to 30 June 2019**

I attach the final report by Audit NZ for the year to 30 June 2019. Where appropriate it also incorporates "Management Comment".

The report has been redacted in some areas to preserve Council's right to legal professional privilege under section 7 (2) (g) of the Local Government Official Information & meetings Act 1987. Councilors will be separately circulated a copy of the un-redacted report.

Part 2

2.2 Uncorrected misstatements

We have always amortised the cost of the LTP over its three year life.

2.3 Corrected misstatements

This is a new mandatory disclosure in Audit Management Reports. This meant that Council Financial Statements prior to being audited understated expenditure by \$80,028 and by \$117,602; i.e. a net understatement of the surplus by \$37,574.

2.4 Quality and timeliness of information provided for audit.

Our Associate Limited Partnership audit for year to 31 March 2019 wasn't finally signed off until 16 January 2020, hence Council took a qualification in its own reporting year to 30 June 2019 on its share of PCR LP results for year to 31 March 2019. I have no concerns going forward that the LP will meet its reporting deadlines.

4.1 Quarry Inventory

Detailed management comment is include here.

4.4 Identification of Infrastructure Capex.

Engineering and finance staff will work closer together to better identify capex.

Appendix 1:

Previous recommendations

Audit & Risk Committees

Council agreed to this at the February 2020 meeting. I will need to arrange a workshop to progress this, including "charter" and membership of the Committee.

Procurement Policy Review

I have started the process to review this Policy, which I agree is overdue for review.

Identification & Monitoring of Interests (Councilors & Executive Staff)

We already hold these declarations from Councilors. The Executive team will discuss with a view to require these declarations from themselves also.

Sensitive expenditure policies and compliance

I will discuss further with Audit NZ to try and understand just what they are looking for here, taking into account that we already have established credit card use policies and expense reimbursement policies.

Quarry rehabilitation peer review recommendations.

I will discuss further Operations Director identify what if any further work is necessary here.

Gift Register

I will work with the Executive Team to finalise this policy over the next few months.

RECOMMENDATIONS

That the report be received.

Robert Mallinson
Corporate Services Manager

**Report to the Council on the
audit of**

West Coast Regional Council

For the year ended 30 June 2019

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Key messages

Our audit for the year ended 30 June 2019 involved ensuring that the West Coast Regional Council (the Regional Council) results were fairly reflected in its financial statements, with specific attention paid to the matters that were outlined in our audit plan at the beginning of the audit and new issues identified. In this report we discuss our findings in relation to these matters which are significant to the Council.

We issued a modified audit report on 31 October 2019.

Our audit report was qualified in respect of the Regional Council's investment in associate, and related share of associate deficit. This was due to the audit of the associate being incomplete at 31 October 2019.

Matters identified during the audit

Pest Control Research Limited Partnership (PCR LP)

At the time of signing the audit opinion for the Regional Council, the audit of the associate was not completed.

We therefore could not get assurance over the investment in associate, and share of associate deficit included in the Regional Council's financial statements. An 'except for' qualification was required in the audit report as a result.

This is discussed further in section 2.1 below.

Rates

Rates are Council's primary funding source. Compliance with the Local Government (Rating) Act 2002 (LGRA) in rates setting and collection is critical to ensure that rates are validly set and not at risk of challenge.

As part of the 2018/28 Long-term plan (LTP) audit we identified potential legal compliance risks with the rates setting processes for the year ending 30 June 2019. These concerned changes to the proposed Uniform Annual General Charge.

The matter was self-disclosed in the LTP, and our audit opinion for the 2018/28 LTP included an emphasis of matter, referring to the self-disclosure.

We further considered the impact of this matter on the 2019 annual report. The Regional Council again self-disclosed what occurred.

REDACTED

Significant Flooding Event in the Westland District

On 26 March 2019, there was a district wide flooding emergency, which caused significant damage. Damage included the destruction of the Waiho Bridge and some of the Regional Council's flood protection assets, namely the Milton and Others stop bank.

This emergency had considerable operational impacts, some of which also impacted the financial statements of the Regional Council. The key areas affected included:

- the impairment of the Milton and Others flood protection asset;
- the valuation of flood protection and river control assets;
- a quarry inventory stocktake; and
- accounting for Crown assistance, and insurance recoveries relating to the event.

The Regional Council was proactive in performing an assessment of the impairment of the flood protection assets, undertaking a valuation and having this valuation peer reviewed. This occurred early in the audit process and this addressed some of the key areas identified above. By being proactive with the aspects of the flooding event it allowed audit to appropriately consider the financial impacts within the audit timeframe.

More information on these matters are included in section 3 and 4 of this report.

Control environment

We have made some recommendations below which will help improve the Regional Council's control environment. There are also some recommendations which have been made in previous Reports to Governors which need to be considered for implementation.

In addition this year, we have summarised the key requirements when engaging in procurement and contract management activities, and performed a review of the results from all our Council audit's to provide the Regional Council with specific suggestions for improving practices in these areas. Refer to section 5 of this report.

Thank you

We would like to thank the Council, management and staff for assistance received during the audit, and preparedness for the audit.



Chantelle Gernetzky
Appointed Auditor
20 February 2020

1 Recommendations



Our recommendations for improvement and their priority are based on our assessment of how far short current practice is from a standard that is appropriate for the size, nature, and complexity of your business. We use the following priority ratings for our recommended improvements.

Explanation	Priority
<p>Needs to be addressed <i>urgently</i></p> <p>These recommendations relate to a significant deficiency that exposes the West Coast Regional Council to significant risk or for any other reason need to be addressed without delay.</p>	Urgent
<p>Address at the earliest reasonable opportunity, <i>generally within six months</i></p> <p>These recommendations relate to deficiencies that need to be addressed to meet expected standards of best practice. These include any control weakness that could undermine the system of internal control.</p>	Necessary
<p>Address, <i>generally within six to 12 months</i></p> <p>These recommendations relate to areas where the West Coast Regional Council is falling short of best practice. In our view it is beneficial for management to address these, provided the benefits outweigh the costs.</p>	Beneficial

1.1 New recommendations

The following table summarises our recommendations and their priority.

Recommendation	Reference	Priority
<p>Quarry Inventory</p> <p>Draft and execute formalised agreements for royalty arrangements. This should include standard terms and conditions, rights and responsibilities of both parties, and reporting requirements.</p>	4.1	Urgent
<p>Quarry Inventory</p> <ul style="list-style-type: none"> Review monitoring and reporting arrangements for Contractor's working in the Regional Council's quarries. This should ensure Council inventory is available for use, and no loss of value to Council assets occur. If there are no sales of small and medium sized rock, prepare a formal impairment/obsolescence assessment. 	4.1	Necessary

Recommendation	Reference	Priority
<ul style="list-style-type: none"> Review the units of production depreciation method applied, and formally assess the quarry face asset for impairment. 		
<p>Capitalisation of infrastructure processes</p> <p>Perform a regular review of the fixed asset registers maintained by the infrastructure team to the additions recorded in the financial fixed asset registers and the general ledger.</p>	4.4	Necessary

1.2 Status of previous recommendations

Set out below is a summary of the action taken against previous recommendations. Appendix 1 sets out the status of previous recommendations in detail.

Priority	Priority			
	Urgent	Necessary	Beneficial	Total
Open recommendations	0	4	2	6
Implemented or closed recommendations	1	1	1	3
Matters where management have accepted the associated risk	0	0	1	1
Total	1	5	4	10

2 Our audit report

2.1 We issued a modified audit report



We issued a modified audit report on 31 October 2019.

Our audit report was qualified in respect of the Regional Council's investment in associate, and related share of associate deficit. This was due to the audit of the associate being incomplete at 31 October 2019.

This means, except for the investment in associate, and related share of associate deficit, we were satisfied that the financial statements and statement of service performance present fairly the Regional Council's activity for the year and its financial position at the end of the year.

In forming our audit opinion, we considered the following matters. Refer to sections 3 and 4 for further detail on these matters.

