

**Geoff Skene**  
Manager, Environment Co-ordination

## **Environment Co-ordination Department Report – February 2004**

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### **1. Pauatahanui Inlet (Tim Porteous; Nigel Clarke)**

Stage 2 of the Pauatahanui Restoration Plan has been completed. The report was prepared by Paul Blaschke and Clive Anstey. This draft is now open for public comment and has been advertised by Porirua City Council. It focuses on the southern and western urban margins of Pauatahanui Inlet, including the entire Duck Creek catchment. Its purpose is provide a plan for restoring these areas so as to reduce the inflow of sediment and pollutants into the estuary, looking specifically at water courses, stormwater, and potential development and land use proposals in the area.

On a smaller scale, but no less important, on the 27<sup>th</sup> of January Nigel Clarke assisted a group from Simpson Grierson to plant further parts of the riparian margins of the Kakaho Stream. This continues work that has been undertaken on this stream by other corporate groups in the last two years. Another group from ERMA will work on the Horokiri Stream on the 27<sup>th</sup> of February.

### **2. Take Action (Eleanor Phillips; Susan Hutchinson-Daniel; Richard Morgan; Jo Fagan;)**

Term 1 Schools doing Take Action are Featherston Primary, Taita Central School, and Plateau School from Upper Hutt. By the time the Committee meets, all three schools will have seen the multi-media introduction to the programme and Featherston will be part way through its trails.

Take Action is fully booked for 2004 but thus far, no schools have signed up for the self-guided version of the programme. In part this is because schools are opting to wait their turn until obtaining a space on the guided programme (already there are four schools booked for 2005). But also the reason lies in teachers' unwillingness to do the "scientific" parts of the programme, due to their lack of knowledge about stream life and the effects of pollution. We are producing additional materials that will help teachers with this. Drafts have been completed and the finished versions will be available by June. We have also specifically investigated this problem of low up take and developed a strategy for increasing the number of self guided schools.

### **3. Take Care (Nigel Clarke)**

This is generally a quiet time of year for care groups. A number, however, are continuing with their normal round of working bees and maintenance. The O Te Pua group has commenced a new spraying programme for the wetland, and the Fensham Group is working on its wetland monitoring guidelines. At the Day's Bay dune restoration, we are working with the group on an educational sign to explain the project and its use of plants to stabilise the dune.

As I indicated verbally at the last meeting, four new groups are being funded this year. They are the:

- Millwood Residents Association restoration of Hulls Creek (upstream from the current Silverstream Railway restoration project);
- Friends of the Millenium Reserve wetland restoration in Masterton;
- Friends of Owhiro Stream (Brooklyn area) stream restoration ; and
- Oku Reserve Community Group's sand dune restoration at Island Bay.

Funding is also being provided for a fifth group, the Friends of the Otaki River, which has come into the Take Care programme this year. A full report on this year's care groups will be provided by Nigel Clarke at the next meeting of the Committee.

### **4. Protecting biodiversity on private land (Tim Porteous)**

Since 2000/01 the Council has been assisting landowners to protect areas of remnant bush and wetlands on their properties through perpetual covenants with the Queen Elizabeth II National Trust. Between then and now, this work has been reported by the Operations Department in the Wairarapa. However, at the last LTCCP, this function was transferred to the Environment Co-ordination Department. We will be reporting on the programme from now on.

At the end of December last year commitments had been made to 19 covenants at a cost of \$51,119. This exhausts our funding for covenants this year. Three hundred and thirty six hectares of bush and wetlands are covered by these covenants, across a range of landscapes and ecosystems. Tim Porteous will provide the Committee with further information on some of the areas covenanted in the last three years in the near future.

## **5. Waiwhetu Stream (Tim Porteous)**

Additional funding for the Waiwhetu Stream has been obtained from a Ministry for the Environment contaminated sites fund. This will pay for four small investigations into the removal and management of the contaminated sediments in the lower part of the stream. These investigations will take place this financial year. It is our hope that by the end of June we will be in a position to seek the approval of the Committee and the Hutt City Council to commence a public consultation programme about the stream and options for its management.

Name Nicola Shorten  
Designation Manager, Resource Policy

## Resource Policy Department Report – February 2003

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### 1. Maintaining Regional Policies and Plans

#### 1.1 Regional Plans

The operative plans changes are available on our website.

Transit has withdrawn one of their references. We are still working on the other two references on the Freshwater Plan.

Greater Wellington's submission on the National Environment Standard for Air Quality is the subject of separate report to the Committee.

