

BEFORE THE INDEPENDENT HEARING PANEL

IN THE MATTER of the Resource
Management Act 1991
(RMA)

AND

IN THE MATTER of hearing submissions and
further submissions on the
Greater Wellington Regional
Councils Proposed Change 1 to
the Wellington Region Natural
Resources Plan (**NRP-PPC1**)

AND

IN THE MATTER of Hearing Stream 1 (**HS1**)
Overview and General
Submissions

SUBMITTER

Winstone Aggregates
(Submitter No. **206**, Further
submission No.**008**).

**STATEMENT OF PLANNING AND COMPANY EVIDENCE OF PHILIP WAYNE
HEFFERNAN ON BEHALF OF WINSTONE AGGREGATES**

DATED: 17 OCTOBER 2024.

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1. SUMMARY OF EVIDENCE

- 1.1. My evidence addresses at a high level Winstone Aggregates' (**Winstone**) general concerns regarding Proposed Change 1 (PPC1) to the Natural Resources Plan for the Wellington Region. Specifically, I focus on how PPC1 impacts Winstone's quarrying operations in the Region and the supply of aggregates essential for regional development.
- 1.2. Winstone is a key supplier of aggregates in the Wellington region, crucial for infrastructure projects and housing development. We acknowledge the importance of environmental protection but are concerned that PPC1 may unintentionally hinder our ability to meet regional demands. Belmont Quarry (located in Hutt City Council's district), sits within the Whaitua for Te Whanganui -a -Tara.
- 1.3. Winstones proposes amendments to PPC1 to ensure a balanced approach that is in line with directions in the NPS-FM but that still achieves environmental objectives without compromising the aggregate industry's ability to support the region's growth.
- 1.4. Our key concerns include:
 - The broad application of Freshwater Planning Instruments (FPIs), limiting appeal rights on provisions not directly related to freshwater management.
 - The proposed seasonal shutdown of earthworks (winter works), which could disrupt quarry operations and aggregate supply.
 - The use of prohibited and default non-complying activity status where that is at odds with the actual environment effects of the activity.
 - The attempt to shoe horn quarrying into a rule framework that is inherently unsuited to quarrying where Officers clearly have not turned their mind to that activity.
 - The lack of consultation with the industry coupled with the comprehensive cost-benefit analysis in the section 32 Evaluation Report, particularly regarding the economic cost/ impact on the aggregate industry of the proposed rule framework.
 - The need for greater clarity on national policy direction before proceeding with hearings.

1.5. We recommend that PPC1 be amended to:

- Narrow the scope of FPIs to provisions directly impacting freshwater quality.
- Provide a solution to allow for year-round earthworks with enhanced sediment control during wetter months to provide for permanent quarrying activity.
- Provide a bespoke rule framework for regionally significant quarries designed to ensure that the adverse effects of quarrying on the environment are avoided, remedied or mitigated, but that does not prevent quarrying in these areas, in recognition of the need for a secure and continued aggregate supply, in a similar vein as what is proposed for the Wellington Airport and other beneficial infrastructure.
- Conduct a more robust section 32 analysis that fully assesses economic impacts to users, not just benefits.
- Consider delaying the hearing process until national policy uncertainties are resolved.

2. INTRODUCTION

2.1. My name is Philip Wayne Heffernan, and I am contracted as an in house Principal Planner and a Project Manager at Winstone. I have been contracted in these roles since 2023.

2.2. I hold a Bachelor of Applied Science degree in Natural Resource Management from Massey University, and I am an Associate Member of the New Zealand Planning Institute and a member of the Resource Management Law Association.

2.3. With over 20 years of experience in resource management and planning in New Zealand, I have worked in both the public and private sectors, managing planning teams, overseeing projects, preparing resource consent applications, providing expert evidence at hearings and resource management and planning advice to a diverse range of clients.

2.4. Prior to my work with Winstone, I served as the Planning Manager and Principal

Planner at Wood and Partners Consultants from 2015 to 2022. Previously, I held positions with at Babbage Consultants Limited, Jacobs (formerly Sinclair Knight Merz) and Auckland City Council.

2.5. In this instance, I am providing both company evidence on behalf of Winstone and Planning evidence to support their submissions. I confirm I am authorised to give evidence on their behalf.