Investment in Associate - Pest Control Research Limited Partnership (PCR LP)

The Council holds a 49 percent associate investment in PCR LP, the remaining 51 percent share is held by Pest Control Investors Limited.

PCR LP is set up with the purpose to manufacture and supply non-toxic pre feed bait for pest control. It has recently completed licensing and certification with the Ministry of Primary Industries to produce 1080 poison for pest control.

Modified opinion

The auditors of PCR LP for the financial year ended 31 March 2019, Miller, Gale and Winter (MGW) had not completed the annual audit as at 31 October 2019 when the Regional Council adopted its Annual Report.

MGW were engaged approximately five months after balance date. As a result of the late engagement, the auditors of the associate had difficulties obtaining sufficient appropriate audit evidence, and the audit was unable to be concluded by the Regional Council's statutory deadline of 31 October 2019.

We therefore concluded that an 'except for' qualification was required in the audit report over both the investment in associate, and share of associate deficit as the associates financial statements were unaudited at the time we issued our opinion on the Regional Council's annual report.

2.2 Uncorrected misstatements

The financial statements are free from material misstatements, including omissions. During the audit, we have discussed with management any misstatements that we found, other than those which were clearly trivial. The misstatements that have not been corrected are

listed below along with management's reasons for not adjusting these misstatements. We are satisfied that these misstatements are individually and collectively immaterial.

Current year uncorrected misstatements	Assets	Liabilities	Equity	Financial performance
	Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
LTP audit fee expense				54,769
Prepayments		(54,769)		
Total		(54,769)		54,769

Explanation of uncorrected misstatements

Expense all audit fees including recoveries charged for the LTP that occurred during the 2018 financial year.

Management's explanation for not correcting

As the LTP covers a three year period, the audit of this document has been spread across the same three year period.

2.3 Corrected misstatements

We also identified misstatements that were corrected by management. These corrected misstatements had the net effect of increasing expenditure by \$80,028, increasing revenue by \$117,602 and to increase/decrease the associated assets and liabilities by the same amount compared to the draft financial statements. The corrected misstatements are listed in Appendix 2.

2.4 Quality and timeliness of information provided for audit



Management needs to provide information for audit relating to the annual report of the West Coast Regional Council. This includes the draft annual report with supporting working papers. We provided a listing of information we required to management. This included the dates we required the information to be provided to us.

Management was well prepared for the 2019 audit. The risk areas identified through the audit plan and created through the significant weather event created a number of technical complexities. Management responded in a well-planned, supported and timely manner to ensure audit was able to address these risks within the audit timeframes.

As identified through the qualification of the associate, management in future years, will have to ensure the associate is held to their reporting timeframe.

During the audit there were a number of adjustments made to the draft financial statements, which were corrected by management. These are noted in section 2.3 and Appendix 2. There were also a number of cosmetic changes which were identified through our review process. To improve audit efficiency we would like to encourage the Regional Council to include a pre-submission quality review.

3 Matters raised in the Audit Plan



In our Audit Plan we identified the following matters as the main audit risks and issues:

Audit risk/issue	Outcome
Flood protection and river control assets held at fair value	
<p>The Regional Council periodically re-values its flood protection and river control asset classes. PBE IPSAS 17, <i>Property, Plant and Equipment</i>, requires that valuations are carried out with sufficient regularity to ensure that the carrying amount does not differ materially from fair value.</p> <p>The assets were last revalued as at 31 December 2015, As the Regional Council has a three yearly policy to revalue infrastructure assets, we expect the Regional Council will revalue as at 31 December 2018.</p> <p>We are aware there has been a significant flooding event in March 2019, which has caused damage to stop banks in the Waiho river. We expect a formal assessment of the impact of the flooding event on the Council's assets will be undertaken. Affected assets may need to be impaired, or even derecognised by the Regional Council.</p>	<p>The Regional Council revalued its River Drainage and Coastal Protection Assets as at 31 December 2018.</p> <p>The assets values increased from \$58.6 million to \$71.3 million, an increment of \$11.4 million on revaluation, and additions of \$1.3 million.</p> <p>We reviewed the valuation methodologies and were satisfied that the valuations were prepared in accordance with the relevant accounting and valuation standards, and revaluation movements were correctly recorded in the financial statements.</p> <p>We reviewed the impairment assessment completed on behalf of the Regional Council and are satisfied with the accounting treatment of the impairment, and appropriate disclosure has been made in the financial statements.</p> <p>We have made enquiries and performed tests of detail and confirmed there are no other indicators of material impairment on other assets held at fair value.</p>
Insurance revenue and central government recoveries	
<p>The flooding event referred to above has resulted in significant damage to flood protection assets.</p> <p>The Council is currently assessing damage, and intending on claiming sixty percent of recovery and response costs through central government civil defence policy, and the remainder through the Council's insurance.</p> <p>Insurance revenue, and central government recoveries are to be recognised when their</p>	<p>The Regional Council recognised revenue, under Ministry of Civil Defence and Emergency Management plan and guide, on the basis of funding sixty percent of eligible costs incurred at 30 June 2019.</p> <p>The Regional Council has included disclosure of its revenue recognition approach for Crown funding, in its accounting policies. We confirmed the policy fairly reflects the approach adopted,</p>

Audit risk/issue	Outcome
<p>recovery is virtually certain, and the value of recoveries can be measured reliably.</p> <p>The Council will need to perform a formal assessment of the value of recoveries, and determine whether insurance revenue, and central government recoveries are to be recognised in the financial statements.</p> <p>If they are not recognised, the Council will also need to consider the content of their contingent asset disclosures.</p>	<p>and the contribution has been correctly accounted for in the financial statements.</p> <p>For the insurance receipts, the Regional Council is in negotiation over whether the replacement cost, or book value would be covered for the forty percent of the asset covered by insurance. The receipt of the insurance is not virtually certain and has therefore been disclosed as a contingent asset.</p> <p>We have reviewed the accounting and disclosure of the insurance contingent asset, and the Ministry of Civil Defence and Emergency Management recovery, and confirmed they are fairly reflected in the financial statements.</p>
Quarrying activities	
<p>The Regional Council holds a significant amount of rock inventory in relation to its quarrying activity.</p> <p>For this reason, and in line with auditing standards, we attend the year end stocktake to confirm amounts on hand at balance date, and ensure that rock inventory is recorded at the lower of cost or net realisable value in the financial statements.</p> <p>The stock is specialised in nature and judgement is required in assessing the quantities on hand. The Regional Council needs to provide evidence, verifying the tonnages held and value of inventory at balance date.</p> <p>The Regional Council also maintains quarry face assets, which are depreciated using the units of production method, and required to be assessed for impairment.</p> <p>With increased activity in quarries this year, due to the flooding event in the Waiho River, the Regional Council will need to make a formal assessment for impairment. The Regional Council will also need to provide a formal calculation of depreciation in line with the units of production method.</p>	<p>We again attended the stocktake at a selection of the Regional Council's quarries accompanied by the Quarry Manager.</p> <p>We have reviewed the estimates of tonnages held and ensured that they reconcile to the figures included in the financial statements.</p> <p>Our audit approach, findings and related recommendations are discussed below in section 4.1</p>