#### 1.2 Regional Coastal Plan/Coastal Matters

The draft changes to the Regional Coastal Plan that relate to noise in the port area (to be consistent with upcoming changes in the Wellington City Council District Plan) are still on hold. This is because the City Council would like to resolve some issues with their inner city noise changes first.

The submission period for the aquaculture discussion document has closed. We received 10 submissions, which have been summarised and sent to interested people. Issues relating to ownership of the foreshore and seabed will mean that the aquaculture moratorium will continue until the end of 2004.

Consultation on Oceans Policy has also been deferred as a result of the Governments proposals for consultation on the foreshore and seabed. The Oceans Policy Secretariat is unable to confirm a timetable for this work at this time.

### 2. Regional Plan Implementation

#### 2.1 Wetland Action Plan

The wetland incentives programme is being implemented. There has been a lot of demand from landowners wishing to be involved in the programme.

Greater Wellington is organising a national wetland symposium, which is being run in partnership with Action Bio-Community and the National Wetland

Trust. *Restoring Wetlands – a practical forum* will be held on February 27 and 28 with an optional fieldtrip on February 29.

## **2.2 Freshwater (Murray McLea and Kirsten Forsyth)**

**Riparian Management Strategy:** reviews of the riparian pilot projects for both streams in the western part of the Region have been completed. A booklet about riparian management is being developed and will include information about planting, the links between land use and stream condition, links to other publications and where to go for help.

**Urban Streams:** the urban streams study done in conjunction with Wellington City Council and Porirua City Council has been completed, and a presentation given to staff of all three authorities. This year the work will continue into the Hutt Valley and Kapiti Coast.

## **2.3 Marine Biodiversity (Paul Denton)**

The final in our series of marine biodiversity talks at Te Papa was held on Thursday 27 November. The topic was Wellington's estuaries and inlets. A study on the beaches and estuaries of Wellington Harbour and Cook Strait is scheduled to take place this summer as the final part of work on the three year case study Our Harbour, Our Strait.

## **2.4 Other**

Statutory resource management work is the subject of a separate report to the Committee.

## **3. Iwi matters (Rawiri Faulkner)**

Ara Tahi have not met since the last Environment Committee meeting. The next meeting is scheduled for Friday 20 February.

Current projects are:

- Taranaki Whanui Iwi Management Plan;
- Wellington Tenth's Trust GIS project;
- Whakarongotai water monitoring project;
- Rangitaane oWairarapa GIS project

## **4. Hazards (Rylee Pettersson)**

Work continues on the development of the Internet portal for hazard information – one of the main recommendations from our user needs analysis. We have had help gathering data from a Victoria University student who will be doing her practicum with us over the summer.

The analysis of a national coastal hazards survey has been completed (for the Wellington Region only). Seven sites in the Wellington Region were included in the national survey which looked into peoples knowledge about and preparedness for a variety of natural hazards, particularly erosion and tsunami.

**John Sherriff**  
Manager, Resource Investigations

## Resource Investigations Department Report – February 2004

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### 1. Resource Information

#### 1.1 Flood warning

The Resource Investigations Department provides a flood warning and monitoring service for the western part of the Wellington Region. Rainfall and river level recorders around the Region automatically relay information to the Regional Council Centre. When specified rainfall intensities or river levels are reached the system automatically alerts staff who implement response procedures.

Since the last meeting of the Committee the following rainfall and water level alarms were received and responded to:

13 November 2003	<b><i>Rainfall:</i></b> McIntosh, Kapakapanui, Transmission lines, Oriwa. <b><i>Water Level:</i></b> Otaki
22 November 2003	<b><i>Rainfall:</i></b> Oriwa
6 December 2003	<b><i>Rainfall:</i></b> Oriwa, Kapakapanui, Warwicks, Orongorongo. <b><i>Water Level:</i></b> Otaki
23 December 2003	<b><i>Rainfall:</i></b> Oriwa, Kapakapanui, Warwicks, Taungata. <b><i>Water Level:</i></b> Otaki
27 December 2003	<b><i>Rainfall:</i></b> Warwicks.
28 December 2003	<b><i>Rainfall:</i></b> Wainui, TVL, Horokiri, Wayne's Mistake, Orongorongo, Kaitoke <b><i>Water Level:</i></b> Wainuiomata, Porirua, Birchville.

