



Local Government
Commission

Mana Kāwanatanga ā Rohe

West Coast reorganisation: Decision to issue a final combined district plan proposal

30 August 2018

Introduction

1. This document records the Local Government Commission's decision, pursuant to clause 21 of Schedule 3 of the Local Government Act 2002, on its draft West Coast local government reorganisation proposal made at its meeting held on 30 August 2018. The document is based on a Commission officers' report to that meeting and includes Commissioners' own considerations and views.

Executive summary

2. The Commission released its draft West Coast reorganisation proposal on 10 April 2018 and called for submissions by 25 May 2018. The draft proposal involved:
 - (a) a transfer to West Coast Regional Council of the three district councils' district plan obligations under the Resource Management Act 1991
 - (b) a mandatory delegation of responsibility for a new combined West Coast district plan, from West Coast Regional Council to a joint committee of the four West Coast councils and local iwi.
3. By the deadline, 38 written submissions were received with 22 in support of the draft proposal and 14 opposed; and there were 19 valid survey monkey responses with 11 in support and 7 opposed.
4. A West Coast telephone survey showed majority support overall for the draft proposal (52 per cent) and with majority support in both Grey (62 per cent) and Westland (58 per cent) districts. In Buller District more people opposed the draft proposal (48 per cent) than supported it (33 per cent) with 18 per cent unsure.
5. The option of one or more unitary authorities for the West Coast was raised in submissions as an alternative to the draft proposal. A single West Coast unitary authority was considered and ultimately rejected by the Commission when determining its preferred option for the West Coast, based on the need to also introduce a tier of largely unfamiliar local boards. For this reason, a unitary authority (or authorities) is still not seen as the best option to achieve the purpose of local government relating to democratic local decision-making.
6. In addition, multiple unitary authorities would raise real concerns about ability to deliver quality services and regulatory functions on the West Coast. This is particularly the case in respect of regional council functions such as coastal management, important for the length of the West Coast, and catchment management. Rivers form the boundaries between the current districts and multiple authorities would, therefore, hinder effective catchment management and result in the duplication of scarce specialist resources.
7. Modified proposals involving either joint administration of the combined district plan once made, or for just a combined Grey-Westland district plan were also suggested in submissions. Joint plan administration would require further consultation by way of a new draft proposal. Given the few submitters who suggested this modification and the prolonged period of uncertainty a new draft proposal would cause, this option is not supported.

8. A modified proposal involving a combined Grey-Westland district plan would significantly undermine the argument of a need for a common West Coast approach to district plan-making, including joint resourcing. As a consequence, it would bring into question the rationale for the involvement of West Coast Regional Council. Accordingly this suggested modified proposal is also not supported.
9. It is noted, however, that if the Commission were to decide not to issue a final proposal, the two councils involved could agree at any time to pursue a Grey-Westland district plan under the Resource Management Act. This would require no Commission involvement.
10. Taking into consideration the submissions, views and other information received from interested parties through the consultation process, and having regard to the required statutory matters, the Commission considers that the draft proposal remains the distinctly preferable option to status quo district plan arrangements on the West Coast. This is on the basis of the draft proposal:
 - (a) best promoting the purpose of local government and particularly the requirement to meet the present and future needs of West Coast communities for good quality performance of the regulatory function of district plan-making
 - (b) facilitating improved economic performance on the West Coast as a result of significant efficiencies and cost savings, productivity improvements and simplified planning processes.
11. The Commission resolves, therefore, to issue the draft proposal as a final proposal, subject to the inclusion of a responsibility for West Coast Regional Council to fund the combined West Coast district plan by way of a regional rate.
12. In deciding to issue the draft proposal as a final proposal, the Commission is satisfied:
 - (a) it has sufficient information about the views of specified persons and organisations
 - (b) there is likely to be demonstrable community support for a final proposal in Buller, Grey and Westland districts. This is based on the good levels of support demonstrated for the draft proposal, the context of the level of response to the draft proposal, and feedback received throughout the period of engagement with the West Coast on the need for change including through forms of shared services.
13. In deciding to issue its draft proposal as a final proposal, the Commission agrees that it will travel to the West Coast to announce its decision. The next step will then be for the Department of Internal Affairs to prepare the required Order in Council to give effect to the final proposal, and for the Minister of Local Government to submit this to the Executive Council. Once the Order in Council is signed by the Governor-General, the West Coast transition board will be able to meet.