Audit risk/issue	Outcome
Rates	
<p>Rates are the Regional Council's primary funding source. Compliance with the Local Government (Rating) Act 2002 (LGRA) in rates setting and collection is critical to ensure that rates are validly set and not at risk of challenge. The Regional Council should ensure it has appropriate processes in place, including seeking legal advice where appropriate, to ensure compliance of its rates and rating processes with legislation.</p> <p>Our audit report over the 2018-28 Long term plan contained an emphasis of matter, referring to the Regional Councils self-disclosure of legal uncertainties regarding rates revenue. These arose from the Regional Council's decision to amend its uniform annual general charge, and revenue and financing policy. The Regional Council did not consult on the final option it adopted in the Long term plan.</p> <p>We reported to the Regional Council, that in addition to the implications for the 2018-28 Long term plan, a similar disclosure and emphasis of matter in our audit opinion may be required this year. We will consult with the Regional Council and the Office of the Auditor-General on this matter as part of the audit.</p>	<p>For 2018/19 we have again considered the Regional Council's compliance with aspects of the LGRA that materially impact on the financial statements. Principally this means a focus on the rates setting process – the consistency and completeness of the resolution and the Funding Impact Statement (FIS).</p> <p>We have also reviewed selected differentially set and/or targeted rates and are satisfied the matters and factors used are consistent with the LGRA.</p> <p>We have followed up issues identified from our review of rates in previous years, including matters pertaining to the Long-term plan. This is discussed in section 4.2 below.</p> <p>We stress that our review of compliance with legislation is completed for the purposes of expressing our audit opinion. It is not, and should not be seen, as a comprehensive legal review. This is beyond the scope of the audit, and our expertise as auditors. The Regional Council is responsible for ensuring that it complies with applicable laws and regulations.</p>
Investment portfolio	
<p>The Regional Council has a significant investment portfolio. The portfolio contains a range of investments including equities and bonds, and is managed by an external fund manager.</p> <p>The portfolio is required to be recognised at fair value in accordance with applicable financial reporting standards.</p>	<p>We verified both the closing value of the portfolio at year-end and the returns achieved during the year. We:</p> <ul style="list-style-type: none"> • obtained confirmation of the value of the portfolio from the fund manager; • obtained an independent auditors report prepared over the internal controls in place at the fund manager; and • reviewed portfolio pricing, to published prices on relevant stock exchanges, or other publically available information.

Audit risk/issue	Outcome
Vector Control Services Business Unit	
<p>The Vector Control Services Business Unit receives revenue primarily from pest control contracts from TFree New Zealand Limited.</p> <p>Profit from the business unit is used to subsidise rates. As a result the business unit is under considerable pressure to produce its budgeted financial return.</p> <p>The business unit has complex arrangements and contracts, which have both accounting and auditing implications. These include:</p> <ul style="list-style-type: none"> • revenue contracts that span balance date, that rely on estimates of their completion; • employee bonuses contingent on VCS divisional performance; and • and an existing contract to provide resource consent assistance for the extension of the Grey River dredge consent. The contract also includes assistance in finding a buyer for the dredge once consent is obtained. 	<p>We have:</p> <ul style="list-style-type: none"> • reviewed the business unit's revenue and expenditure and gained assurance that they are fairly reflected in the financial statements; • performed testing over the classification of revenues and expenses by division to ensure that any performance bonuses have been correctly calculated; and • followed up on progress to market and sell the Grey River dredge, which had no change to its previous status.
The risk of management override of internal controls	
<p>There is an inherent risk in every organisation of fraud resulting from management override of internal controls. Management are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Auditing standards require us to treat this as a risk on every audit.</p>	<p>Our audit response to this risk included:</p> <ul style="list-style-type: none"> • testing the appropriateness of selected journal entries; • reviewing accounting estimates for indications of bias; and • evaluating any unusual or one-off transactions, including those with related parties. <p>We did not identify any instances of management override of controls.</p>
Elected members – remuneration and allowances	
<p>The Local Government Act gives the Remuneration Authority responsibility for setting the remuneration of local government elected members. The Authority also has the role of approving a Local Authority's policy on allowances and expenses.</p>	<p>We assessed the Regional Council's compliance with the requirement to disclose the remuneration of each member of the local authority in the annual report against the relevant Local Government</p>

Audit risk/issue	Outcome
<p>The Regional Council's annual report must disclose the total remuneration received by or payable to each member of the local authority in the reporting period (Schedule 10, clause 18, Local Government Act 2002). A local authority must disclose remuneration paid or payable to each member from both the local authority and any council organisation of the local authority.</p>	<p>Elected Members Determination and any amendment to that Determination.</p> <p>We also confirmed the payments are within the Determination set by the Authority.</p> <p>We did not identify any instance of non-compliance with the requirements.</p>

4 Other matters identified during the audit



In completing the audit, we identified the following further matters as additional audit risks and issues:

4.1 Quarry inventory

Recommendations

- Draft and execute formalised agreements for royalty arrangements. This should include standard terms and conditions, rights and responsibilities of both parties, and reporting requirements.
- Review monitoring and reporting arrangements for Contractor's working in the Regional Council's quarries. This should ensure Council inventory is available for use, and no loss of value to Council assets occur.
- If there are no sales of small and medium sized rock, prepare a formal impairment/obsolescence assessment.
- Review the units of production depreciation method applied, and formally assess the quarry face asset for impairment.

Findings

The Regional Council holds a significant amount of rock inventory in relation to its Quarry activities.

For this reason, and in line with auditing standards, we attended a stocktake to confirm amounts on hand at balance date, and ensure that rock inventory is recorded at the lower of cost or net realisable value in the financial statements.

The stock is specialised in nature and judgement is required in assessing the quantities on hand. The Regional Council needs to provide evidence, verifying the tonnages held and value of inventory at balance date.

We were advised prior to stocktake attendance that the Regional Council's stockpiles had been vastly depleted. This was a result of the March flooding event, where the Regional Council, NZTA and DOC all required large quantities of rock to perform their respective repair works across the region.

Due to the significant movements in the quarries, we attended the stocktake within days of balance date at a selection of the Regional Council's quarries accompanied by the Quarry Manager. We observed that the Regional Council stockpiles were at minimum levels in the three quarries visited, and it was evident that there had been significant activity.

We have split our observations, by the two major quarries we visited Whataroa, and Inchbonnie, the valuation of small and medium rock, and the capitalisation of the quarry face asset. We outline these each separately below.

Inchbonnie

The Inchbonnie quarry has historically had the largest stockpile, usually in excess of 25,000 tonnes of armour grade rock.

After the March flooding event, the Regional Council entered into a royalty arrangement with the contractor who performs the blasting and stockpiling of rock. No formal contract was completed for this arrangement, and the terms were simplistic.

As a by-product of this royalty arrangement, without the express permission of the Regional Council, the contractor used the pre-existing stockpile of 15,621 tonnes of rock as the base of a new access road to reach the top of quarry. Essentially, an existing inventory holding was buried 6-8 meters under an unsealed road.

The Regional Council subsequently arranged that 10,521 tonnes of the buried rock would be invoiced to the contractor at the same price as charged to the Regional Council to extract the rock. The difference between the cost price of the rock and the extraction price was written off, and the invoiced amount accrued for as at 30 June 2019. Agreement was also reached for the remaining 5,000 tonnes of rock to be replaced as soon as practical.

We obtained representation from the contractor that they are accepting the invoice, and have agreed to replacement of the rock.

The Regional Council accounted for the promise of replacement rock as a receivable at 30 June 2019. We have accepted this on the basis of the agreement being a post balance date adjusting event. We accepted that the amount of rock buried was 15,621 tonnes on the basis of materiality only.

Whataroa

The Whataroa quarry is split into two areas, the top of the quarry, which is run by a contracting company, and the Regional Council's lower area of the quarry.

As a result of the March flooding event, the contractor borrowed 6,000 tonnes of rock from the Regional Council's inventory stockpile at Whataroa prior to 30 June 2019. The contracting company was instructed to replace this stockpile in May by the Regional Council, which has now been replaced post year-end.

Similar to the Inchbonnie quarry, this 6,000 tonnes of rock has been accounted for as a receivable asset at 30 June 2019. We reviewed the accounting treatment of the rock at Whataroa and concluded it is fairly stated in the financial statements.

Value of small and medium rock

In previous years, small and medium sized rock has been written down in value to \$6 per tonne. The valuation was an estimate based solely on management judgment, and we have accepted this previously on the basis of materiality only.

We have reported that we expected the Regional Council to review the valuation of rock, against sales transactions to establish net realisable value.

There again has been no sales during the year of the small to medium size rock. We were advised that there is a contractor intending to purchase this rock for \$6.50 per tonne, however nothing was able to be provided to support management's representation on this matter. We have therefore again accepted the \$6 per tonne valuation on the basis of materiality only.

We will follow up next year on sale of this rock.

Capitalised costs of the quarry face

The quarry face asset, is valued based on the stripping costs to expose the quarry face for use. The asset is depreciated using the units of production method.