2.6. I confirm to the extent that I am providing expert planning evidence, that I have complied with the Environment Court's Code of Conduct for expert witnesses, as stated in the Environment Court of New Zealand's Practice Note 2023. In preparing this evidence, I affirm that my expertise covers the matters discussed unless I explicitly rely on the evidence of others. Moreover, I confirm that I have considered all material facts known to me that may impact or detract from my stated opinions.

3. SCOPE OF EVIDENCE

3.1. The purpose of my evidence to provide a planning evaluation of the general themes of Winstone's submission, other relevant submissions, the 42A report and Proposed Change 1 (PPC1) itself.

3.2. My evidence will address the following matters:

- Background to Winstone and their submission;
- Aggregate shortage and need;
- General Overview of PPC1– and its implications for Winstone;
- Review of relevant submissions and evidence;
- Review of section 32 Evaluation Report;
- Discussion on section 42A officers' report; and
- Concluding remarks.

4. BACKGROUND

- 4.1. Winstone (a division of Fletcher Concrete and Infrastructure) holds a prominent position in the aggregates industry in New Zealand. With a rich history dating back to the 19th century, Winstone has established itself as the largest manufacturer and distributor of aggregates in the country. The company operates numerous extraction sites across New Zealand, including the Wellington region, where it plays a significant role in meeting the demand for aggregates.
- 4.2. In the Wellington region, Winstone operates several quarries, including Belmont Quarry, Otaki Quarry and Petone Sand Quarry. These operations provide a local and reliable source of aggregates for various construction projects in the region. Winstone's quarries in the Wellington area have been longstanding contributors to the Wellington Regional market, providing a local source of essential materials for roading, construction, and infrastructure development. Both the Belmont Quarry and Petone Sand Quarry sit within the Whaitua of Te Wanganui – a Tara, and will be subject to these provisions.
- 4.3. The demand for aggregates in the Wellington region is driven by population growth and ongoing infrastructure projects and major initiatives such as the Wellington Northern Corridor, which included projects such as Transmission Gully. Those projects required a substantial volume of aggregate. Current projects such as River Link will continue this demand. Winstone is well-positioned to meet this demand, leveraging its operational quarries and extensive expertise in aggregate production and distribution.
- 4.4. The importance of aggregates to the Wellington region's economy cannot be overstated. Aggregates are fundamental to the construction industry, serving as a vital component in road construction, building projects, and infrastructure development. The availability of locally sourced aggregates is crucial for minimising transportation costs and ensuring a sustainable supply of materials. Aggregates are a vital ingredient in ensuring the Region meets its objectives in terms of provision of sustainable public infrastructure (current examples of some of the local projects requiring aggregate, sand and cement products are the cycleways, planned Golden Mile and Courtney Place Upgrades and Civic Square Seismic Strengthening and re-development) and affordable housing.
- 4.5. However, the aggregate industry often faces challenges in the consenting process and

the protection of quarry resources. Winstone emphasises the need for local government support to create a legislative environment that recognises the significance of aggregates, streamlines the consenting process, and safeguards quarry resources from sterilisation and reverse sensitivity effects.

- 4.6. By addressing these issues, Winstone aims to continue supplying high-quality aggregates for affordable housing, infrastructure development, and the overall prosperity of the Wellington region. Winstone recognises that its aggregate extraction and associated clean filling of overburden by its nature does result in adverse effects to the environment, and not all of these can be avoided. It seeks to carry out its activities as sensitively and as sustainably as possible, and has an excellent environmental track record of doing so.
- 4.7. Winstone is committed to long-term sustainability. As part of the Winstone sustainability strategy an Environmental Product Declaration (EPD) for aggregate and sand products was undertaken, making Winstone the first quarry company in New Zealand to do so. Released in February 2022, the EPD covers the embodied carbon of products from eight quarries across the country.
- 4.8. Winstone has significant experience and expertise in large scale environmental offsetting and restoration as part of its quarrying as this has been part of the regulatory framework it operates in for some time. To further demonstrate commitment to sustainability Winstone has developed a Positive Biodiversity Plan with the goal of achieving positive biodiversity by 2030. This plan involves implementing voluntary pest control measures across their sites, focusing on degraded native vegetation within ecological districts without existing pest control programs. Winstone plans to invest \$3.2 million by 2030, with an initial investment of \$600,000 in the first year alone.
- 4.9. Winstone's efforts in sustainability and biodiversity have been recognised by industry peers. They were awarded the 2022 MIMICO Environment and Community Award for being the first quarry company in New Zealand to produce an EPD for aggregate and sand products. This prestigious award was determined by popular vote at the QuarryNZ conference.
- 4.10. In addition to biodiversity and sustainability initiatives, Winstone conducted a Life Cycle Assessment (LCA) of their products in 2020. Working with environmental services consultancy thinkStep, an assessment of the environmental impacts of their product

