



Local Government  
Commission  
Mana Kāwanatanga ā Rohe

# Draft proposal for combined **West Coast District Plan**

Buller  
District  
Council

Grey  
District  
Council

Westland  
District  
Council

West Coast  
Regional  
Council

April 2018

[www.lgc.govt.nz](http://www.lgc.govt.nz)

# A need for change



## Tēnā koutou

The Local Government Commission is pleased to present its draft proposal for local government reorganisation on the West Coast.

The Commission has decided that its preferred option is for a transfer of function: it proposes the responsibilities of the Buller, Grey and Westland district councils to prepare and maintain district plans be transferred to the West Coast Regional Council. A joint committee of the four councils and local iwi would oversee the development of a combined West Coast district plan. This option would retain the four councils while introducing a single set of planning and development rules for the region.

During the reorganisation process, Commissioners, staff and I have had the privilege of visiting the region many times. Not only have the proud heritage and distinct identities of the three districts stood out, but we have also seen a sensible willingness to work together for mutual gain.

We think a combined district plan would provide numerous benefits for the West Coast. Such a plan would provide a long-term blueprint to manage the use, development and protection of resources for the well-being, health and safety of all communities, while also meeting the needs of future generations. Nowhere is this more important than on the West Coast, crying out for development, new businesses and employment opportunities, yet mindful of its beautiful environment.

We think it makes sense for the three district councils to pool resources and join with the regional council to develop a combined plan that suits common needs but also allows for local variations. But now we would like to hear what you think. We look forward to your feedback.

Ngā mihi

**Janie Annear**

Lead Commissioner for West Coast reorganisation

## DRAFT PROPOSAL FOR TRANSFER OF WEST COAST DISTRICT PLAN OBLIGATIONS

The draft proposal provides that the obligations of Buller, Grey and Westland district councils to prepare and maintain a district plan under the Resource Management Act 1991 (RMA) are transferred to West Coast Regional Council. The proposal would also see the establishment of a joint committee, comprising West Coast Regional Council, the three district councils and local iwi, responsible for preparing and approving a new combined plan.

### The draft proposal would:

- keep in place the three district councils and West Coast Regional Council, as currently constituted, operating as they do now in respect of all their other functions and responsibilities
- result in one set of district planning rules for the West Coast by bringing together the current separate Buller, Grey and Westland district plans
- recognise the distinct character of different areas by allowing for local variations in the combined plan
- leave responsibility for administering the new combined district plan with each of the three district councils.

Further details of the draft proposal are set out in the **legal description** elsewhere in this document.



### WHY HAS THE COMMISSION DECIDED ON THE TRANSFER OPTION?

As a result of its engagement with the community and its own investigations, the Commission sees a need for some change in current West Coast local government arrangements.

This arises from the nature of the West Coast and the challenges to achieving effective local government for the area, such as:

- physical isolation
- a vast area – from north to south the equivalent distance from Auckland to Wellington
- small and scattered population of just 32,000 people
- approximately 85 per cent of the area being in Crown ownership (primarily Department of Conservation estate) and the Crown does not pay rates on this land
- four West Coast councils which are amongst the smallest in the country in terms of population and income base
- minimum level council services provided in many areas, often on a user-pays basis.

Reflecting these circumstances and challenges, the Commission, throughout this process, heard calls for more collaboration and sharing of services between the councils. The councils themselves proposed a range of potential shared services including a joint district plan under the RMA.

### OTHER OPTIONS CONSIDERED

The Commission identified the **unitary authority** option (one council for all the West Coast Region providing both regional council and district council functions) as offering the biggest gains but also having some risks for local democracy.

#### The gains included:

- significant savings in providing infrastructure services such as water and roading
- a more consistent regulatory framework across the West Coast
- higher quality services generally which would be of benefit to businesses and households.

However, the Commission saw one council covering the length of the West Coast as presenting risks to achievement of effective democratic decision-making. It would have required another level of local decision-making across the area, such as local boards, to share decision-making with the main governing body. Local boards, however, are unfamiliar to the public having existed only in Auckland since 2010.

Given the need for change identified by the Commission, and supported by public feedback, the **status quo** option (no change to current arrangements) was not its preferred option.



# District plan



## WHAT IS A DISTRICT PLAN AND WHY IS IT IMPORTANT?

All district councils are required by the RMA to have a district plan. The district plan covers matters such as land use, subdivision, noise, natural hazards and biodiversity. It provides for the sustainable management of the resources of an area and relates to the use, development and protection of those resources for the well-being, health and safety of people and communities while also meeting the needs of future generations.