The units of production method results in a charge based on use or output. Where there is no production at the quarry there is no associated depreciation recognised.

The method assumes the resources will be fully extracted (and therefore the face asset fully depreciated) before the end of the permit or license period.

From discussions with management the units of production method, has the practical effect of increasing the cost per tonne to extract rock from these areas. This therefore makes extraction from these parts of the quarry more expensive, and less attractive to extract from for the Regional Council.

If there is a risk these areas are not going to be utilised by the end of the permit or license period, the assets are likely to be impaired.

Whilst this is not material currently, given the time to the end of the permit or license period, the risk of an error approaching will increase each year. We encourage the Regional Council to review the depreciation method applied, and formally assess the face asset for impairment.

Management comment

Small Rock

Council has a formal offer from a contractor to purchase the "small" rock at Whataroa for \$6.50/tonne. Audit NZ stated they would accept this as market valuation for other "small" rock inventory.

Formalised royalty agreements

Council has a number of formal royalty agreements for the sale or purchase of rock from private landowners or as a compensation for access. They are all “simplistic” in terms but I don’t agree that this is an “urgent” issue. I believe it would be “beneficial” to review the agreements.

Quarry Inventory

The new production and management contract will assist in a number of areas including better management of the inventory.

Capitalised Quarry face Costs

The capitalisation costs either need to be written off or re-covered through an appropriate sale and royalty price.

4.2 Rates

Rates are the Regional Council’s primary funding source. Compliance with the Local Government (Rating) Act 2002 (LGRA) in rates setting and collection is critical to ensure that rates are validly set and not at risk of challenge.

In the Long-term plan Consultation Document the Regional Council consulted on the following significant matters (amongst others):

- introduction of a Uniform Annual General Charge (UAGC) of \$50 per rateable property. Estimated revenue of \$1 million. The UAGC was to provide increased financial security to Council; and
- increasing the Emergency Management rate by \$450,000 to \$1.15 million. The increase was to fund a more effective emergency response function. The CDEM rate is a targeted rate based on CV.

At the 14 August 2018 meeting, the Regional Council decided to shift the additional \$450,000 emergency response funding from the Emergency Management rate to the UAGC. Increasing the UAGC to \$72.50.

REDACTED

In receipt of this advice, on 4 September, Council decided not to rescind its previous decision, voting four to two, to continue to collect the additional 450,000 as part of the UAGC. In addition the revenue and financing policy percentages were altered so that the emergency management funding proposed was now consistent with the policy.

Council did not go back for further public consultation because it felt the actual dollar impact (\$11.88 including GST per annum) on a \$200,000 capital value house was minimal.

REDACTED

We further considered the impact of this matter on the 2019 annual report. This is because this was the first year the Regional Council reported against the 2018-28 Long-term plan. The Regional Council again self-disclosed the matter in its notes to the financial statements.

We concluded no emphasis of matter was necessary for the opinion on the 2019 annual report on the following basis:

- the matter has been previously disclosed, and previously emphasised in the audit report for the LTP;

REDACTED

REDACTED

- the financial impact of the change in rating policy at an overall level is materially neutral to the value of rates revenue.

Therefore, we concluded the net impact of the matter is not material, and no reference to Council's disclosure in our audit opinion was necessary.

4.3 Local Government Funding Agency (LGFA) funding

In June 2019, the Regional Council moved its existing debt of \$7.6 million from Westpac to the LGFA. The Debenture Trust Deed was signed on 26 February with Covenant Trustee Services Limited. A separate engagement was completed regarding the reporting certificate required by the Debenture Trust Deed.

For the annual report, we have confirmed the Regional Council borrowings balance held with LGFA as at 30 June 2019, and appropriate transfers had occurred. We are satisfied borrowings are accounted for and disclosed appropriately in the Regional Council's financial statements.

4.4 Capitalisation of infrastructure processes

Recommendation

Perform a regular review of the fixed asset registers maintained by the infrastructure team, to the additions recorded in the financial fixed asset registers and the general ledger.

Findings

We identified additions that have been included in the fixed asset register for many of the rating districts flood protection assets that have not been included as capital additions in the financial statements. Whilst the amounts were not material to require restatement of the financial statements, they indicate the Regional Council's capitalisation procedures require improvement.

The Regional Council has asset information relating to its infrastructure assets in both the infrastructure team, and also in finance. Reconciliation of this information between the departments would improve the identification of misclassified additions, or maintenance costs.

Management comment

We agree with your comments and will investigate opportunities for closer collaboration between engineering staff and finance staff to ensure that capex is correctly and better identified.

5 Helping you to understand your risks: procurement and contract management

Why it matters

Procurement and contract management carry high risk in terms of costs, public and political profiles, reputation, and performance. Delivering services well depends on doing procurement and contract management well.

Understanding your risks

We have used our sector expertise, and recognised best practice, to develop a standardised risk assessment tool to analyse your local authority's procurement and contract management risks. We have included the sector context by displaying your position compared to other entities in the sector¹.

What do we mean by procurement and contract management?

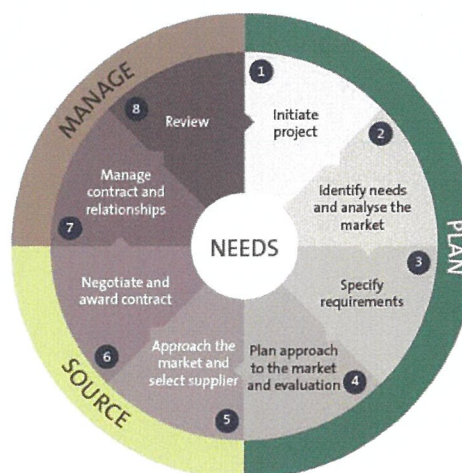
Procurement is the overarching term used to describe all the business processes associated with purchasing goods and services. Procurement is much more than “buying something” – it includes all the processes involved in acquiring goods and services from a third party. Effective contract management helps ensure goods and services are delivered well, to specification, and in full. Both go together to ensure public value is realised.

The Auditor-General's work programme – Procurement

The Office of the Auditor-General is part way through its work programme on Procurement. Earlier this year performance auditors visited 22 local authorities in the Waikato, Bay of Plenty, Canterbury, and Wellington Regions to talk about how local authorities in those regions carry out procurement. This audit identified some challenges that local authorities need to respond to so that procurement can continue to support the delivery of infrastructure and services to local areas. This will be particularly important with the significant growth that is forecast in many areas.

The Office of the Auditor-General plans to publish its findings by the end of 2019. It will be important for each local authority to consider the Auditor-General's findings in order to determine priorities for further improving or developing the approach to procurement.

Figure 2
The eight-stage life cycle of procurement



Source: (Recoloured from) the Ministry of Business, Innovation and Employment.

¹ This analysis is limited to entities audited by Audit New Zealand only.

How do we assess risk?

Our assessment tool considers risk from two angles:

- The risk in the environment. This is the inherent risk. It is influenced by complexity, instability, change, delivery of critical services, interdependencies, and reliance on third parties. Size, strategic direction, and the nature of services are also important.
- The effectiveness of management systems and processes. This is control risk and covers the main aspects of good practice that we would expect to be applied. Effective management systems and processes mitigate aspects of inherent risk and reduce the risk of something going wrong.