7 January 2004	<b>Rainfall:</b> Warwicks.
9 January 2004	<b>Rainfall:</b> Warwicks, Orongorongo, McIntosh.

## 1.2 Wind monitoring

Staff have been completing the installation of wind monitoring equipment at Belmont Regional Park for Utility Services. Despite a few initial commissioning problems the equipment is working well, withstanding a maximum wind gust of 38.7 m/s (nearly 140 km/h) on January 9.

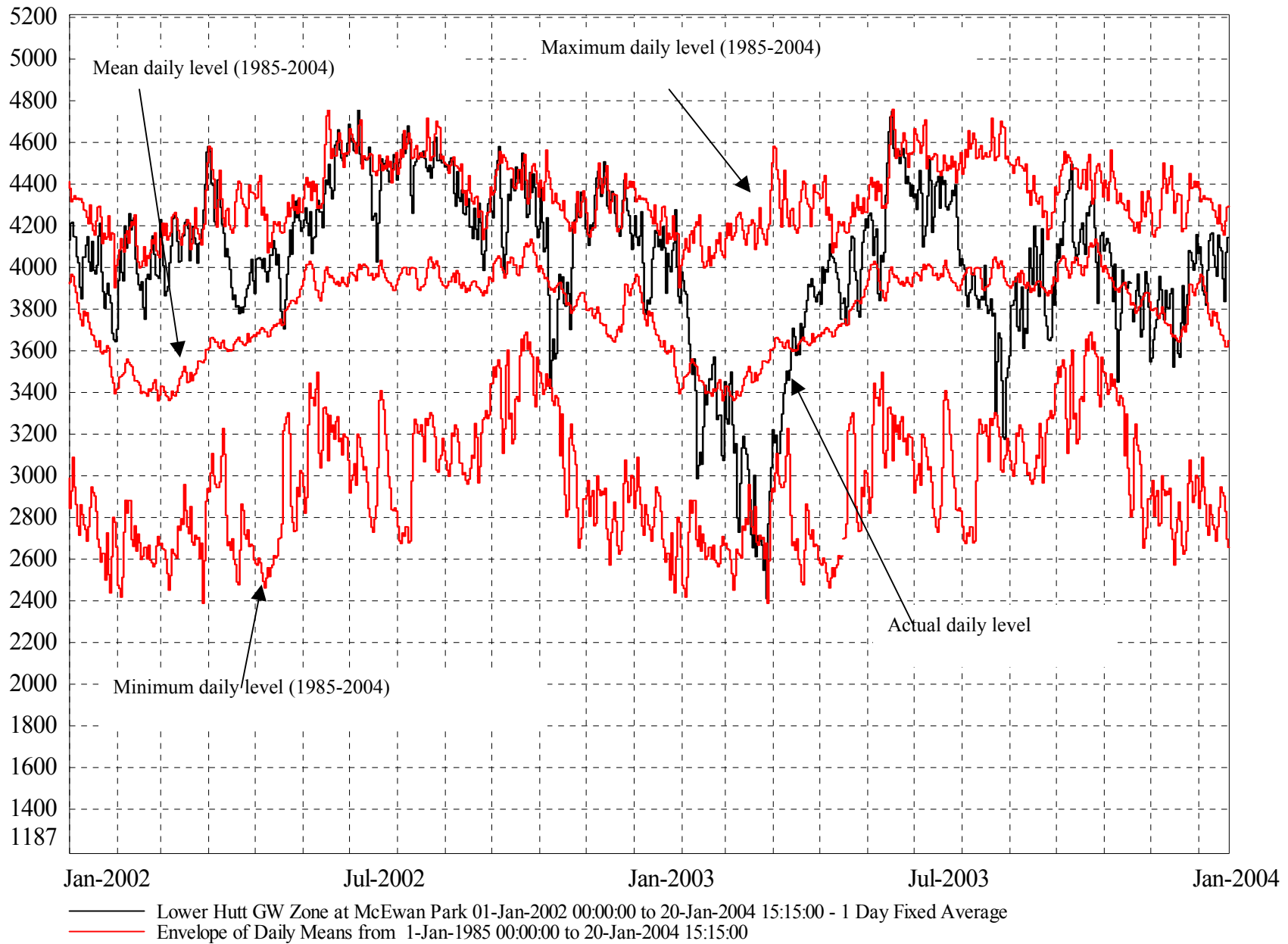
## 2. Resource Analysis

### 2.1 Groundwater levels

The Department monitors groundwater levels at 46 sites around the western Region. We use two of these bores, McEwan Park at Petone and Hautere Plain on the Kapiti Coast as general indicators of the state of groundwater resources in these areas.