### More specifically, a district plan:

- sets rules relating to the use of land
- determines activities permitted as of right
- determines if resource consents are required for new activities.

District plans fit within a hierarchy of national, regional and local (i.e. district) planning documents (see diagram on following pages). This means district plans must also reflect matters identified as being of national importance which include the management of risks arising from natural hazards such as flooding, coastal erosion and earthquakes.

There are new requirements relating to iwi participation in resource management and decision-making processes under the RMA. Given the rohe of the two West Coast rūnanga, these particular requirements will be most effectively achieved on a West Coast-wide basis rather than district by district.

Good quality district plans give clarity about the rules for development, provide consistency with regional and national policies and rules, and reduce the need to argue issues afresh through the resource consent process.

## HOW WOULD A COMBINED DISTRICT PLAN BENEFIT THE WEST COAST?

The Commission sees a combined district plan as having significant benefits for the West Coast including:

- simplified and consistent planning processes across the West Coast for new business activities, residential development and the subdivision of land
- reduced time and cost for businesses and households to be involved in consent applications
- providing more consistent rules for the operation of region-wide industries and services including the mining industries, tourist facilities and network utilities such as electricity and telecommunications
- increased likelihood that West Coast councils can compete with other regions, not with each other, to attract new businesses
- being a more efficient way to incorporate national direction including requirement to work with iwi
- greater ability for councils to attract and retain suitably qualified and experienced staff in the specialty area of resource management planning with its increasing demands.

Achieving the sustainable management of West Coast resources – providing for appropriate development and environmental protection – is important for the area. This will promote and safeguard the area's prosperity into the future through the location of a range of employment and income generating activities while ensuring the West Coast remains a unique and iconic part of New Zealand and, as a result, a top tourist destination.

# Costs



## DISTRICT PLAN COSTS

**The RMA requires district plans to be reviewed, in whole or in part, every 10 years and this is a major and costly exercise for councils.**

Rather than reviewing the whole plan at once, councils may undertake rolling reviews of different parts of the plan. While this spreads the cost of reviews, rolling reviews make it harder to step back and take a comprehensive longer-term view of what the district needs.

Estimating the costs and savings of this proposal compared to status quo arrangements is not straightforward. In assessing the financial implications of the various West Coast reorganisation options, the Commission received a consultant's report that showed additional short-term costs for the councils and low longer-term benefit for the transfer option compared to current arrangements. This, however, was based on the councils' 2015-25 long-term plans which showed little detail about their planning costs beyond 2018. The councils are now in the process of developing 2018-28 long-term plans.

National data shows a range of costs for district plan reviews. These include a range between \$0.5 million and over \$3 million for reviews in small to medium rural and provincial districts. Costs, however, are highly dependent on variable factors such as the number of submissions received on proposed plans and the number of appeals on final plans.

Nevertheless, the West Coast combined district plan proposal can be expected to have a lower overall cost to West Coast ratepayers due to efficiencies such as:

- jointly hiring outside technical advice where required
- consulting parties with region-wide interests once rather than three times
- a single submissions and hearings process
- shared legal costs

- a single review process to deal with amendments and variations to the plan.

In addition, further benefits to the West Coast economy can be expected from a consistent set of planning rules and resulting lower compliance costs for West Coast businesses and households.

### Funding options:

There are two options for the funding of costs relating to the development and maintenance of a combined district plan:

- funding by the three district councils, as at present, with their share of costs to be allocated, for example, on a population basis
- funding by West Coast Regional Council by a rate over the whole region.

The Commission prefers a regional rate.

## CASE STUDY: PUNAKAIKI

**Punakaiki faces several major challenges due to the growth in tourism, and \$100,000 was awarded from the Provincial Growth Fund in February 2018 to help to develop a master plan to future-proof the township. The Punakaiki River is the boundary between Buller and Grey Districts.**

The proposal would support effective implementation of the Punakaiki master plan:

- current district plan provisions would be reviewed once, not twice on potentially different timeframes
- any required changes would be made through a single process, with a single set of decision-makers
- the rules for specific activities in the area would be considered as a whole, giving more certainty to new and existing businesses and residents, and minimising the risk that the master plan would be implemented differently on different sides of the river
- residents and businesses would maintain the relationship with their current council on resource consenting/services.

