

## Before Hearing Panel – Proposed Natural Resources Plan for the Wellington Region

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Under                      The Resource Management Act 1991 (the Act)

In the matter of        Proposed Natural Resources Plan for the Wellington Region – Plan Framework, Associated Objectives and Policies

Between                   Greater Wellington Regional Council

*Local Authority*

And                        South Wairarapa District Council

*Submitter S366 and Further Submitter FS26*

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**Statement of Paul Crimp**

Dated 5 May 2017

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## **Qualifications and Experience**

- 1 My full name is Paul Charles Crimp
- 2 I am the Chief Executive Officer at the South Wairarapa District Council (SWDC). I hold a Bachelor of Business Studies Degree from Massey University and am a member of Chartered Accountants Australia and New Zealand - Chartered Accountants College.
- 3 I joined South Wairarapa District Council in 2010, and took up the role of Chief Executive Officer June 2013. I have been a resident of South Wairarapa since 1994.
- 4 I am responsible for bringing well analysed policy options to Council and implementing the Council decisions in a manner which balances both the regulatory obligations of Council as well as the objectives of the community
- 5 My statement is given in support of South Wairarapa District Council's ("SWDC") submission on the Proposed Natural Resources Plan for the Wellington Region ("PNRP").

## **Areas of Interest and Key Issues of Concern with the PNRP**

- 6 The Local Government Act 2002 places a responsibility on Local Authorities, including Regional Councils, to ensure the obligations they place on communities are carried out in a cost effective manner.
- 7 It is my view that the timeframes, and other obligations incorporated in the PNRP, do not meet this legislative requirement.
- 8 For example, we have two Resource consents for the removal of treated wastewater from waterways onto land that have a delivery timeframe of 30 years. Independent commissioners found this timeframe to be acceptable from an environmental and economic point of view.
- 9 Allied to this point is the quite apparent "one size fits all" approach. It is inconceivable that small, rural local authorities have the same requirements placed on them as large, metropolitan local authorities.

- 10 It is perhaps pertinent to note that this matter was canvassed during the review of Environment Canterbury, whereby the review found that despite best efforts the [elected members of] Environment Canterbury could not adequately understand the nuances of the rural sector. It is apparent that the PNRP has suffered from the same malaise, being dominated by the metro centric view.
- 11 Within the context of the wider Wellington region the Wairarapa is a predominantly rural based community and, as such, is highly reliant on its available natural and physical resources. This is reflected in the significant contribution the area makes to the regional economy, supporting extensive agricultural, timber and forestry industries and a growing viticulture industry; it also plays a significant role at both a regional/national level as a recreation and tourism destination.
- 12 In light of this SWDC has a number of concerns regarding the impact that the PNRP could have on those activities that support the Wairarapa's productive base, as well as on the Council's own operations. In our view the provisions in the plan as currently drafted are likely to impose significant compliance costs on the communities we represent, including substantial investment of public funds to upgrade infrastructure or alter existing operations to meet the new requirements – this is particularly relevant given the additional demands this places on those communities with a relatively small rating base already under financial pressure.
- 13 I would counter this by saying the Council is not opposed to environmental improvements, rather that the predominantly rural based nature of the Wairarapa is taken into account and reflected in the policy and rural framework.
- 14 From an infrastructural perspective the primary issues of concern to SWDC are as follows: I note these matters will be addressed in greater depth in the subsequent hearings. The purpose of raising them today is to highlight the broader issues SWDC has with the direction and overall theme of the plan from a Council and asset management perspective.

### ***Complexity of the Plan***

- 14.1 The complexity of the rule framework in the number of rules, and

interpretive ambiguity relating to some of the rules and terms used (for example what constitutes a “new discharge” in context of waste water, use of the term “Maori Customary Use”) is likely to impose financial and time costs on the Councils infrastructure operations.

***Regulatory Focus/Scope***

- 14.2 The increase in the nature and extent of regulatory controls in the PNRP has wide ranging operational, cost and timing implications for SWDC in terms of compliance (e.g. unclear timeframes to achieve the environmental expectations anticipated, requirement for resource consent for all Council stormwater systems, requirement that drains be cleared one side at a time with a 3 month interval). In this respect it is noted SWDC has required disposal of stormwater to land for the last 20 years, both for new subdivisions and landuse under the WCDP.
- 14.3 The highly prescriptive and regulated requirements relating to the discharge of treated effluent to land will limit the effectiveness of the intended policy direction in the PNRP (i.e. transfer of treated wastewater from water to land) and render it unaffordable to the Council and Wairarapa community. In this respect SWDC seeks a permitted activity standard for discharge of treated wastewater to land subject to reasonable and achievable standards. Associated with the regulatory focus of the wastewater rules are the uncertainties associated with what constitutes a new wastewater system/discharge and how growth in existing systems is accommodated in relation to that. These matters will be commented on at further hearings.
- 14.4 I wish to note that SWDC is generally supportive of the policy directive for wastewater discharge to land rather than freshwater, but seeks appropriate timing and policy/rules for this to occur given the timing and level of expenditure required to meet the requirement is uncertain at present.
- 14.5 The prescription of work programmes and operational matters, typically the responsibility of territorial authorities, in the PNRP

appears to extend beyond the legislative remit of the plan.