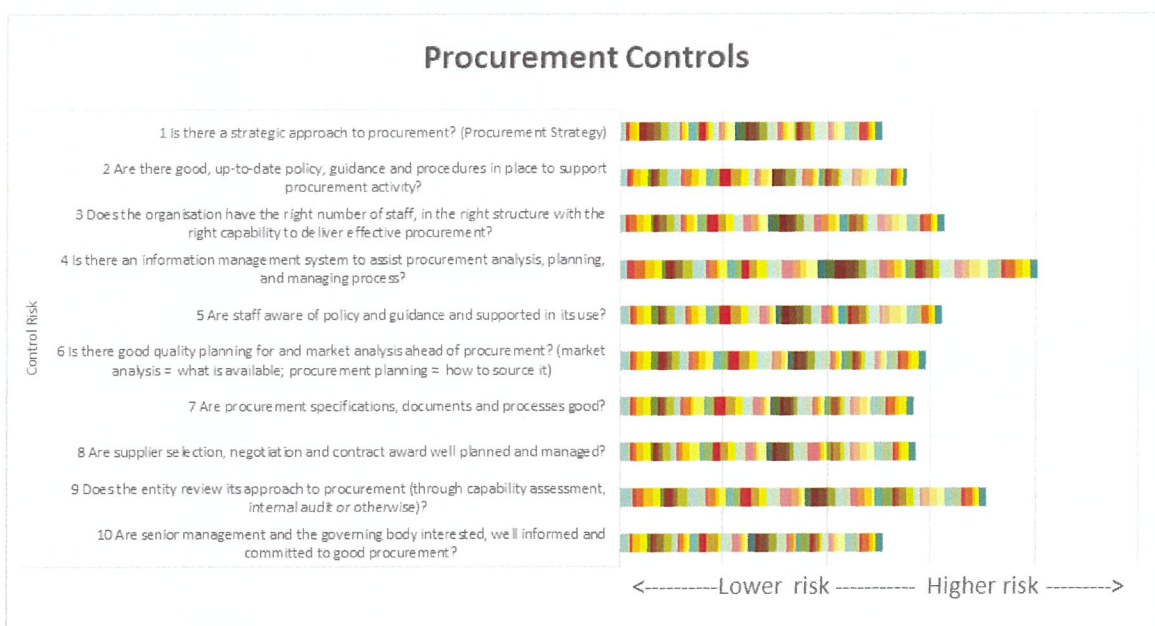
The risk assessment process we have undertaken is based on the design of the controls only. We have not performed testing to ensure the controls are operating effectively.

What are the assessments telling us?

Procurement is particularly important for local authorities, in which investment in developing, renewing and maintaining infrastructure is typically outsourced to private sector providers. In addition, many local authorities have entered into alliances, partnerships or other collaborative arrangements to support service delivery. With continued pressure on rates and other sources of funding, the need to achieve good value for money remains an important consideration. However, many local authorities have told us that they aim to use their spend to deliver other benefits, such as supporting the local economy.

Common areas of risk across local government

In the graph below we have summed the risk rating we assessed for each of ten procurement controls across all the local authorities we audit.



Two areas stand out across local government as priorities for improvement:

- ensuring there is an appropriate information management system so that staff can analyse procurement spend, plan and manage procurement processes, and keep good records;
- being open to continuous improvement through reviewing procurement practices and capability.

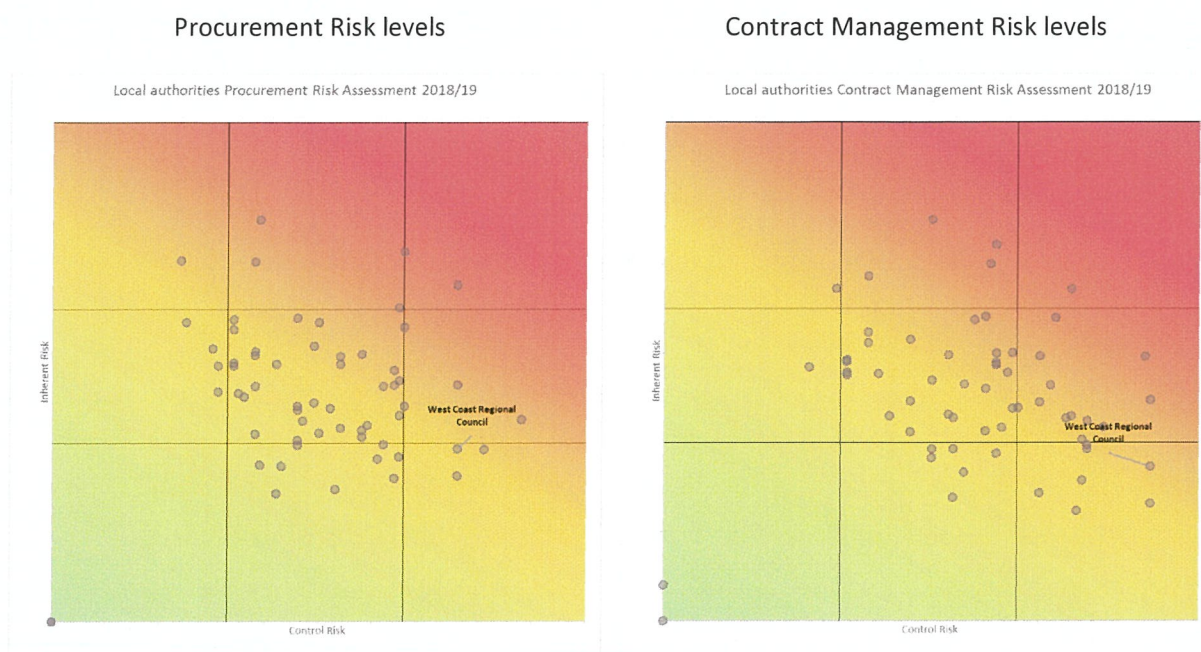
The graph below shows a similar analysis for contract management controls. Overall this indicates that contract management controls are weaker than those covering the purchasing stage of the procurement cycle. We encourage all local authorities to consider whether their approach to contract management is as clearly defined, well-resourced and implemented as it needs to be.



Three aspects of contract management might provide a focus for this consideration:

- assessing whether there is a strategic approach to supplier relationship management;
- making sure there are good, up to date policies, guidance and procedures in place to help staff manage contracts effectively; and
- ensuring there is an appropriate contract management system in place.

Each grey dot in the graphs below represents a local authority mapped according to our assessment of its inherent and control risk.



Local authorities use a range of procurement approaches and have a significant number of contracts for a diverse range of goods and services. Levels of inherent risk vary widely depending on the size of local authorities, as well as the extent of and approach to outsourcing.

West Coast Regional Council has low to medium levels of inherent risk for both procurement and contract management.

There is little the council can or needs to do to reduce its level of inherent risk. However, it can strengthen its systems and processes to bring down the overall level of risk. In our view the controls for procurement and contract management are in the high risk category. In our view the council could strengthen its contract management systems and processes, to bring the overall level of risk down.

Our view on priorities for strengthening West Coast Regional Council's control over procurement and contract management

We expect up to date policy, procedures and guidance to form a sound basis for controlling contract management. Policy needs to be regularly updated to make sure it continues to comply with the good practice promoted by the Government Procurement Rules.

In our view, a general review of the approach to contract management would be worthwhile. Three areas in particular that could make a significant difference to strengthening West Coast's controls would be:

- 1 Considering whether there is a sufficiently strategic approach to supplier relationship management, which might include:

- Having a supplier categorisation model in place differentiating between the relative importance of suppliers (e.g. strategic partners, compared to routine suppliers).
 - Making good use of Contract Management Plans.
 - Identifying risks to contractor delivery and being proactive about how they are managed.
- 2 Ensuring there good, up-to-date policy, guidance and procedures in place to support contract management. This might include:
- Putting in place an organisation-wide policy, supported by good quality detailed guidance, procedures and templates, including standard/pro-forma contracts.
 - Applying the planned approach across all contracts (infrastructure work, VCS subcontracting, quarry management etc.).
 - Being clear on when to use contract management plans, and how to assess delivery risks, perhaps with templates provided.
 - Comprehensive guidance on what to do when contract performance obligations and expectations are not being met.
 - Policy on negotiating and approving contract variations with cross reference to delegations.
- 3 Making sure the organisation has the right number of staff, the right structure & the right capability to manage contracts effectively, which might include:
- Good oversight and coordination of staff with devolved contract management responsibility.
 - Contract management staff are qualified and experienced, and can provide support to other staff.
 - Appropriate use made of legal support.

Continuing focus on risk for 2019/20

As part of our 2019/20 audit we will consider procurement-related risks during our audit planning, based on our knowledge of your local authority, your pattern of spend and the range of contracts you have in place.