Resolutions

14. The Commission:

- (a) **notes** the Commission released its draft West Coast local government reorganisation proposal on 10 April 2018 involving:
 - (i) a transfer to West Coast Regional Council of the three district councils' district plan obligations under the Resource Management Act 1991
 - (ii) a mandatory delegation of responsibility for a new combined West Coast district plan, from West Coast Regional Council to a joint committee of the four West Coast councils and local iwi

Consultation

- (b) **notes** the consultation requirements (clause 20 of Schedule 3 of the Local Government Act 2002) for the draft West Coast proposal have been met through letters, public notices, wide circulation of the proposal brochure, meetings and newspaper articles inviting submissions, providing information on how to make a submission and the deadline for submissions, and seeking the views of interested parties on the draft proposal
- (c) **notes** the Commission received 38 written submissions on the draft proposal with:
 - (i) 22 in support
 - (ii) 14 either opposed or proposing an alternative
 - (iii) 2 neither in support nor opposed
- (d) **notes** in addition, 19 survey monkey responses, after removal of duplicated responses and submissions, were received with:
 - (i) 11 in support
 - (ii) 7 opposed
 - (iii) 1 neither in support nor opposed
- (e) **notes** three hearings for nine submitters who wished to be heard by the Commission in support of their submissions, were held in Westport on 30 May and in Greymouth and Hokitika on 31 May 2018
- (f) **notes** UMR Research undertook a telephone survey of 610 people across the three West Coast districts between 15 and 19 June 2018, on levels of support for the Commission's draft proposal with the following results:
 - (i) Buller District: 33 per cent support, 48 per cent opposed, 18 per cent unsure
 - (ii) Grey District: 62 per cent support, 23 per cent opposed, 15 per cent unsure
 - (iii) Westland District: 58 per cent support, 27 per cent opposed, 15 per cent unsure

Decision on draft proposal

- (g) **notes** under clause 21(1), the Commission must now do one of the following in relation to the draft West Coast reorganisation proposal:
 - (i) issue the draft proposal as a final proposal
 - (ii) issue a modified draft proposal as a final proposal

- (iii) identify, under clause 11, another preferred option as the basis for a new draft proposal
- (iv) decide not to issue a final proposal and give public notice of the decision and the reasons for it
- (h) **notes** the requirement to consider the submissions, views and other information received under clause 20, when making a decision about how to proceed under clause 21(1)
- (i) **notes** the Commission must have regard to the following when making a decision about how to proceed under clause 21(1):
 - (i) the matters specified in clause 12 which relate to the option that best promotes the purpose of local government (set out in section 10) and facilitates improved economic performance
 - (ii) the scale and scope of the changes proposed
 - (iii) the degree of community support for the draft proposal already demonstrated to the Commission
 - (iv) the potential benefits and disadvantages of modified proposals or alternative options
 - (v) the desirability of early certainty about local government organisation in the affected area
- (j) **notes** the submissions raised alternatives to the draft proposal and also information on its benefits and disadvantages, but did not include any new information that warrants revisiting previous decisions on the reasonably practicable options and preferred option
- (k) **agrees** not to identify the establishment of one or more West Coast unitary authorities as another preferred option and basis for a new draft proposal, as:
 - (i) one or more unitary authorities are not the best options for promoting the purpose of local government relating to enabling democratic local decision-making, and
 - (ii) multiple authorities would raise real concerns about ability to deliver quality services and regulatory functions on the West Coast
- (l) **agrees** not to issue a modified draft proposal for either joint administration of the combined West Coast district plan once made, or for a combined Grey-Westland district plan, as a final proposal as:
 - (i) joint plan administration has not been the subject of consultation with the West Coast councils and would therefore need to be the basis for a new draft proposal, and this would result in continued uncertainty about local government organisation on the West Coast relating to district plans
 - (ii) a combined Grey-Westland district plan would significantly undermine the argument of a need for a common West Coast approach to district plan-making including joint resourcing, and as a consequence the rationale for the transfer to West Coast Regional Council, while noting this option could be agreed at any time by the two councils concerned under section 80 of the Resource Management Act 1991 without the Commission needing to proceed to a final proposal