# Legal description

## LEGAL DESCRIPTION OF DRAFT WEST COAST REORGANISATION PROPOSAL

### Transfer of statutory obligations

- 1. The obligations of Buller, Grey and Westland district councils to prepare, maintain and periodically amend and review a district plan under section 73 and Schedule 1 of the Resource Management Act 1991 are transferred to West Coast Regional Council.
- 2. West Coast Regional Council will delegate its transferred district plan obligations to a joint West Coast District Plan Committee established for the purposes of giving effect to the transfer option under a reorganisation scheme.

### Provisions for inclusion in reorganisation scheme

- 3. The reorganisation scheme to complete the final West Coast reorganisation proposal, prepared under Part 4 of Schedule 3 of the Local Government Act 2002, will include:
  - a) a mandatory joint committee between all four West Coast councils (the West Coast District Plan Committee) with delegated responsibility from the West Coast Regional Council to prepare, notify and adopt a combined West Coast district plan, and to maintain that plan to meet ongoing statutory requirements
  - b) a technical advisory team to provide advice to the joint committee.

### West Coast District Plan Committee

- 4. The purpose of the West Coast District Plan Committee will be to:
  - a) prepare and notify a proposed combined West Coast district plan
  - b) hear and consider all submissions received on the proposed district plan
  - c) adopt a final combined West Coast district plan
  - d) monitor implementation of the combined district plan and the need for amendments and variations
  - e) undertake amendments, variations and reviews as required.
- 5. The committee will comprise:
  - a) an independent chairperson
  - b) the chairperson of the West Coast Regional Council and one other elected member from and appointed by West Coast Regional Council
  - c) the mayor of Buller District and one other elected member from and appointed by Buller District Council
  - d) the mayor of Grey District and one other elected member from and appointed by Grey District Council
  - e) the mayor of Westland District and one other elected member from and appointed by Westland District Council
  - f) one representative appointed by Te Rūnanga o Ngāti Waewae.
  - g) one representative appointed by Te Rūnanga o Makaawhio

### West Coast District Plan Technical Advisory Team

- 6. A technical advisory team will be appointed by the parties who are members of the West Coast District Plan Committee for the purpose of providing technical advice to that committee.
- 7. The technical advisory team will have a membership as agreed by the parties.

### Affected local authorities continue in existence

- 8. The West Coast Regional Council, Buller District Council, Grey District Council and Westland District Council, as presently constituted and with their current boundaries, will continue in existence and, with the exception of the district plan statutory obligation, continue to have their current roles, powers and responsibilities.

### Transition body

- 9. A transition body will be constituted to make arrangements for the operation of the West Coast District Plan Committee and preparation of a combined West Coast district plan.
- 10. The transition body will comprise:
  - a) a transition board
  - b) an implementation team.

### Transition board

- 11. The transition board will comprise 11 members as follows:
  - a) an independent chairperson appointed by the Local Government Commission
  - b) the chairperson of the West Coast Regional Council and one other elected member from and appointed by West Coast Regional Council
  - c) the mayor of Buller District and one other elected member from and appointed by Buller District Council
  - d) the mayor of Grey District and one other elected member from and appointed by Grey District Council
  - e) the mayor of Westland District and one other elected member from and appointed by Westland District Council
  - f) one representative appointed by Te Rūnanga o Ngāti Waewae.
  - g) one representative appointed by Te Rūnanga o Makaawhio
- 12. The role of the transition board will be to:
  - a) recommend an appointment for chairperson of the West Coast District Plan Committee
  - b) agree necessary meeting procedures for the West Coast District Plan Committee including but not limited to standing orders, appointment of deputy members, meeting quorum, meeting publicity
  - c) agree a process for resolving disputes between the parties relating to the content of the combined district plan
  - d) agree necessary administrative support services for the West Coast District Plan Committee
  - e) provide advice to the Local Government Commission on matters to be included in the reorganisation scheme completing the final reorganisation proposal and other matters as required.

### Implementation team

- 13. The implementation team, including implementation team manager, will be appointed by the Local Government Commission from nominations from West Coast Regional Council, Buller District Council, Grey District Council and Westland District Council.
- 14. The role of the implementation team will be to:
  - a) give effect to decisions made by the transition board
  - b) provide advice on technical and operational matters to the transition board.

### Areas of interest of iwi and hapū in West Coast

The law requires the Commission to identify the extent of areas of interest of iwi and hapū in West Coast region and districts.

Accordingly the Commission has identified the West Coast Region as an area of interest of Ngai Tahu and particularly Te Rūnanga o Ngāti Waewae and Te Rūnanga o Makaawhio.