inputs and outputs, including electricity, diesel, water, waste, and emissions was undertaken. The outcome of the LCA was the EPD, a science-based and independently verified document that communicates transparent and comparable data about the life-cycle environmental impacts of their products.

- 4.11. The EPD not only addresses carbon emissions but also considers the environmental impacts of acid rain, algal blooms, summer smog, energy use, and water consumption. It covers all stages of the product life cycle and adheres to international standards. Winstone's EPD supports end users in their commitment to environmental sustainability and seeking credits with relevant rating schemes such as the Infrastructure Sustainability Rating Scheme and Green Star Design and As Built New Zealand v1.0.
- 4.12. Through Winstone's sustainability efforts (including biodiversity initiatives) and the production of the EPD, the aim is to further reduce Winstone's environmental footprint and continue Winstone's national role as environmental leaders in the aggregate industry. Winstone prioritises transparency, environmental protection, and continuous improvement as key pillars of the sustainability strategy.
- 4.13. Winstone has introduced the Kotuia Programme, an initiative aimed at improving cultural understanding and building stronger partnerships with Mana Whenua among their senior leaders. The programme comprises a four-day, marae-based wananga (workshop) that seeks to deepen the understanding of core Māori values such as Manaakitanga, Kaitiakitanga, Rangatiratanga, and Mauri.
- 4.14. The programme, which was rolled out earlier in 2023, is part of Winstone's long-term sustainability plan, and focuses on elements of Te Ao Māori including Tikanga Māori, te Reo Māori, and te tiriti o Waitangi. The Kotuia Programme is being delivered across various Marae throughout the North Island to enhance successful engagement and partnerships with Mana Whenua in the communities it operates in. In this capacity it has regular hui with representatives from Ngati Toa and Taranaki Whanūi in terms of its Belmont operations.

5. Aggregate shortage and demand

- 5.1. There is a well-recognised shortage of aggregate in the Wellington region. Aggregate extraction must occur where the resource is located, which presents challenges due to geographical constraints.

- 5.2. Te Waihanga, the New Zealand Infrastructure Commission, has extensively documented this issue. In their November 2021 Infrastructure Resources Study¹ and through specific aggregate modelling for New Zealand²—including the Wellington region³—they have highlighted the critical state of aggregate supply.
- 5.3. The Infrastructure Resources Study indicates that since the start of the Transmission Gully project in 2014, the Wellington region has experienced significant jumps in aggregate demand. Production has not consistently kept pace with this heightened demand, especially between 2014 and 2017. This mismatch has led to supply shortages and increased reliance on imported aggregate, raising costs.
- 5.4. The Aggregate Opportunity Modelling for Wellington points out that, although the region has substantial deposits of hard rock and gravel suitable for aggregate supply, there are limitations. The dense population in flat areas and the inaccessibility of many steep sites restrict the potential for new extraction sites.
- 5.5. Given the high demand and limited options for new supply, maximising output from existing quarries is crucial. Enhancing production at current sites is essential to ensure a continuous and sustainable supply of aggregate, which is vital for the ongoing operation and development of the Wellington region.

6. OVERVIEW OF PPC1- IMPLICATIONS FOR WINSTONE AGGREGATES

- 6.1. The proposed changes in PPC1 have significant implications for Winstone, impacting our ability to operate effectively.
- 6.2. Winstone are concerned that the provisions may hinder our capacity to meet the increasing demand for aggregates, affecting cost-effectiveness, accessibility, and environmental sustainability.
- 6.3. While we acknowledge the importance of environmental protection under the NPS-FM and for freshwater management to reflect community aspirations and values for freshwater, however GWRC have failed to consult or consider that user groups also

¹ <https://tewaihangagovt.nz/our-work/research-insights/infrastructure-resources-study>

² <https://tewaihangagovt.nz/our-work/research-insights/aggregate-opportunity-modelling-for-new-zealand>

³ <https://media.umbraco.io/te-waihanga-30-year-strategy/13vnynce/wellington-aggregate-modelling.pdf>

make up part of that community, most users are not opposed to ways to improve their operations to lighten their environment footprint, but this needs to be proportional to the environmental effects associated with it – it is crucial to balance these requirements with the practical realities of quarrying operations, which are location-specific due to the fixed nature of mineral resources.