#### **Lower Hutt groundwater zone – Upper Waiwhetu artesian aquifer**

The following diagram shows that aquifer pressure at our McEwan Park monitoring bore is currently above the long-term average level, similar to the same time last year. A dry autumn in 2003 saw water levels decline close to the first alarm level and it remains to be seen whether the same pattern will occur in 2004.





## Kapiti Coast

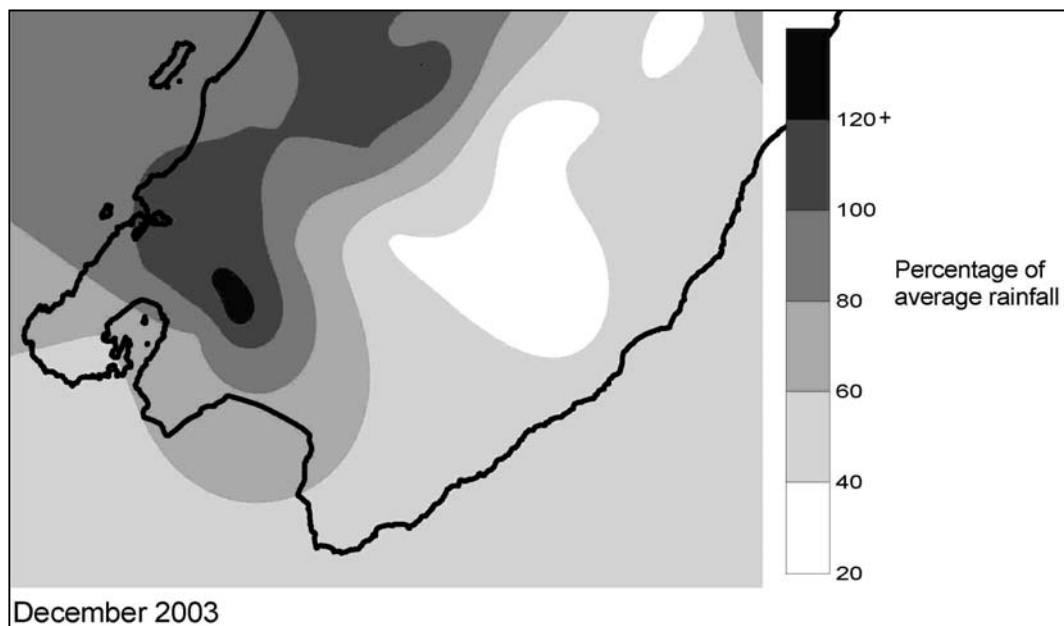
Rainfall and river recharged aquifers on the Kapiti Coast are at about average levels for this time of year and appear to be following a normal seasonal recession.

## 2.2 Rainfall and river flows

### Rainfall

The weather during November and December was unsettled, with stronger westerly flows over the North Island than usual. The resulting rainfall during November was significantly below average in the Hutt Valley and Porirua, where about 60% of the usual rainfall was received. Similarly rainfall was below average in Waikanae, but in the rest of the western Wellington Region rainfall for the month was about normal.

December's rainfall was influenced by the strong north-westerly weather. Rainfall was average to above average in the Tararua Ranges, but slightly below normal in Wellington, the Kapiti Coast and the Hutt Valley. The eastern part of the Region received significantly below average rainfall for the month, with parts of the Wairarapa receiving less than half the usual rainfall for December (see map below). Rainfall during January to date has been about average in most of the western Wellington Region, except on the Kapiti Coast where already higher than normal rainfall has been received.



Although there were no major storm events in November and December 2003, a short duration heavy rainstorm occurred on 28 December. In Wellington, Porirua, Hutt Valley and the Kapiti Coast the rainfall received over an hour had a return period of 2 to 3 years.

## River flows

The lower than average rainfall in parts of the Region lead to lower than average river flows in all monitored rivers during November. The average river flows in the Hutt River, Wainuiomata River and Porirua Stream were about 70% of normal for November. The Kapiti Coast rivers were also relatively low, with flows at 60-90% of normal.

In December river flows recovered due to the higher than average rainfall in the Tararua Ranges. Most rivers had flows about normal for that time of the year. However, the Otaki River remained significantly below normal flow (80% of the usual flow), and the low flow trigger level for the river was reached on several days in December and early January. Similarly the Wainuiomata River reached its low flow trigger level on several occasions throughout November and December. The river flows during January to date are about normal for this time of the year.