- (m) **agrees** not to decline to issue a final proposal and instead retain the status quo district plan arrangements, as the draft proposal is a distinctly preferable option to status quo arrangements on the West Coast:
 - (i) in relation to the purpose of local government, particularly meeting the present and future needs of West Coast communities for good quality performance of the regulatory function of district plan-making
 - (ii) for facilitating improved economic performance on the West Coast as a result of significant efficiencies and cost savings, productivity improvements and simplified planning processes
- (n) **agrees** issuing the draft proposal as a final proposal, subject to inclusion of a responsibility for West Coast Regional Council to fund the new combined West Coast district plan by way of a regional rate, is the option that best promotes the purpose of local government and facilitates improved economic performance on the West Coast

Issue of a final proposal

- (o) **agrees** the Commission is satisfied that it has sufficient information about the views of persons referred to in clause 20(1)(c) to proceed under clause 21(1)
- (p) **agrees** the Commission is satisfied there is likely to be demonstrable community support for a final proposal in each of the three affected West Coast districts based on:
 - (i) levels of support for the draft proposal demonstrated in each of the three districts by way of the written submissions, survey monkey responses, and West Coast telephone survey
 - (ii) the context of the level of response to the draft proposal
 - (iii) the feedback received throughout the entire engagement period about a need for change to local government arrangements on the West Coast including support for forms of shared services
- (q) **agrees** that provision for West Coast Regional Council to be responsible for funding the development of the combined district plan by way of a regional rate be added to the draft proposal
- (r) **agrees** that there also be provision in the final proposal for the joint committee to agree that the relevant district council be responsible for future plan changes relating to local variations and for funding such changes
- (s) **agrees** that the draft proposal, with the addition of the funding provisions in (q) and (r) above, be issued as a final proposal
- (t) **approves** the legal description of the final proposal as attached to this document
- (u) **agrees** the Chief Executive Officer be authorised to make any minor editorial changes to the final proposal document, including legal description, that do not materially affect its contents or conclusions, prior to it being issued

Next steps

- (v) **notes** that the Department of Internal Affairs is responsible for preparing the required Order in Council to give effect to the final proposal and the Minister of Local Government will then submit it to the Executive Council

(w) **agrees** the Commission will travel to the West Coast to announce its decision.

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Background

1. In August 2015 the Commission agreed, under clause 6 of Schedule 3 of the Local Government Act 2002 (LGA), to assess a reorganisation application which was deemed to be for a unitary authority covering the West Coast.
2. In parallel with its consideration of the application, the Commission entered into a relationship agreement with the four West Coast councils aimed at developing a common view on the current and future challenges for the region and options for addressing these. This included agreement by the Commission to assist the councils deliver a 'regional efficiency programme' which they had entered into under their 2014-16 triennial agreement.
3. Arising out of the relationship agreement, two priorities were identified for investigation: resource management planning processes and roading. The Commission, with council input, then procured the services of consultants to produce reports on these two priority areas. The two reports were presented to the West Coast Chair & Mayoral Forum in February 2017.
4. In June/July 2016 the Commission undertook an extensive community engagement programme on the West Coast to seek community views on the ways the councils are currently set up and the way services are delivered.
5. As a result of the engagement programme, the Commission agreed there was sufficient evidence to be satisfied, as required by the LGA, that there was demonstrable community support in Buller, Grey and Westland districts for local government reorganisation in the affected area (West Coast Region).
6. The Commission proceeded to invite alternative reorganisation applications, as it was required to do, and other more general proposals for change.
7. In April 2017 the Commission considered all the information received to date and identified options for assessment as possible 'reasonably practicable options', as prescribed in the LGA, for the West Coast.
8. Following careful consideration of the assessment of these options, the Commission identified two reasonably practicable options in addition to the status quo (already deemed by the LGA to be reasonably practicable):
 - (a) a unitary authority for the West Coast
 - (b) transfer to West Coast Regional Council of the three district councils' obligations for district plans under the Resource Management Act 1991 (RMA) with this option also involving establishment of a joint committee of the four councils and local iwi, and mandatory delegation to this committee of responsibility to prepare and adopt a combined West Coast district plan.
9. In November 2017 the Commission considered the three options against the legislative criteria for determining its 'preferred option'. The Commission determined the option of the transfer of district plan-making obligations and joint committee responsibility for a new combined West Coast district plan, as its preferred option.
10. The Commission then prepared a draft reorganisation proposal based on its preferred option. On 10 April 2018 the Commission released its draft proposal for consultation.