7. RELEVANT SUBMISSIONS AND EVIDENCE

- 7.1. Winstone submitted on specific provisions of PPC1, highlighting concerns and proposing amendments to address potential impacts on the aggregate industry.
- 7.2. Other submitters, including Horokiwi Quarries (S002) and Fulton Hogan (S43), have expressed similar concerns regarding the impact of PPC1 on quarry operations and infrastructure projects.

8. REVIEW OF SECTION 32 EVALUATION REPORT

- 8.1. The section 32 Report is intended to evaluate the costs, benefits, and appropriateness of proposed policies and rules.
- 8.2. We have significant concerns regarding the lack of a robust and comprehensive cost-benefit analysis, particularly the inadequate assessment of economic impacts on the aggregate industry.
- 8.3. The report focuses on implementing the National Objectives Framework within the two whitua to meet the NPS-FM requirements, setting environmental outcomes, and establishing rules around urban development, stormwater, wastewater, and land use activities.
- 8.4. While the environmental benefits are clear, the report fails to adequately consider the economic costs imposed on essential industries like quarrying. Quarrying has not been considered as a separate activity in the proposed rule framework. It is problematic to try to shoehorn quarrying into Urban or Rural Rule Frameworks that have not contemplated quarrying activities. The rationales behind those Policies and Rules do

not work for quarrying.

- 8.5. For example, the proposed seasonal shutdown (winter works restriction) for earthworks could severely impact operations like quarrying during wetter months. Quarrying is essentially long term earthworks. It would have a horrific impact on the security of aggregate supply, cost of aggregate products and provision of building projects in the Region. Similarly the identification/treatment of land within Belmont's Quarry Management Zone as "New Greenfield Development" and the Quarry pit area as "Vegetated Erosion Prone Land" attracting non-complying and prohibited activity status (for stormwater consents) is incredibly problematic for continued day to day quarrying operations, in a recognised quarry zone.
- 8.6. Quarrying is also classified in PPC-1 as a "high-risk industrial activity," which we believe is wrong and disproportionate given the actual environmental risks when proper sediment control measures are in place. Quarrying does not result in any use or discharge of hazardous substances. Misunderstanding of quarrying industry appears to have resulted in the improper classification/treatment of quarrying activities as having a "high polluter" status disproportionate to the environmental effects of the activity.
- 8.7. Other submitters have highlighted similar concerns, emphasising the need for a more nuanced approach that balances environmental objectives with regional development goals.
- 8.8. We propose modifications to allow for continued operations with appropriate environmental safeguards, rather than blanket prohibitions. Again there is concern about the dismissive attitude to the costs and impacts of PPC-1, which suggest that Officers do not appear to understand the gravity of the impacts on industry. For example decisions to make rules operational, and suggestion that a private plan change to remove the prohibited status (after the obligatory stand down 2 year period from decision) is a suitable and cost effective mechanism by which to obtain a stormwater discharge permit, regardless of the effects.
- 8.9. The section 32 Report should include a more thorough assessment of the economic impacts and consider practical solutions that allow for sustainable quarrying activities.

9. DISCUSSION ON SECTION 42A OFFICER'S REPORT

- 9.1. We have reviewed the section 42A Officer's Report, which outlines submissions and provides recommendations.

Freshwater Planning Instruments (FPIs) and Appeal Rights:

- 9.2. The broad classification of provisions under FPIs limits stakeholders' ability to appeal, impacting quarry operations. Its recommended narrowing the scope of FPIs to provisions directly related to freshwater quality.

Seasonal Shutdown of Earthworks:

- 9.3. The proposed blanket shutdown during wetter months could disrupt quarrying operations. We propose a more flexible framework that allows year-round earthworks with enhanced sediment control during high-risk periods.