The highest river flows during the period in the Hutt catchment, Wainuiomata River and Porirua Stream occurred following the short heavy rainfall on 28 December. The highest flows in the Kapiti Coast rivers during November and December occurred following rainfall on 13 November. However, none of these events were larger than the mean annual flood.

## 2.3 Air quality monitoring

### 2.3.1 Ambient air quality monitoring

We currently monitor ambient air quality at three sites in Lower Hutt (Birch Street Reserve), Upper Hutt (Trentham Fire Station) and Masterton (Wairarapa College). We also monitor carbon monoxide emissions at Te Aro.

The graphs below represent air quality at the location indicated when the monitoring results are compared to ambient air quality guidelines. The assessment categories are as follows:

Category	Maximum Measured Value	Comment
Action	Exceeds Guideline	Completely unacceptable by national and international standards.
Alert	Between 66% and 100% of the guideline	A warning level which can lead to guidelines being exceeded if trends are not curbed.
Acceptable	Between 33% and 66% of the guideline	A broad category, where maximum values might be of concern in some sensitive locations, but are generally at a level that does not warrant

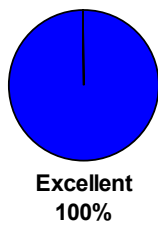
dramatic action.

Good	Between 10% and 33% of the guideline	Peak measurements in this range are unlikely to affect air quality.
Excellent	Less than 10% of the guideline	Of little concern.

**Councillors will be aware that our *Take 10 - Quality of Life* target for air quality is that there will be no recorded instances when air pollution reaches the "alert" level of the national air quality guidelines.**

### Results for the past ten weeks at Upper Hutt

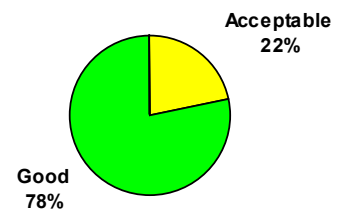
8-Hour Average CO at Upper Hutt



24-Hour Average NO<sub>2</sub> at Upper Hutt

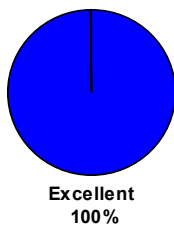


24-Hour Average PM<sub>10</sub> at Upper Hutt

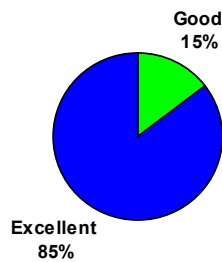


### Results for the past ten weeks at Lower Hutt

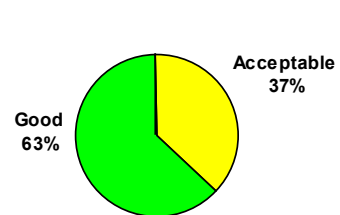
8-Hour Average CO at Lower Hutt



24-Hour Average NO<sub>2</sub> at Lower Hutt

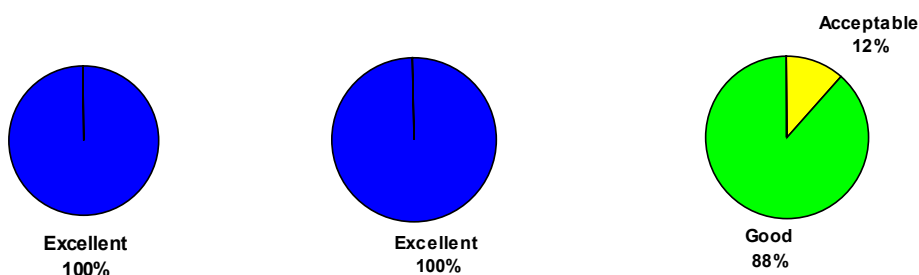


24-Hour Average PM<sub>10</sub> at Lower Hutt



## Results for the past six weeks at Masterton

8-Hour Average CO at Masterton    24-Hour Average NO<sub>2</sub> at Masterton    24-Hour Average PM10 at Masterton



## Results for the past six weeks at Te Aro

8-Hour Average CO at Te Aro



### 2.3.2 Transport emissions monitoring station

The Region's first permanent air quality station for monitoring the effects of traffic emissions has been installed at the corner of Vivian and Victoria Streets in Central Wellington. This site is identified as a key indicator site in the Regional Land Transport Strategy.

## 3. Pollution control

### 3.1 Pollution and non-compliance complaints

A summary of pollution complaints, our performance in responding to them and enforcement action taken is reported separately.