Consultation on draft proposal

11. Clause 20 of Schedule 3 of the LGA sets out the consultation requirements the Commission must meet in relation to its draft proposal. The Commission is satisfied that the consultation undertaken on the draft West Coast reorganisation proposal has met these requirements.
12. The draft proposal brochure was inserted into the *West Coast Messenger* which is delivered to every household on the West Coast, and copies were also made available at council offices and libraries. Public notices were placed in West Coast newspapers, media releases about the draft proposal were distributed, and letters were sent to all interested parties as required by clause 20(1)(c).
13. The draft proposal brochure was also placed on the Commission's website along with background reports, a copy of the Commission's decision paper, media release and public notice. In addition, a 'survey monkey' option was provided for people to submit their responses to the draft proposal online.
14. The above material included information on where further copies of the draft proposal could be obtained; an invitation for submissions by 25 May 2018; the manner by which these submissions could be made; and the opportunity to appear before the Commission in support of submissions at hearings to be conducted on the West Coast.
15. Immediately prior to the release of the draft proposal, Commissioner Annear and officers had a further meeting with the Buller District mayor, some councillors and council staff, to outline the main features of the proposal and to stress it was a draft proposal on which submissions were invited. The other West Coast councils were advised of this additional meeting with the Buller council. It followed earlier meetings with the four West Coast mayors/regional chair.
16. Follow-up advertisements and media releases were distributed to remind people of the deadline for submissions.

Submissions and other responses

17. The Commission received a total of 38 written submissions on the draft proposal (separately circulated to Commissioners) of which:
 - (a) **22** supported the draft proposal (including 2 suggesting the Commission go further such as joint administration of the combined district plan once made)
 - (b) **14** either opposed the draft proposal specifically, or proposed alternatives such as a West Coast unitary authority or authorities
 - (c) **2** neither supported nor opposed the draft proposal
18. The breakdown of the 22 submissions supporting the draft proposal by district, is as follows:
 - (a) Buller: **4**
 - (b) Grey: **2**
 - (c) Westland: **5**
 - (d) Grey and Westland: **1**
 - (e) Across all three districts: **9**

- (f) Outside West Coast: **1**
19. The breakdown of the 14 submissions opposing the draft proposal/suggesting alternatives by district, is as follows:
- (a) Buller: **11**
 - (b) Grey: **1**
 - (c) Westland: **2**
20. A total of 25 responses to the draft proposal were made by survey monkey. However some of these respondents also made written submissions or made multiple responses. As a result, a total of 19 responses were identified for analysis. The breakdown of the 19 responses is as follows:
- (a) **11** supported the proposal
 - (b) **7** opposed the proposal
 - (c) **1** was neutral
21. The breakdown of the 11 supporting responses by district, is as follows:
- (a) Buller: **3**
 - (b) Grey: **4**
 - (c) Westland: -
 - (d) anonymous & no district: **4**
22. The breakdown of the 7 opposing responses by district, is as follows:
- (a) Buller: **1**
 - (b) Grey: **5**
 - (c) Westland: -
 - (d) anonymous & no district: **1**
23. Analysis of the reasons given in the survey monkey responses for supporting or opposing the draft proposal, and additional comments by the respondents, is provided in *Appendix 1*.

Hearings of submissions

24. Nine of the 38 people/organisations making written submissions requested to be heard at the hearings conducted on the West Coast. A report of the hearings held in Westport on 30 May and in Greymouth and Hokitika on 31 May 2018, was prepared and circulated separately to Commissioners.
25. A summary of the main points made in the written submissions and at the hearings is attached as *Appendix 2*.

Other information gathered

26. Clause 20(5) of Schedule 3 of the LGA provides that the Commission may also undertake, in a manner that it thinks fit, inquiries and consultations in relation to the draft proposal with any other persons, bodies and groups it considers appropriate.