National Policy Uncertainty and Business Certainty:

- 9.4. The evolving nature of national environmental policy adds complexity and uncertainty. We suggest considering a pause or delay in the hearing process until there is greater clarity on national directives for example there is a full suite of amendments expected to the NPS – IB, NPS-FM, NPS-HPL and NES-F expected early 2025. There is little benefit in moving to implement an outdated NPS-FM given the signalled change in Policy direction. Pausing this process to allow consideration and inclusion of the new National Direction would have many benefits in terms of efficiency, the ability to run one process and ensuing that there was full scope for the Panel to implement these National Direction changes, seeking to commence with PPC-1 now will create scope difficulties down the track, and as was Winstones experience in the RPS-PC1 with GWRC attempt to include parts of the newly enacted NPS-IB in the RPS-PC1, this resulted in significant increase in costs to submitters and complexities of participating in the planning process at a time when submitters are already facing considerable challenges.
- 9.5. Winstone participated in the RPS-PC1 hearings, with a view that setting the Regional Direction in the planning hierarchy would assist with subsequent processes. It is disappointing to see that GWRC has opted to progress with NRP - PPC-1 before

submitters are able to digest the various decisions on RPS-PC1 and prior to the appeals process.

- 9.6. It is clear from the PPC-1 material that Officers do not appear to have applied any lessons learnt during RPS-PC1 in the preparation of PPC1, particularly for Winstone. It is very disappointing that we are appearing at Hearing Stream -1 in a similar position as at the outset of RPS-PC1 in that Officers in preparation of that plan change failed to provide for aggregate or quarrying or assess the impact on it at all.
- 9.7. It was hoped that in the usual course of things, the decisions and issues as articulated in the final version of the RPS-PC1 would have been further advanced down the appeal process and a bit more settled prior to GWRC seeking to start on the NRP- PPC1 and that that would have been used to guide the direction of NRP-PPC1, but regrettably that does not appear to be the case.

Practical Considerations for Quarry Operations:

- 9.8. The report does not adequately address the operational realities of quarrying, a fixed-location activity. Overly restrictive controls could sterilise essential resources and limit aggregate availability for development projects.
- 9.9. We advocate for an evidence-based approach that recognises the strategic importance of the aggregate industry and provides a viable pathway for quarrying activities to continue sustainably.

10. CONCLUSION

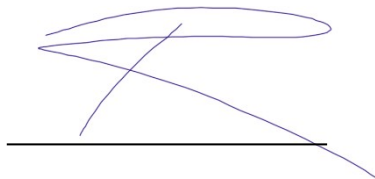
- 10.1. The proposed PPC1 has significant implications for Winstone and our ability to meet the region's demand for aggregates while addressing environmental concerns. We recommend amendments to specific provisions that we will advance over the course of the hearings that are intended to:

- Accurately reflect the goals of national policy statements and regional plans. Recognise the benefits of protecting and utilizing the region's significant mineral resources.
- Provide clarity on the identification and management of significant indigenous

ecosystems and habitats.

- Allow for flexibility in offsetting approaches to achieve environmental gains. The scope of the Freshwater Planning Process should be reviewed to focus appropriately on provisions where freshwater is the primary issue.
- A comprehensive approach is needed that considers the economic, social, and environmental aspects of aggregate extraction and supply.

10.2. It is crucial to recognise the importance of these activities in supporting housing supply, infrastructure development, and reducing waste to landfill.

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke at the bottom.

Phil Heffernan authorised to give evidence on behalf of

Winstone Aggregates.

17 October 2024

ATTACHMENT A QUALIFICATIONS AND EXPERIENCE OF PHIL HEFFERNAN

Career Summary	2023 - Now	Project Manager and Principal Planner Winstone Aggregates
	2022- Now	Director and Principal Planner 7Lab Limited
	2015 – 2022	Wood and Partners Consultants Ltd – Planning Manager and Principal Planner
	2014 – 2015	Babbage Consultants Limited - Planning Manager
	2012 – 2014	Jacobs – Auckland Environmental and Planning Team Leader
	2010 – 2012	Jacobs – Senior Planner
	2005 – 2010	Jacobs - (formally Sinclair Knight Merz) - Environmental Planner
	2004 – 2005	Auckland City - Regulatory Planner
Qualifications	Bachelor Applied Science – Natural Resource Management	
Affiliations	Associate New Zealand Planning Institute	
	Member Resource Management Law Association	