- 14.6 As the scope of the PNRP is not limited to principally managing 'end of pipe' effects, this imposes undue additional regulatory requirements on SWDC's infrastructural operations (e.g. stormwater management, water efficiency, treated water effluent to land).
- 14.7 There is no recognition in the PNRP of the significant infrastructural role that water races play in the supply of water to rural areas in the South Wairarapa, along with the important contribution they make to the existing stormwater network.

#### ***Cultural and environmental expectations***

- 14.8 While the need to provide for cultural values is acknowledged, the proposed cultural and environmental effects framework has the potential to create interpretive and operational uncertainty as it appears to provide tangata whenua with a power of 'veto' over critical activities including the operation of regionally significant infrastructure.

#### ***Whaitua Process***

- 14.9 The uncertainty surrounding the outcomes and subsequent plan change/s arising from the Whaitua process is confusing in this context (e.g. just what do we plan on) and has further implications for the Council in terms of associated implementation timeframes and compliance costs.

### **Statutory Context**

- 15 In terms of the responsibilities of territorial authorities regarding the operation and maintenance of key infrastructural assets, section 101B of the LGA is of particular relevance.
- 16 Under this section SWDC is required, as part of its long-term plan, to prepare and adopt an infrastructure strategy for a period of at least 30 consecutive financial years (s.101B(1)).
- 17 In addition to outlining how the Council intends to manage its infrastructural

assets, the strategy also needs to set out the best practicable scenario to manage Council assets over its lifetime, including (s.101B(4)):

- a) showing indicative estimates of the projected capital and operating expenditure associated with the management of those assets –
  - i. in each of the first 10 years covered by the strategy; and
  - ii. in each subsequent period of 5 years covered by the strategy;  
and
- b) identifying –
  - i. the significant decisions about capital expenditure the local authority expects it will be required to make; and
  - ii. when the local authority expects those decisions will be required; and
  - iii. for each decision, the principal options the local authority expects to have to consider; and
  - iv. the approximate scale or extent of the costs associated with each decision; and
- c) including the following assumptions on which the scenario are based:
  - i. the assumptions of the local authority about the life cycle of significant infrastructure assets:
  - ii. the assumptions of the local authority about growth or decline in the demand for relevant services:
  - iii. the assumptions of the local authority about increases or decreases in relevant levels of service; and
- d) if assumptions referred to in paragraph (c) involve a high level of uncertainty –
  - i. identify the nature of that uncertainty; and
  - ii. include an outline of the potential effects of that uncertainty.

- 18 Aside from the more operationally focused considerations under the LGA, the effects of infrastructure on the environment and communities is also an important matter of consideration under the RMA. However, this is an area outside the scope of my professional expertise and is addressed in the evidence prepared and presented by the Council's consultant planner, Ms Pauline Whitney.
- 19 Regardless, I would draw attention to the fact that under section 101B(3)(d) of the LGA the Council is required, in its infrastructure strategy, to outline how infrastructural assets are to be managed taking into account the maintenance or improvement of public health and environmental outcomes or the mitigation of adverse effects on them.

### **SWDC Infrastructural Overview**

- 20 SWDC recognizes that infrastructure is a foundational element for all communities, including those in the Wairarapa, as it provides essential services to cater for daily life and economic activity and acts as a critical lifeline in the case of emergencies.
- 21 The Council acknowledges that the development and operation of infrastructural services, including the 3 waters, can negatively impact on environmental and cultural values. However, it considers that such impacts need to be appropriately weighed against the necessity of infrastructure and benefits that this infrastructure affords.
- 22 While the PNRP recognises the essential role of infrastructure in an overall sense, it imposes unreasonable constraints or expectations on their operation through specific provisions relating to such matters as stormwater management, water efficiency and transfer of treated water effluent to land. SWDC considers that the proposed plan also has the potential to limit the effective and efficient ongoing operation of existing infrastructure such as the district's urban and rural water supplies.
- 23 The PNRP creates significant uncertainty for both SWDC and the wider Wairarapa community as it neither aligns with or recognizes the Council's long term asset management planning objectives reflected in its current Infrastructure Strategy. In the South Wairarapa district, there are four

wastewater community systems with 3,274 properties connected with Lake Ferry the first to irrigate to land as council moves to 100% irrigation to land within 35 years.

- 24 Additionally, the anticipated timeframes and cost to implement the requirements in the PNRP have substantial implications for the Wairarapa community. These include the prospect of infrastructural upgrades and/or introduction of alternative water supply and methods of wastewater disposal, both of which are unlikely to be affordable in the short to long term. Increased cost will also be incurred due to the additional time/resource required to monitor an expanded range of environmental conditions.
- 25 SWDC acknowledges that some aspects of the PNRP have merit in principle, such as catchment management planning. However, in saying this the Council considers that the proposed plan needs to recognize that the measures it is seeking to introduce are not always practical or realistic in all circumstances, particularly in the context of small rural communities and that the statutory mandate under the Act is to manage the effects of discharges, not the system generating the discharge.

### **Matters specific to this hearing**

- 26 Specific to the plan provisions specific to this first hearing, I concur with evidence provided by Mrs Whitney and the amended provisions outlined in her evidence.

### **Concluding remarks**

- 27 I appreciate the opportunity to speak before you today and voice the concerns of SWDC with the PNRP as notified. SWDC are willing and keen to take part in any further pre hearing meetings to discuss the proposed plan and provide constructive alternative provisions.