West Coast telephone survey

27. In deciding whether or not to proceed to a final reorganisation proposal, the Commission is required by clause 21(6) to be satisfied that a final proposal is likely to have demonstrable community support in the district of each affected territorial authority i.e. in Buller, Grey and Westland districts. To assist the Commission in relation to this requirement, UMR Research was engaged to carry out a telephone survey across the three West Coast districts between 15 and 19 June 2018, to ascertain levels of support specifically for the Commission's draft proposal.¹
28. The survey of 610 people over the age of 18, had an overall margin of error (MOE) of +/-4 per cent at a 95 per cent confidence level. The breakdown of respondents by district was: Buller 206 people at a MOE of +/-6.9 per cent; Grey 201 people at a MOE of +/-6.9 per cent; and Westland 203 people at a MOE of +/-6.8 per cent.
29. The survey report was circulated separately to Commissioners and key findings are set out in *Appendix 3*. These findings include overall support for the draft proposal of 52 per cent, with the following levels of support/opposition in each of the three districts.

District	Support	Opposed	Unsure
Buller	33%	48%	18%
Grey	62%	23%	15%
Westland	58%	27%	15%

Assessment of current West Coast district plans

30. In light of comments made in the submissions and at the hearings on the draft proposal relating to the status and comparability of the current West Coast councils' district plans, Boffa Miskell was engaged to undertake further assessment of these plans.² Specifically, Boffa Miskell was asked to provide advice on:
- (a) the current status of the Buller, Grey and Westland district plans including reviews/plan changes underway
 - (b) the extent of differences in approach and detailed rules between the three plans
 - (c) the extent to which the current plans and reviews/plan changes are seen to reflect generally agreed good practice and also meet national requirements.

¹ UMR Research had previously been engaged in October 2017 to undertake a survey to gauge support for four different change options for the West Coast and the status quo option.

² Boffa Miskell had previously been engaged by the Commission under the West Coast 'regional efficiency programme' to identify options for achieving regional efficiencies in the delivery of resource management planning processes. Its final report, dated 7 February 2017, providing a range of possible options on West Coast planning arrangements, was presented to the West Coast Chair & Mayoral Forum in February 2017.

31. The final Boffa Miskell report, dated 3 July 2018, was circulated separately to Commissioners. *Appendix 4* outlines the findings from the report.
32. The report concludes that all of the plans will require substantial work to give effect to national policy and the proposed new national planning standards. The Buller plan reflects more progress towards reviewing the strategic objectives for that district, albeit in a manner integrated into the plan chapters rather than in a separate strategic directions chapter required by the draft national planning standards. However, in the absence of regional direction and clear technical guidance on district-wide issues, further work on the Buller review will be required in a relatively short time. The Grey and Westland district plans require considerable work to provide a strategic direction for those districts.
33. Following its assessment, Boffa Miskell says it remains of the view (arising from its February 2017 report on options for regional planning efficiencies) that it would be more efficient to have a combined district plan approach for the region, rather than three district plans covering the same issues in the same or similar ways. It remains of the opinion that there can be considerable time and cost savings in one combined review rather than three individual reviews running in parallel.
34. The report also notes that there is sufficient flexibility in the draft national planning standards framework (through the provision for precincts, overlays and rules) to enable localised or situational differences to be expressed where this is seen as necessary to achieve appropriate resource management outcomes.

Combined Wairarapa district plan

35. The only precedent for a combined district plan in New Zealand is in the Wairarapa. In this case the Masterton, Carterton and South Wairarapa district councils agreed under section 80 of the RMA to prepare a combined Wairarapa district plan.
36. The officers contacted Wairarapa council officers either involved in the process of developing the combined Wairarapa district plan (it became operative in 2011), or responsible for ongoing administration of the plan. Comments and reflections arising from the discussions with these council officers were included in the Commission officers' report.

Other meetings

37. Prior to, during and immediately following the consultation period, Commissioners and/or officers had meetings with the four West Coast councils, Development West Coast and officials from central government agencies with interests on the West Coast (Department of Conservation; Ministry for Business, Innovation and Employment; Ministry for the Environment). The purpose of these meetings was generally to outline the nature and key points of the Commission's draft proposal, remind them of the deadline for submissions and to answer any questions. Information gained from these meetings was used, as appropriate, in the preparation of the officers' report.
38. Of particular note, the officers had discussions with Ministry for the Environment officials and considered reports relating to implementation of the proposed mandatory national planning standards under the RMA. The standards are planned to become operative in April 2019 and to be implemented by councils within five years. Again findings from these discussions were incorporated into the officers' report.