### 3.2 Regional Council role in Hazardous Substances and New Organisms Act compliance and enforcement

The Ministry for the Environment is currently considering whether regional councils should have a role in monitoring compliance with, and enforcement of, the provisions of the Hazardous Substance and New Organisms Act (HSNO). Staff attended a workshop convened by the Ministry for the Environment and the Environmental Risk Management Authority (ERMA) to discuss the feasibility of such an initiative.

Our initial reaction is that such a role would complement and augment *Take Charge*, our pollution prevention programme. However, we will need to examine the following issues in more detail before making any commitment to pursuing this initiative:

- the resourcing implications that such a new role would have for the Pollution Control team;
- issues of accountability and liability for compliance and enforcement under HSNO; and
- the position in regard to this matter of territorial authorities within the Region.

ERMA are looking to conduct a number of pilot projects around New Zealand which would assess the effectiveness of regional councils taking a role in HSNO compliance and enforcement. We have expressed an interest in participating in this way, subject to clarification of accountability and liability issues, and agreement with the territorial authorities in our Region.

### **3.3 Infringement Notices for unlawful discharges from boats**

The Government has recently extended the Resource Management (Infringement Offences) Regulations to apply to unlawful discharges and dumping from ships and offshore installations. This means that from 16 January 2004 regional councils will be able to issue an infringement notice for a breach of the Resource Management (Marine Pollution) Regulations 1998. The fine level will be \$500.

Staff from the Pollution Control team and Harbours Department have been discussing how this enforcement tool will be used in practice

Luci Ryan  
Manager, Consents Management

## Consents Management Department Report – February 2004

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### 1. Consent statistics

In the period to 28 January 2004 we received 381 consents. This compares with 202 consents received for the same period last year.

All consents processed in the 2003/2004 year have been completed within statutory time frames.

A summary of the notified consents we are currently processing is attached.

### 2. Appeals and Objections

The Lyall Bay Surf Reef Appeal has been resolved via mediation. Consent orders were received from the court in mid-January and the consent certificates have been issued to the Lyall Bay Surf Reef Trust.

CentrePort has appealed conditions of the consents to dredge the harbour entrance and conditions relating to the dredging of the harbour berths. Greater Wellington is meeting with CentrePort to discuss the appeals in February.

The appeal period for the Waitangi Park consents closed at the end of January and no appeals were received.

### 3. Compliance

#### 3.1 General

The resource advisors are currently very busy undertaking annual compliance visits. So far there has not been any major causes of concern. We are currently investigating an apparent breach of consent at Ivey Bay, in relation to works at the Kindergarten.

Taylor Preston applied for and was granted a variation to their discharge to air consent, which will enable them to install a biofilter at the plant. It is anticipated that this will be installed by 1 June 2004.

#### 3.2 Abatement notices

We have not issued any abatement notices since the last Committee meeting.

### **3.3 Infringement notices**

We have issued two infringement notices since the last Committee meeting. NZ Fish was issued with a notice at the end of November 2003, in relation to an offensive and objectionable odour that was detected beyond the site boundary. Steam and Sand was issued with an infringement notice at the end of December 2003 in relation to a breach of their discharge to air consent. We have yet to receive payment for either notice.

### **3.4 Prosecution and enforcement orders**

The prosecution against KCDC was successful and a suspended sentence was imposed. If KCDC breach their consent again in the next 12 months the courts will invoke the suspended sentence.

There are no other prosecutions or enforcement orders on-going at present.

## **4. Other**

We have had two new staff members join the team since the last Committee meeting. Sonia Ellis has joined us as an Account Manager and Mark Madle has joined us as a Resource Advisor.

