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Report to the Rural Services and Wairarapa Committee
from Stephen Thawley, Resource Advisor, Planning & Resources Department; and
Ian Gunn, Manager, Operations

Changes to Management of Gravel Extraction in Wairarapa

1. Purpose

To inform the Committee of recent changes to the management of gravel extraction activities in the Wairarapa and to seek their endorsement of guidelines for future consent processing and licensing undertaken by the Planning & Resources Department and Operations Department.

2. Background

In 1997/98 a review of the gravel consent processing and management systems was completed. That review, which was endorsed by the Rural Services and Wairarapa Committee in August 1998, recommended that the Operations Department apply for one resource consent to extract the gravel from the Ruamahanga River system. The key advantages identified in this recommendation were:

- An improved turnaround time for gravel users under a 'one-stop shop' approach.
- Reduction in consent processing workload and associated costs.
- More cohesive river management by the Operations Department.
- Opportunities to improve compliance monitoring systems.

The Operations Department gained an appropriate resource consent in June 2001 and the consent became operative on 1 July 2001.

3. Implementation of Licensing System (Operations Department)

3.1 Development of Guidelines for Licensing System

Guidelines have been developed for the operation of a licensing system as required under the Operations Department's consent. Attached as Appendix 1.

The guidelines were developed following consultation meetings with –

- the Gravel Guardians
- the Gravel Users Group
- a Gravel Forum

All these meetings were constructive. The gravel forum input resulted in significant changes to the inspection fee option and there was considerable debate on the fees.

An additional meeting was held with Wairarapa Aggregates Ltd to discuss their concerns. They subsequently raised two issues –

- the length of the long term licence. They wish to have a term of 3 years with two further renewals of three years each. This is so that they have surety with their investments.
- the right to appeal any decisions by the Divisional Engineer.

With regard to the length of the licence terms, the Operations Department has a resource consent for 15 years with review periods for extraction limits every 3 years. As the licensing system and guidelines developed are new, the Operations Department has decided to issue long term licences for 3 years. A key guideline is that the allocation of gravel under long term licences in the future will be on the basis of past gravel returns. Hence any long term licence holder who consistently takes gravel and complies with the licence conditions will have a strong case for renewing long term licences every 3 years. Note that under the system of individual resource consents the term was one year with no surety of volumes in subsequent years, hence the surety offered under the new licensing system has improved.

The second issue is the one of natural justice with regard to the "Divisional Engineer's final discretion". Wairarapa Aggregates Ltd have been advised that the guidelines would be put to the Rural Services and Wairarapa Committee for their endorsement. Thus the Divisional Engineer will have to comply with the guidelines. Any changes to the guidelines will only occur after consultation with the gravel industry as required by the resource consent. Wairarapa Aggregates Ltd or any other gravel contractor could, if they were aggrieved by the "Divisional Engineer's decision", take the matter further with the Rural Services and Wairarapa Committee.

It must be remembered that the Operations Department does hold the resource consent - “the buck does stop with us”. The Divisional Engineer must be able to make decisions to ensure the resource consent conditions are complied with.

3.2 Progress on Issuing of Licenses

Up to 19 July 2001, 40 licences have been granted to 15 different contractors.

The following licences have been issued –

- 21 long term licences
- 16 annual licences
- 3 one-off licences

It is clear that many of the gravel contractors are preferring to apply for the long term licences (3 year duration).

The resource consent allows 300,000m³ of gravel to be extracted annually. A total of 200,000m³ has been allocated. To break even with our costs 250,000m³ needs to be allocated.

As a consequence of this allocation –

- (1) the Waihenga to Pahautea reach is fully allocated;
- (2) further allocations from Dry River have been put on hold until freshes replenish the gravel supply in the vicinity of the Dry River bridge;
- (3) the following reaches are close to full allocation –
 - Double Bridges to Black Rock Road
 - Black Road Road to Te Ore Ore
 - Wardells Bridge to Gladstone Bridge
 - Waipoua River
 - Waingawa River
 - Huangarua River

Graham Reidy, who is managing the licensing system, will watch the situation in the Waihenga to Pahautea section closely. If after the first quarter high extraction levels are actually occurring, it is likely that an additional resource consent for this area will be applied for by the Operations Department.

4. Future Consent Processing and Compliance Monitoring (Planning & Resources Department)

4.1 Consent Processing

A key advantage identified in the initial review of gravel consent processing and management systems was that gravel extraction could be

managed under a 'one-stop shop'. To avoid the potential of users applying for separate resource consents in the future, guidelines have been developed to give guidance to staff when dealing with any applications for resource consent for gravel extraction in the Ruamahanga River system. These guidelines are detailed in Appendix II. The general principles identified in the guidelines will ensure integrated and efficient management of gravel resources and will reduce the potential for fragmented management should separate resource consents be granted outside of the licensing system operated under the Operations Department consent.

It should be noted that the limited gravel extraction undertaken outside of the Ruamahanga River system (i.e. eastern hill catchments, and south coast rivers and streams) will still be managed by the Planning & Resources Department through the consent processing system.

4.2 Compliance Monitoring

Both the Operations Department and Planning & Resources Department will monitor gravel extraction activities. The Operations Department will be monitoring specific extractions under their licensing system.

The Planning & Resources Department will undertake random compliance monitoring of river reaches at various times of the year. The Planning & Resources Department will also be able to undertake a more proactive role in enforcement, ensuring that any gravel extraction activities are covered under the licensing system.

5. Gravel Guardians

As part of the Operations Department resource consent for gravel extraction from the Ruamahanga River system, a protocol was developed between the Wellington Regional Council, Rangitaane o Wairarapa, Ngati Kahungunu ki Wairarapa, and Federated Farmers. The protocol set up a group entitled Gravel Guardians, which would have a proactive role in ensuring an ongoing partnership between the above parties to ensure the sustainable management of gravel resources in the Ruamahanga River system.

The inaugural meeting of Gravel Guardians was held on Friday, 15th June 2001. A draft timetable has been proposed for the year ahead, including field inspections. Both the Operations Department and Planning & Resources Department are looking forward to establishing a strong working relationship in the next year with the other parties in Gravel Guardians.

6. Communications

The Operations Department has consulted with the wider gravel industry and Gravel Guardians about the guidelines for the licensing system. Any decisions made by the Committee will be communicated to Wairarapa Aggregates Ltd and made available to the wider gravel industry.

The Planning & Resources Department guidelines for consent processing will be made available to the wider gravel industry and the Gravel Guardians.

7. Recommendation

1. *That the report be received.*
2. *That the guidelines for processing licenses under resource consent WAR 990026 held by the Operations Department be endorsed by the Committee*
3. *That the guidelines for processing future resource consent applications for gravel extraction be endorsed by the Committee.*

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