Decision on draft proposal

39. Having met the consultation requirements of clause 20 in respect of the draft West Coast reorganisation proposal, the Commission must then, under clause 21(1) of Schedule 3 of the LGA, do one of the following:
 - (a) issue the draft proposal as a final proposal
 - (b) issue a modified draft proposal as a final proposal
 - (c) identify another preferred option as the basis for a new draft proposal
 - (d) decide not to issue a final proposal and give public notice of the decision and reasons for it.
40. In making this decision, the Commission must under clause 21(2):
 - (a) consider the submissions, views and any other information received under clause 20, and
 - (b) have regard to:
 - (i) the matters specified in clause 12 which relate to the option that best promotes the purpose of local government (set out in section 10) and facilitates improved economic performance
 - (ii) the scale and scope of the changes proposed
 - (iii) the degree of community support for the draft proposal already demonstrated to the Commission
 - (iv) the potential benefits and disadvantages of modified proposals or alternative options
 - (v) the desirability of early certainty about local government organisation in the affected area.

Submissions, views and other information

41. As noted above, the Commission received:
 - (a) written submissions on the draft proposal including in some cases additional comments made at the hearings
 - (b) survey monkey responses to the draft proposal
 - (c) the results of a telephone survey showing levels of support for and against the draft proposal across the three West Coast districts
 - (d) advice on the status and comparability of the current West Coast district plans
 - (e) further information relating to the impending implementation of mandatory national planning standards under the RMA.
42. In addition, information was gained from meetings with the West Coast councils and other bodies and agencies, and this was also used in the preparation of the officers' report.
43. Some submissions raised alternatives to the draft proposal, while submissions and other information received also provided further information on its benefits and disadvantages. The submissions and information received did not, however, provide any new information that warrants revisiting previous Commission decisions on the reasonably practicable options and preferred option.

44. Commissioners are required to consider all the views and information received in making their decision under clause 21(1).

Matters specified in clause 12

45. The matters specified in clause 12 of Schedule 3 of the LGA that the Commission must have regard to in making its decision, relate to the promotion of good local government. These matters are that the proposal would:
- (a) best promote the purpose of local government i.e.
 - (i) enable democratic local decision-making and action by, and on behalf of, communities
 - (ii) meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses (where good-quality means efficient, effective and appropriate to present and anticipated future circumstances)
 - (b) facilitate improved economic performance which may (without limitation) include:
 - (i) efficiencies and cost savings
 - (ii) productivity improvements, both within local authorities and for the businesses and households that interact with those local authorities
 - (iii) simplified planning processes through, for example, the integration of statutory plans or a reduction in the number of plans to be prepared or approved by a local authority.

Democratic local decision-making

Basis for draft proposal

46. The draft proposal, for the purpose of preparing and adopting a combined West Coast district plan, provides for the appointment of a mandatory joint committee comprising elected members representing the four West Coast councils, along with local iwi. This committee would be accountable for the preparation and adoption of the plan, and for future reviews. In all other respects democratic local decision-making on the West Coast would not be affected by the draft proposal.
47. In determining its preferred option of transfer of the district plan-making obligations, the Commission also carefully considered the reasonably practicable option of a West Coast unitary authority. It assessed the unitary authority option as likely to have the largest gains of the options assessed in terms of delivering good quality infrastructure and services. However, its requirements for achieving democratic local decision-making (in particular the establishment of local boards) were seen to have too great a level of implementation risk at this time to proceed with this option. This was based on unfamiliarity with local boards outside of Auckland.
48. Unfamiliarity with local boards remains an issue on the West Coast and more broadly across New Zealand. Local board structures still only exist in Auckland where appropriate relationships between the boards and the governing body may be seen as still in a settling down phase after being established in 2010.