# Pros & Cons

## ADVANTAGES

- The proposal, by pooling resources, would assist the councils to meet a challenging statutory obligation i.e. resource management planning
- The proposal would enable a good quality district plan to be produced through effective use of specialised staff and outside resources
- The proposal would result in a reduction in the number of RMA planning documents in force on the West Coast. This would have the effect of:
  - Providing consistent policies, definitions and rules, and assist public understanding of these
  - Saving time and money for those making submissions relating to more than one district (including for West Coast Regional Council and rūnanga, which will no longer have to participate and make submissions on multiple processes)
  - Reducing the number of appeals and associated legal costs for both appellants and councils
  - More consistent resource consent requirements for those seeking approvals in more than one district resulting in less time and money being spent by those applicants
- Development of a single district plan for a wider more diverse area is likely to help attract and retain more skilled and experienced staff
- A combined plan would allow councils to more efficiently meet requirements to recognise and provide for matters of national importance and give effect to national directions and standards
- The proposal would make it easier to ensure district plan policies and rules are consistent with and complement regional policies and rules
- The joint committee would provide a platform for the councils to consider further possible collaboration and shared services
- The proposal leaves the existing councils in place with their existing functions and responsibilities, thereby avoiding public confusion
- The proposal would mean limited disruption to council operations and staff
- The proposal would provide for better iwi participation in planning

## DISADVANTAGES

- The proposal would have set-up costs relating to alignment of three current district plans and the identification of local issues not to be standardised in the combined plan
- The proposal would have costs relating to establishment and operation of the joint committee
- Depending on implementation arrangements, the proposal may have more complicated accountability and funding arrangements involving the four councils
- The proposal may result in some short term delay compared to current district plan review processes for some of the councils
- The proposal may negatively impact other council functions with mixed staff responsibilities, if those staff are largely employed on development of the new district plan
- More collaboration across all aspects of RMA planning would offer higher efficiencies. For example, the proposal covers only the preparation of a combined district plan and does not have the gains that may arise from combined implementation and administration of the plan as well

## HOW A COMBINED DISTRICT PLAN WOULD PROMOTE GOOD LOCAL GOVERNMENT

The Commission considers the draft proposal would promote good local government on the West Coast. In summary, the draft proposal would:

- retain existing democratic local decision-making structures through three district councils and one regional council, ensuring that overall there is a recognised structure for local decision-making and action by and on behalf of communities, while also making improvements in the specific area of district planning where there is room for greater collaboration and sharing of services;
- meet current and future needs for good quality district plans by reducing the number of those plans in the region overall and increasing the quality of those planning documents, while keeping all councils involved in the planning processes; and
- facilitate improved economic performance on the West Coast through simplified planning processes and accompanying reduction in compliance costs.

# Commission process

## THE JOURNEY TO THIS POINT

- **August 2015:** the Local Government Commission agrees to assess reorganisation application
- **March 2016:** Commission and the West Coast councils sign relationship agreement on regional efficiency initiatives
- **May-July 2016:** Commission runs extensive West Coast community engagement programme
- **August 2016:** Commission is satisfied there is support for some form of change
- **February 2017:** Commission invites alternative applications and other proposals for change
- **February-September 2017:** communities of interest work carried out; consultant's report into financial and operational aspects of possible options completed
- **October 2017:** UMR survey on support for change and particular change options
- **November 2017:** Commission agrees combined district plan is preferred option for the West Coast
- **April 2018:** Commission releases draft reorganisation proposal for consultation

## WHAT HAPPENS NEXT

After considering feedback and submissions, the Commission will decide whether or not to issue the draft proposal as a final proposal (with or without amendment); issue a new draft proposal based on another reasonably practicable option; or call a halt to the process.

If the Commission decides that the draft proposal should go ahead, there will be a short transition process.

The legislation requires that there be a "transition body" and this will comprise a board and an implementation team. The transition board would comprise representatives of the four West Coast councils, local iwi and an independent chairperson of the board appointed by the Local Government Commission. The implementation team would comprise people nominated by the councils with a manager appointed by the Commission. Further details are set out in the legal description of the draft proposal elsewhere in this document.