Applicant	Proposal	Date Consent Lodged	Date Submissions Closed	Number of Submissions Received	Pre-hearing Held	Hearing Held	Hearing Committee Members	Date Decision Released	Granted or Declined
Transit <sup>1</sup>	Consents associated with the construction of an interchange at the intersection of State Highway 2 and 58.	07/11/00	19/01/01	99	N/A	27/06/01 – 16/07/01 Reconvened on 01/08/01-02/08/01 and 27/08/01	Helen Tobin, Russell Howie and Richard Fowler	12/10/01	Granted – under appeal
Transit <sup>1</sup>	Consents associated with the realignment of State Highway 58.	07/11/00	19/01/01	99		27/06/01 – 16/07/01 Reconvened on 01/08/01-02/08/01 and 27/08/01	Helen Tobin, Russell Howie and Richard Fowler	12/10/01	Granted – under appeal
Wellington City Council	Change of consent monitoring conditions for the Moa Point Pump Station.	02/11/00	08/12/00	2		On hold for further information in relation to monitoring requirements			
CentrePort	To dredge inner harbour berths and dispose of the dredged material.	24/10/02	6/05/03	9		11/07/03 and 12/07/03	Christine Foster, Ian Stewart, Jack Rikihana	14/08/03	Granted with conditions – under appeal
CentrePort	To dredge the harbour entrance and dispose of the dredged material.	24/10/02	20/05/03	13		25/06/03-27/06/03 and 18/07/03	Christine Foster, Ian Stewart, Jack Rikihana	04/07/03	Granted with Conditions – currently under appeal
Moa Point Sewage Treatment Plant	To discharge treated and screened wastewater from the long outfall	8/12/03	5/02/04						
Silverstream Landfill	Consents associated with the development of Stage 2 of the landfill	26/11/03	29/01/04						
Mangaroa Metal Company <sup>2</sup>	To construct two culverts and to discharge water from a sediment retention structure in association with a quarry operation.	21/11/03	23/01/04	4					

<sup>1</sup> These applications were heard jointly with Hutt City Council, Porirua City Council and Upper Hutt City Council

<sup>2</sup> This consent is being processed using limited notification.



<b>Applicant</b>	<b>Proposal</b>	<b>Date Consent Lodged</b>	<b>Date Submissions Closed</b>	<b>Number of Submissions Received</b>	<b>Pre-hearing Held</b>	<b>Hearing Held</b>	<b>Hearing Committee Members</b>	<b>Date Decision Released</b>	<b>Granted or Declined</b>
Wharfe Quarry <sup>3</sup>	To undertake a quarrying operation, including discharge of stormwater, dam and diversion of water, taking of water and piping a water course.	6/11/03	not yet notified						
Onyx	To discharge contaminants to air associated with the operation of a waste processing facility.	19/12/03	12/02/04						

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<sup>3</sup> This application will be jointly heard with Porirua City Council

**Mike Pryce**  
**Manager, Harbours**

## **Harbours Report - February 2004**

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### **1. Harbour navigation aids**

All navigation aids operated satisfactory.

The contract work on the repainting of the steel structure of the Front Leading light is progressing.

### **2. Oil pollution response**

Thirteen reports of oil spills were received, four required minor clean up action and monitoring.

Two iwi representatives attended an MSA Oil Spill Fundamentals training course at Te Atatu during December.

Our contracted Oiled Wildlife Responders have changed from the Little Blue Penguin Foundation to the SPCA because the former organisation has disbanded.

### **3. Events**

One swim raft was put in place in position off Oriental Bay on 10 December, and the second was placed on 23 December. They are expected to get much more use with the enhanced beach in the area

New Bylaws were approved by Council on 11 December and came into force on 22 December 2003. New copies of the bylaws were published before Christmas for distribution and promulgation.

On 15 December we participated in a tabletop marine Search & Rescue exercise at the police special operations room at police HQ in Wellington

Ollie Muller started with us on 10 December as our additional summer harbour ranger.

The safety concerns raised about the proposed Lyall Bay surf reef were resolved to our satisfaction.

#### **4. Legislative Changes**

The National Advisory Committee on the Port & Harbour Safety Review held a meeting on 10 December 2003 to generally approve the working-group drafts produced to date. The drafts were released for public consultation on 22 January 2004, with submissions to be made by 31 March 2004.

Rian van Schalkwyk  
Manager, Emergency Management

## Emergency Management Department Report – February 2004

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### 1. Civil Defence Emergency Management Group

#### 1.1 CDEM Group Plan

Work on the CDEM Group Plan is progressing well.

The Department is in regular contact with emergency management agencies, lifeline utilities and other role-players. Since the last Committee meeting, several workshops have been held to carry out risk assessments and to identify key issues. The workshops covered all natural and man-made hazards. Overall there is a very good buy-in and all the organisations that have participated expressed their satisfaction.

Work on the ‘Operational’ part of the Plan is also progressing well.

#### 1.2 CDEM Group Work programme

Discussions with emergency management responders were held in regard to the CDEM work programme - which incorporates the following twelve projects:

- emergency water supply
- emergency communications
- emergency fuel supply
- regional reconnaissance
- urban search and rescue
- external supply of resources
- medical logistics
- public education
- response capability enhancement
- hazards management
- public education, and
- commuter management

## **2. Environment**

### **2.1 Earthquake reports:**

Since the last Environment Committee meeting 48 reports for earthquakes bigger than 3 on the Richter Scale were received from IGNS.