6 Public sector audit



The Regional Council is accountable to Parliament, their local community and to the public for its use of public resources. Everyone who pays taxes or rates has a right to know that the money is being spent wisely and in the way the Regional Council said it would be spent.

As such, public sector audits have a broader scope than private sector audits. As part of our audit, we have considered if the Regional Council has fairly reflected the results of its activities in its financial statements and non-financial information.

We also consider if there is any indication of issues relevant to the audit with:

- compliance with its statutory obligations that are relevant to the annual report;
- the Regional Council carrying out its activities effectively and efficiently;
- the Regional Council incurring waste as a result of any act or failure to act by a public entity;
- any sign or appearance of a lack of probity as a result of any act or omission, either by the Regional Council or by one or more of its members, office holders, or employees; and
- any sign or appearance of a lack of financial prudence as a result of any act or omission by a public entity or by one or more of its members, office holders, or employees.

We have nothing to bring to your attention regarding these matters.

7 Adoption of new accounting standards



The Regional Council must apply new group accounting standards PBE IPSAS 34-38 in preparing the 30 June 2020 financial statements. This will have impacts in relation to the Regional Council's existing associate investments.

Management is responsible for performing the necessary transition work to successfully implement these new standards. This includes:

- Documenting an impact assessment of the new standards and identifying any changes required to accounting practices.
- Implementing changes to systems and processes that may be necessary to support changes in accounting practices.
- Updating the Regional Council's accounting policies.
- When required, making adjustments to the financial statements in accordance with the transitional provisions of the new standards and providing support for these adjustments.
- Keeping relevant parties informed, such as your auditor and the Council.

8 Key changes to the Government Rules of Sourcing



As from 1 October 2019, the new Government Procurement Rules (the Rules) come into force. The Rules are a revision of the previous third edition of the Government Rules of Sourcing and were approved by Cabinet in May. Much of the content is consistent with the third edition with some re-numbering of Rules. The new Rules and a table of rule changes can be found in this link [Table of Rule Changes](#). The Regional Council, is not mandated to comply, however may wish to consider the Government Procurement Rules as a matter of good practice.

Entities should watch out for a few important changes to the existing rules, these are:

Government Procurement Charter

The new rules include a Charter for the first time. The Charter sets out the Government's expectations of how agencies should conduct their procurement activity to achieve public value. The Charter applies even when the Rules do not.

Broader outcomes

The new Rule 16 outlines a number of secondary benefits that it is seeking from the way in which procurement is conducted in the public sector. These secondary benefits relating to the costs and benefits to society, the environment and the economy are required to be considered (where appropriate) along with the whole of life costs of the procurement.

To maximise the effects of these priorities, the Government will be designating some contracts or sectors where the outcomes must be prioritised. These will be published at www.procurement.govt.nz.

Procurement planning

A new Rule 15 includes guidance and expectations related to procurement planning. Rule 22 has been amended so that significant procurement plans must be submitted to the Ministry of Business, Innovation, and Employment for review on request.

Threshold changes

The thresholds for when the Rules apply (contained in Rules 6 and 7) have been taken out of the Rules document and will now be found at www.procurement.govt.nz. We understand this is to facilitate changes in the thresholds as necessary, without a full change to the GPS. The immediate change is to the threshold for new construction works, which reduces from \$10 million in the current edition to \$9 million.

We encourage procurement staff to understand the changes, and prepare for their implementation by considering the changes that are recommended to West Coast Regional Council's procurement policies, procedures and practices.

9 Useful publications



Based on our knowledge of the West Coast Regional Council, we have included some publications that the Council and management may find useful.

Description	Where to find it
Client updates	
<p>In March 2019, we hosted a series of client updates. The theme was “Improving trust and confidence in the public sector”.</p> <p>These included speakers from both Audit New Zealand and external organisations.</p>	<p>On our website under publications and resources.</p> <p>Link: Client updates</p>
Model financial statements	
<p>In July 2019, we issued updated model financial statements for Crown entities. The update primarily focuses on the early adoption of PBE IFRS 9 Financial Instruments for a tier 1 or tier 2 entity.</p>	<p>On our website under publications and resources.</p> <p>Link: Model Financial Statements</p>
<p>Our model financial statements reflect best practice we have seen. They are a resource to assist in improving financial reporting. This includes:</p> <ul style="list-style-type: none"> • significant accounting policies are alongside the notes to which they relate; • simplifying accounting policy language; • enhancing estimates and judgement disclosures; and • including colour, contents pages and subheadings to assist the reader in navigating the financial statements. 	
Client substantiation file	
<p>When you are fully prepared for an audit, it helps to minimise the disruption for your staff and make sure that we can complete the audit efficiently and effectively.</p>	<p>On our website under publications and resources.</p> <p>Link: Client Substantiation File</p>

Description	Where to find it
<p>We have put together a tool box called the Client Substantiation File to help you prepare the information you will need to provide to us so we can complete the audit work that needs to be done. This is essentially a tool box to help you collate documentation that the auditor will ask for.</p>	
Severance payments	
<p>Because severance payments are discretionary and sometimes large, they are likely to come under scrutiny. The Auditor-General has released updated good practice guidance on severance payments. The guide is intended to help public sector employers when considering making a severance payments to a departing employee. It encourages public organisations to take a principled and practical approach to these situations. The update to the 2012 good practice guidance reflects recent case law and changes in accounting standards.</p>	<p>On the OAG's website under 2019 publications.</p> <p>Link: Severance payments</p>
Matters arising from the 2017/18 audits	
<p>The OAG has published a report on the results of the 2017/18 audits for the sector.</p>	<p>On the OAG's website under publications.</p> <p>Links: Local Government</p>
Good practice	
<p>The OAG's website has been updated to make it easier to find good practice guidance. This includes resources on:</p> <ul style="list-style-type: none"> • audit committees; • conflicts of interest; • discouraging fraud; • good governance; • service performance reporting; • procurement; • sensitive expenditure; and • severance payments. 	<p>On the OAG's website under good practice.</p> <p>Link: Good practice</p>

Description	Where to find it
Post-implementation reviews	
<p>The OAG have recently completed a review of Auckland Council's post-implementation review process. While many aspects of the report are specific to Auckland Council, it documents the process that Auckland Council uses, and includes a post-implementation review checklist.</p>	<p>On the OAG's website under publications. Link: Post-implementation review process</p>
Reporting fraud	
<p>The OAG have released data from 2012-2018 on fraud in public entities. This includes how the fraud was detected, the type of fraud and the methods and reasons for the fraud. The graphs show the high-level sector, and this can be broken down further into sub-sectors by opening the spreadsheets available.</p>	<p>On the OAG's website under data. Link: Reporting Fraud</p>

Appendix 1: Status of previous recommendations

Open recommendations

Recommendation	First raised	Status
Necessary		
<p>Audit and risk committee</p> <p>Implement an audit and risk committee in line with good practice in the public sector.</p>	2018	<p>Outstanding</p> <p>A report for consideration to establish of an audit and risk committee is going to the February Council meeting.</p>
<p>Procurement and delegation of authority</p> <p>Review the procurement policy and delegations of authority manual, to ensure their currency with the Regional Council's operations and good practice, and consistency with each other.</p>	2018	<p>Outstanding</p> <p>The delegations of authority policy was reviewed in the prior year but there has been no change to procurement.</p>
<p>Identification and monitoring of interests</p> <p>The Regional Council maintains an interest register that includes Councillors and senior management and is populated with the following information:</p> <ul style="list-style-type: none"> • Name of the Councillor/senior manager. • The name of the entity with the interest. • The nature of the interest. • Mitigating actions required. 	2017	<p>Outstanding</p> <p>The Regional Council has agreed to implement a register and is in the process of developing this.</p>
<p>Sensitive expenditure policies and compliance</p> <p>The Regional Council review sensitive expenditure policies to allow for and provide guidance on what is reasonable expenditure.</p>	2017	<p>Outstanding</p> <p>The Regional Council has agreed to review the policies.</p>
Beneficial		
<p>Quarry rehabilitation peer review recommendations</p>	2018	<p>Outstanding</p>