## INDEX OF BACKGROUND REPORTS

- *Decision Paper - West Coast reorganisation: identification of reasonably practicable options and determination of preferred option* – Local Government Commission (November 2017)
- *A study of West Coast Communities of Interest* – Local Government Commission (October 2017)
- *West Coast local government arrangements: assessment of reasonably practicable and possible preferred reorganisation options* – MartinJenkins (October 2017)
- *Public perception of local government options on the West Coast* – UMR (October 2017)
- *West Coast Regional Efficiency: report on resource management services* – Boffa Miskell (February 2017)

All reports are available at [www.lgc.govt.nz](http://www.lgc.govt.nz)

## NATIONAL DISTRICT PLAN DATA

Data and further information relating to district plan review costs can be found at:

[www.mfe.govt.nz/nms-planning-costs](http://www.mfe.govt.nz/nms-planning-costs)



# Have your say

## WE WANT YOUR FEEDBACK

The Local Government Commission is calling for submissions on the draft proposal. Submissions close at **4pm on Friday 25 May**.

## HOW TO MAKE A SUBMISSION

You can make a submission in the form and length you choose by:

- posting it to:  
**Local Government Commission,  
PO Box 5362, Wellington 6140**
- emailing it to the Commission at:  
**submissions@lgc.govt.nz**  
Please include your personal details (name, address, district, business/organisation (if relevant), email address and phone numbers) in the submission
- or by filling in an online submission form on the Commission's website: go to **www.lgc.govt.nz** and click on West Coast map button to be directed to page and link

**Note:** Once your submission has been received, it becomes a public document. This means it may be made available on our website and to anyone who requests it. Personal information (address, contact numbers, email addresses) will be removed before it is published.

## HEARINGS

The Commission will hold hearings, attended by Commissioners and staff, at which people or organisations can speak to their submissions if they wish. It is not necessary to appear in person for your submission to be given full consideration by the Commission. Each in-person submission will be restricted to no more than 10 minutes. The hearing dates and venues are shown below. You can book a time online to speak to the Commission by visiting:

**localgovernmentcommission.gettimely.com/book** and entering your preferred venue and time; or you can ring the Commission on 0800 816 400 to book a hearing time.

<div>.....</div> <div><b>WEDNESDAY 30 MAY</b></div> <div>.....</div> <div><b>WESTPORT</b></div> <div><b>PULSE ENERGY RECREATION CENTRE</b></div> <div>10.30AM - 1.30PM</div> <div>.....</div>
<div>.....</div> <div><b>THURSDAY 31 MAY</b></div> <div>.....</div> <div><b>GREYMOUTH</b></div> <div><b>GREY DISTRICT COUNCIL CHAMBERS</b></div> <div>9AM - 12PM</div> <div>.....</div>
<div>.....</div> <div><b>HOKITIKA</b></div> <div><b>WESTLAND DISTRICT COUNCIL CHAMBERS</b></div> <div>1.30PM - 4.30PM</div> <div>.....</div>

## Notes

# RMA PLANNING ON THE WEST COAST



## AGENCY

CENTRAL GOVERNMENT

## LEGISLATION AND NATIONAL DIRECTION

## RESPONSIBILITIES

RESOURCE ISSUES OF NATIONAL IMPORTANCE

WEST COAST REGIONAL COUNCIL

## WEST COAST REGIONAL POLICY STATEMENT

## WEST COAST REGIONAL PLANS

## WEST COAST COASTAL PLAN

SOIL / WATER  
AIR POLLUTION  
COASTAL ISSUES  
SUFFICIENT DEVELOPMENT CAPACITY  
NATURAL HAZARDS

## EXISTING ARRANGEMENTS

WEST COAST DISTRICT COUNCILS

## BULLER DISTRICT PLAN

## GREY DISTRICT PLAN

## WESTLAND DISTRICT PLAN

BULLER  
RESOURCE CONSENTS  
& PERMITS

GREY  
RESOURCE CONSENTS  
& PERMITS

WESTLAND  
RESOURCE CONSENTS  
& PERMITS

LAND / SUBDIVISION  
TOWN PLANNING  
SUFFICIENT DEVELOPMENT CAPACITY  
NOISE  
NATURAL HAZARDS  
BIODIVERSITY

## PROPOSED ARRANGEMENTS

WEST COAST COUNCILS

## COMBINED WEST COAST DISTRICT PLAN

## RESOURCE CONSENTS & PERMITS

BULLER

GREY

WESTLAND

LAND / SUBDIVISION  
TOWN PLANNING  
SUFFICIENT DEVELOPMENT CAPACITY  
NOISE  
NATURAL HAZARDS  
BIODIVERSITY

## OTHER COUNCIL PLANS

A district plan sits alongside, and needs to be consistent with, other important council plans reflecting overall direction, priorities and funding for the area as a whole. These plans include each council's long-term plan setting out all the services to be provided and their costs, and the West Coast regional land transport plan.