The only earthquakes felt in the Wellington Region were the following:

2004 Jan 30 **Mag.:** 3.1 **Depth:** 30 km, location *10 km north of Featherston*

2004 Jan 27 **Mag.:** 3.6 **Depth:** 30 km, location *20 km south-west of Wellington*

### **2.2 Special Weather Bulletins**

Eighteen (up to 30<sup>th</sup> January) Special Weather Bulletins (thirteen for heavy rain and five for strong wind) were received since the last Committee meeting. All the relevant agencies were notified. The most severe event was early in January when trees were uprooted and roofs blown off buildings.

### **2.3 Communications**

Weekly tests of the communications network are still being carried out. The system is functioning well and no problems have been experienced.

Name Richard Waddy  
Designation Divisional Accountant

## Financial Position: 31 December 2003

### 1. Operating Results

We are pleased to report the operating results for the six-month period ended 31 December 2003.

<b><u>Environment Division</u></b>				
<b><u>Summary Income Statement</u></b>				
<b><u>For the Period Ended 31 December 2003</u></b>				
	<b><u>Actual</u></b>	<b><u>Year to Date</u></b>	<b><u>Variance</u></b>	<b><u>Full Year</u></b>
	<b><u>\$000s</u></b>	<b><u>Budget</u></b>	<b><u>\$000s</u></b>	<b><u>Budget</u></b>
	<b><u>\$000s</u></b>	<b><u>\$000s</u></b>	<b><u>\$000s</u></b>	<b><u>\$000s</u></b>
Rates	3,820.1	3,820.1	--	7,640.2
Other Revenue	1,101.9	992.3	109.6 F	1,947.7
<b>Total Revenue</b>	<b>4,922.0</b>	<b>4,812.4</b>	<b>109.6 F</b>	<b>9,587.9</b>
<b>Less:</b>				
Direct Expenditure	4,044.6	3,992.6	52.0 U	8,599.7
Indirect Expenditure	622.5	629.0	6.5 F	1,271.8
<b>Total Operating Expenditure</b>	<b>4,667.1</b>	<b>4,621.6</b>	<b>45.5 U</b>	<b>9,871.5</b>
<b>Operating Surplus (Deficit)</b>	<b>254.9</b>	<b>190.8</b>	<b>64.1 F</b>	<b>(283.6)</b>

### 2. Surplus

We are pleased to report that the Division's finances are in a better than expected position with an operating surplus of \$255,000 recorded for the period. Our budgets provide for an operating surplus of \$191,000 for the corresponding period.

The result translates to a net favourable variance of \$64,000, comprising increased revenue of \$110,000, and offset, to an extent, by increased expenditure of \$46,000.

### **3. Revenue**

Total Revenue at \$4,922,000 is some \$110,000 above our budget target of \$4,812,000. During the period some large notified consents were completed. The most significant of these were CentrePort's resource consent applications for harbour dredging (\$95,000) and the Lyall Bay Reef Charitable Trust (\$23,000).

Further, the Department of Conservation contributed \$31,000 towards our biodiversity strategy during the period. This is the first instalment of a grant that amounts to \$79,000 in total. This revenue was not included in our budget.

In the last quarter, annual Resource Management charges were successfully processed using our new automated system and revenues of \$240,000 raised, which is slightly up on our anticipated budget figure of \$232,000.

### **4. Total Expenditure**

The Division's total expenditure at \$4,667,000 is some \$46,000 ahead of our budget. The main reasons for this variance are:

- Personnel costs were slightly over budget by \$17,000. Increases in staff salaries are the main cause of the increased spend. However, we expect that the variance will be eliminated with staff movements in the latter half of the year.
- Consultant costs were over budget by \$117,000. Additional Commissioners' fees for notified consent hearings contributed to this expenditure but these fees will be recovered.

In addition, we have incurred some large legal bills in relation to consent applications (e.g. CentrePort harbour dredging) and the successful prosecution of KCDC for breaching its consent for the Waikanae River.

We have taken to account the full amount that we provide for administrative support to the Iwi (\$15,000 payable to each) in the Region. However, in some instances Iwi are yet to take up their full entitlement.

### **5. Capital Expenditure**

Overall our capital expenditure programme is some \$75,000 under spent. Some of the shortfall is with the vehicle replacement programme. A car and a utility, which were to be replaced in the August/September buying round, were deferred until later in the financial year.