Recommendation	First raised	Status
Implement the recommendation of the peer reviewer of its costings for rehabilitation and restoration of its quarries.		
<p>Gifts register</p> <p>To be in line with the OAG's good practice guidelines, we recommend the Regional Council to maintain a gifts register and communicate to all staff that gifts received in relation to work should be included in the register.</p>	2016	<p>Outstanding</p> <p>The Regional Council have agreed to implement this finding. However the LTP process took priority over this at the time, and the matter is yet to be reinitiated.</p>

Implemented or closed recommendations

Recommendation	First raised	Status
<p>Expenditure approved outside of delegation</p> <p>Enforce the delegations policy, and seek secondary Chief Executive sign off where the delegation is exceeded.</p>	2018	<p>Closed</p> <p>No issues regarding override of delegations was identified in audit testing.</p>
<p>Future accounting implications of the agreement for purchase of a further interest in PCRLP</p> <p>Seek advice on accounting for the profit share arrangement, within the agreement for purchase of the 51 percent interest in PCRLP.</p>	2018	<p>No longer applicable</p> <p>Profit share arrangement is null and void with the termination of the respective employee.</p>
<p>Fixed Asset Register</p> <p>Perform a stock take of the fixed assets register and write off any assets that are no longer in use.</p>	2018	<p>Implemented</p> <p>A full stocktake was completed prior to year-end 30 June 2019 and assets no longer in the Regional Council possession, or in use were removed from the register.</p>

Matters where management have accepted the associated risk

Recommendation	First raised	Comment
<p>Vehicle disposal process</p> <ul style="list-style-type: none"> • Review processes for vehicle disposals, and remind staff of existing policies and procedures to manage conflicts of interest. • Consider reviewing commission rates set against similar market rates for commercial providers of vehicle sales. 	2018	<p>There is a small pool of approvers for bank transactions, and risks are mitigated wherever possible.</p> <p>The commission rate is deemed as appropriate given the level of work required on the condition of the vehicles and has proven to be cost saving to the Regional Council.</p>

Appendix 2: Corrected misstatements

Current year misstatements	Reference	Assets	Liabilities	Equity	Financial performance
		Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
Revenue from sale of rocks	1				(111,521)
Accrued revenue - sale of rock		111,521			
Cost of sales					111,521
Rock Inventory		(111,521)			
Loss on inventory	2				15,932
Rock inventory		(15,932)			
Receivable - right to rock inventory	3	60,000			
Rock Inventory		(60,000)			
Receivable - right to rock inventory	4	72,000			
Rock Inventory		(72,000)			
Loss on inventory	5				12,768
Rock inventory		(12,768)			
Revaluation reserve	6			156,000	
River Control Assets		(156,000)			
Investment Property	7	120,000			
Gain on Investment Property Revaluation					(120,000)
Vehicle additions	8	67,826			
Plant and Equipment additions		(67,826)			
Infrastructure asset additions - Inchbonnie	9	24,500			
Infrastructure asset additions - Kaniere		(24,500)			
Quarry development asset	10	172,540			
Quarry restoration provision			(172,540)		

Current year misstatements	Reference	Assets	Liabilities	Equity	Financial performance
		Dr (Cr)	Dr (Cr)	Dr (Cr)	Dr (Cr)
Non-current assets held for sale	11	126,080			
Land		(126,080)			
Prepaid interest	12	17,007			
Borrowings			(17,007)		
Revenue – VCS Ground Control	13				34,822
Revenue Aerial – VCS Aerial					79,097
Accrued revenue		(113,919)			
Hokitika seawall additions	14	31,752			
Kaniere additions		27,030			
Nelson creek additions		16,600			
River drainage and coastal protection expenses					(75,382)
User fees and charges revenue	15				546,000
Subsidies and grants revenue					(546,000)
Salary and wage accrual	16		(148,685)		
Cash in bank		148,685			
Bonus provision employee entitlement	17		(15,190)		
Payroll expense					15,190
Total parent		234,995	(353,422)	156,000	(37,573)

Explanation of uncorrected misstatements

- 1 To accrue for the revenue of the sold rock of 10,621 tonnes @ \$10.50 per tonne at Inchbonnie, and post through the reduction to the inventory balance.
- 2 To incur the loss on the sale of inventory below cost @ \$1.50 per tonne on 10,621 tonnes.
- 3 To correct the classification of the inventory at Inchbonnie not on hand as at 30 June 2019, but has been paid for by the Regional Council and agreed to be replaced.

4.3

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting 10 March 2020
Prepared by: Michael Meehan – Chief Executive
Date: 3 March 2020
Subject: Te Tai o Poutini Plan - Deed of Agreement

As part of the Te Tai o Poutini Plan a draft Deed of Agreement is required between the parties that form the Joint Committee. The attached draft Deed of Agreement has been endorsed by the Mayors, Chairs and Iwi forum and is attached to this report for endorsement.

RECOMMENDATION

1. *That the report be received.*
2. *That Council endorse the Chairman to sign the attached Deed of Agreement on behalf of Council.*

Michael Meehan
Chief Executive

BULLER DISTRICT COUNCIL

GREY DISTRICT COUNCIL

WESTLAND DISTRICT COUNCIL

WEST COAST REGIONAL COUNCIL

TE RŪNANGA O NGĀTI WAEWAE

TE RŪNANGA O MAKAAWHIO

Te Tai o Poutini Plan Committee

Deed of Agreement

THIS DEED is made this ____ day of _____ 2020

Parties

BULLER DISTRICT COUNCIL

GREY DISTRICT COUNCIL

WESTLAND DISTRICT COUNCIL

WEST COAST REGIONAL COUNCIL

TE RŪNANGA O NGĀTI WAEWAE

TE RŪNANGA O MAKAAWHIO

Background

In October 2018 the Local Government Commission issued a final reorganisation proposal relating to district plan responsibilities on the West Coast. It involves transfers of statutory obligations and a delegation to a joint committee, comprising members of the Buller, Grey and Westland District Councils, the West Coast Regional Council and local iwi, to be responsible for preparing and approving a new combined district plan for the West Coast. This initiative followed receipt by the Local Government Commission of a local government reorganisation application and then extensive consultation and investigation work on the West Coast from 2015 to 2018.

In November 2018 an Order in Council was signed giving effect to the Commission's proposal. This enabled a transition period to take place for making a number of detailed decisions prior to the joint committee beginning its work on the combined district plan. This work has been completed and the contents of the required reorganisation scheme agreed. The reorganisation scheme was given effect to by a further Order in Council on 17 June 2019.

In addition to the reorganisation scheme, the parties have agreed to the contents of a further document (Deed of Agreement) to assist the parties meet their formal obligations set out in the reorganisation scheme.

This Deed of Agreement sets out both the main provisions of the reorganisation scheme as well as the further detailed and procedural matters agreed by the parties on how the joint committee will operate.

Provisions of reorganisation scheme

Transfer of district plan obligations

The obligations of each of Buller, Grey and Westland district councils, under Section 73 and Schedule 1 of the Resource Management Act 1991, for there to be a district plan at all times for each district and for the preparation, notification, adoption, periodic amendment and review of these district plans, are transferred to West Coast Regional Council.

The transferred obligations for the preparation, notification and adoption of new district plans and for the periodic amendment and review of those plans will be met by the preparation, notification, adoption, periodic amendment and review of a combined district plan for the Buller, Grey and Westland districts under section 80 of the Resource Management Act 1991.

For the avoidance of doubt, clause 2 will not prevent the preparation, notification, adoption, periodic amendment and review of a document that meets the requirements of both the combined district plan and a regional plan or regional policy statement, or both, as authorised under section 80 of the Resource Management Act 1991.

Delegation of transferred obligations to joint committee

There is to be a permanent joint committee between all four West Coast councils and local iwi the Te Tai o Poutini Plan Committee.

The West Coast Regional Council is to delegate to the Te Tai o Poutini Plan Committee the district plan obligations transferred to it.

Role and membership of joint committee

The purpose and terms of reference for Te Tai o Poutini Plan Committee are to:

- a) prepare and notify the proposed Te Tai o Poutini Plan (combined district plan)
- b) hear and consider (including through subcommittees as necessary and appropriate) all submissions received on the proposed combined district plan
- c) adopt a final combined district plan
- d) monitor implementation of the combined district plan and the need for amendments
- e) undertake amendments and reviews of the combined district plan, or ensure these are undertaken, as required.

The initial membership of Te Tai o Poutini Plan Committee, to at least such time as the combined district plan becomes fully operative, is to comprise:

an independent chairperson

the Chairperson of West Coast Regional Council and one other elected member from and appointed by West Coast Regional Council

the Mayor of Buller District and one other elected member from and appointed by Buller District Council

the Mayor of Grey District and one other elected member from and appointed by Grey District Council

the Mayor of Westland District and one other elected member from and appointed by Westland District Council

one representative appointed by Te Rūnanga o Ngati Waewae

one representative appointed by Te Rūnanga o Makaawhio.

The first appointment of the independent chairperson of Tai Poutini Plan Committee will be made by the Local Government Commission on the recommendation of the transition board, with all subsequent appointments made by the committee.

If the Independent Chair is absent from a meeting, the host Chair or Mayor will chair that meeting.

Voting will be in accordance with the committees adopted version of standing orders.

Funding

Subject to clause 12, the costs for there to be a combined district plan and for preparing, notifying, adopting, periodically amending and reviewing the combined district plan will be funded by West Coast Regional Council through a rate set in relation to all rateable land within West Coast Region.

The Te Tai o Poutini Plan Committee may agree that the relevant district council or councils, or their district or districts, is to be responsible for funding work relating to a particular amendment to the operative combined district plan, which will have only, or predominantly, a localised impact.

Further provisions relating to operation of joint committee

Membership and meetings of Tai Poutini Plan Committee

The four West Coast Councils will appoint their second elected member to the Te Tai o Poutini Plan Committee (i.e. other than the regional council chairperson/district mayor) at their first meeting after each triennial election. The councils will appoint, if necessary, a replacement member for a particular triennium as soon as practically possible.

The four West Coast Councils may nominate an alternate to attend in the absence of the Chair or second elected member, this member shall have full voting rights.

Responsibility for hosting the Te Tai o Poutini Plan Committee meetings will rotate around the six parties making up the committee.

The quorum for the Te Tai o Poutini Plan Committee meetings will comprise one representative of four of the six parties comprising the committee.

Media publicity relating to Te Tai o Poutini Plan Committee meetings will be the responsibility of the chairperson but be undertaken after liaising with the committee members as appropriate. Proposed media releases will generally be an agenda item for committee meetings.

Remuneration of council members of Te Tai o Poutini Plan Committee will be the responsibility of each council. Remuneration of the chairperson and iwi representatives will be agreed by Te Tai o Poutini Plan Committee and be funded by West Coast Regional Council.

Administrative support for Te Tai o Poutini Plan Committee and its meetings will be provided by West Coast Regional Council in conjunction with the organisation hosting a particular meeting as agreed by the parties.

Membership of West Coast District Plan Technical Advisory Team

The Te Tai o Poutini Plan Committee will be supported by a technical advisory team comprising planners with expertise from across the four councils and local iwi.

The team will work with the project manager to ensure that the Te Tai o Poutini Plan Committee receives technical support throughout the process. The team's contribution in kind to the district plan development process will be supported by their reporting organisation.

Each party to this agreement is expected to make contributions of staff time and technical expertise "in kind".

Steering group

In addition to the technical advisory team, a steering group comprising the council chief executives and iwi representatives will meet regularly with the project manager to ensure the project is supported and progressing as planned.

Administration of existing district plans

The Buller, Grey and Westland District Councils will continue to administer and be responsible for their own district plans in accordance with the requirements of the Resource Management Act 1991, until such time as there is an operative combined West Coast district plan.

Signatures

SIGNED by)
BULLER DISTRICT COUNCIL) _____
by its authorised signatory) Authorised Signatory
in the presence of:)

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED by)
GREY DISTRICT COUNCIL) _____
by its authorised signatory) Authorised Signatory
in the presence of:)

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED by)

WESTLAND DISTRICT COUNCIL) _
by its authorised signatory) Authorised Signatory
in the presence of:)

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED by)
WEST COAST REGIONAL COUNCIL) _
by its authorised signatory) Authorised Signatory
in the presence of:)

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED by)
TE RŪNANGA O NGATI WAEWAE) _____
by its authorised signatory) Authorised Signatory
in the presence of:)

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

SIGNED by)
TE RŪNANGA O MAKAAWHIO)
by its authorised signatory) Authorised Signatory
in the presence of:)

Witness signature

Witness name

Witness Occupation

Witness Town of Residence

5.0

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting- 10 March 2020
Prepared by: Allan Birchfield – Chairman
Date: 28 February 2020
Subject: **CHAIRMAN'S REPORT**

Meetings Attended:

- I met with Heath Milne, the new Chief Executive of Development West Coast on 13 February.
- I attended the Joint Committee meeting for Civil Defence on 19 February.
- I attended the Mayors, Chairs and Iwi Forum on 19 February.
- I attended the Resource Management Committee's Special meeting on 20 February.
- I attended the Regional Sector Group Meeting in Wellington on 21 February.

I attended to various constituency matters, and took a number of phone calls during the reporting period.

RECOMMENDATION

That this report be received.

Allan Birchfield
Chairman

6.0

THE WEST COAST REGIONAL COUNCIL

Prepared for: Council Meeting – 10 March 2020
Prepared by: Michael Meehan – Chief Executive
Date: 3 March 2020
Subject: **CHIEF EXECUTIVE'S REPORT**

Meetings Attended:

- I attended the Regional Sector Plenary meeting in Wellington on 12 February.
- I attended the Regional Sector CEO's meeting on the morning of 13 February in Wellington.
- I attended the Chief Executives Environmental Forum on the afternoon of 13 February in Wellington.
- I Chaired the Coordinating Executive Group meeting for Civil Defence on 17 February.
- I attended the Joint Committee meeting for Civil Defence on 19 February.
- I attended the Mayors, Chairs, and Iwi Forum on 19 February.
- I attended the Regional Sector Group meeting in Wellington on 21 February in Wellington.
- I will be attending the Development West Coast Management Day on 9 March.

In addition to the above I have attended meetings relating to government consultation and had interactions with colleagues within central and local government on these matters. The executive team is meeting regularly to progress the draft Annual Plan for approval by Council. I have also attended to matters including board meetings for PCR.

The Health and Safety Committee are working towards ISO45001 accreditation for the organisation. This is a major step forward in regard to systems and health and safety awareness and action across the organisation.

I also acknowledge the contribution of our hydrologist Stefan Beaumont who recently resigned after 16 years of service to the organisation, his work particularly in relation to flood warning and building our network of sites has been significant and appreciated.

I took one day of annual leave during the reporting period.

RECOMMENDATION

That this report be received.

Michael Meehan
Chief Executive

THE WEST COAST REGIONAL COUNCIL

To: Chairperson
West Coast Regional Council

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

Agenda Item No. 8.

- 8.1 Confirmation of Confidential Minutes 11 February 2020
- 8.2 Proposed Delegation of Council Functions for RC10055v3
- 8.3 Response to Presentation (if any)
- 8.4 In Committee Items to be Released to Media

Item No.	General Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 7 of LGOIMA for the passing of this resolution.
8.			
8.1	Confirmation of Confidential Minutes 11 February 2020		Clause 7 subclause 2 (a)
8.2	Proposed Delegation of Council Functions for RC10055v3		Clause 7 subclause 2 (g)
8.3	Response to Presentation (if any)		Clause 7 subclause 2 (i)
8.4	In Committee Items to be Released to Media		Clause 7 subclause 2 (i)

I also move that:

- Michael Meehan
- Robert Mallinson
- Randal Beal
- Hadley Mills
- Heather McKay
- Nichola Costley

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

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