Draft proposal compared to the status quo

49. A concern raised in the submissions and at the hearings, particularly in Buller, was that the draft proposal would remove the democratic local decision-making existing now on district plan matters. This needs to be addressed in relation to both the initial plan-making process and then to subsequent plan change processes.
50. In relation to the plan-making process, it is proposed that the joint committee comprise equal membership from the three districts along with regional council and iwi membership. Buller concerns about being 'out voted' in joint committee processes are in fact no greater than for either of the other two districts where the councils support the draft proposal. To the extent that the districts have particular matters they wish to be addressed, it will be in their interest to work collaboratively, noting that between them the three districts will have six votes on the committee comprising a total of eleven members, i.e. a majority.
51. It should be noted that West Coast Regional Council is a democratically elected body with members representing all three districts including Buller. This council supported the draft proposal.
52. The Boffa Miskell report notes that the issues for all three districts are largely common especially at the district-wide level. The report suggests that the identified district-wide matters anticipated to be covered by the national planning standards are also commonly identified as matters of national importance or are dealt with in the same way across districts. These include key issues such as landscape, biodiversity, the coastal environment and natural hazards which extend across district boundaries and should be addressed in the same way. The report concludes that under a combined district plan approach there would not therefore need to be any particular variation in the approach taken to deal with district-wide issues. This allays concerns about a loss of democratic local decision-making in respect of district-wide planning issues.
53. In respect of more localised matters, the Boffa Miskell report comments that different approaches would also not be required at a zone level. This is because the same set of zones, to be prescribed in the national planning standards, would be appropriate to all three districts given their similarity in scale and nature (largely rural with small to medium towns and settlements). It goes on, however, that where any localised differences in land management approaches need to be reflected, the national planning standards would allow the application of 'precincts' or 'overlays' (defined in *Appendix 4*) without impacting on the common zoning approach.
54. In addition, the Boffa Miskell report identifies use of the precinct approach, or tailored rules for specific geographic areas, as ways to reflect current differences between the districts in relation to subdivision standards if it was agreed these should be retained under a combined plan. The report says the draft national planning standards also enable the creation of additional special purpose zones for land-use activities that are significant to a district.
55. In short, there will be scope within a combined West Coast district plan for local differences if these can be justified on resource management grounds.
56. It is proposed that one of the tasks for the transition board will be to agree a process for the joint committee to resolve any disputes relating to the content of the combined district plan. As noted above, the three districts will have a majority on both the transition board and then the joint committee for both agreeing a process and then its implementation in relation to inclusion of local variations in the combined plan.

57. Given the above, we consider that concerns about a loss of democratic local decision-making in respect of the combined district plan-making process can be allayed. Meanwhile the proposal leaves all other existing West Coast democratic local decision-making structures in place.
58. In respect of the process for future district plan changes, concerns about a loss of democratic local decision-making on local plan provisions can also be allayed. This is based on the experience of the three Wairarapa district councils under their combined Wairarapa district plan. Where one of the three councils wishes to promote a plan change in respect of a specific local provision, that council manages the plan change process and ultimately approves the plan change, subject only to the change being consistent with overall plan provisions.
59. In deciding to issue the draft proposal as a final proposal, it is noted that a transition board will be established and it will be recommended to that board that it confirm a similar process for future changes to the combined district plan, whereby changes relating to local variations will be managed and approved by the district council concerned.

Current and future community needs for good quality performance of regulatory functions³

Basis for draft proposal

60. As discussed below, resource management including district plan-making is becoming increasingly complex and expensive. Given this, a key driver of the transfer of district plan-making obligations, as the Commission's preferred option, was the advantage of pooling thinly spread council resources to meet these challenges. By pooling the resources of the four councils, including West Coast Regional Council, along with an enhanced ability to contract in specialised resources as required, a good quality combined district plan, meeting both current and future community needs, was more likely to be achieved.

Draft proposal compared to the status quo

61. 'Efficient' performance of the district plan-making function relates to the resources required to achieve the desired outcome of a high quality district plan. As noted, currently the required people resources are thinly spread across the three West Coast district councils. This is reflected in the fact all three operative district plans are past their stipulated 10-year review deadline, with Buller District Council the most advanced in its rolling plan review process.
62. In addition, the Boffa Miskell report states that, while the lack of alignment of current plans with more recent national regulations is understandable, implementation of older national policy documents should have occurred and it expects this could be related to inadequate internal district planning policy resourcing.
63. The proposal involves the bringing together of not only the three district councils' people resources in the planning area, but also those of West Coast Regional Council. The resulting combined capacity of the four councils is seen to be a clear advantage of the proposal over current arrangements under the status quo.

³ While district plans do have other elements involving 'strategic' planning and policy direction in relation to the district concerned, for the purpose of assessment of the proposal against section 10(1)(b) of the LGA, district plans are seen as primarily a 'regulatory function'.

64. Efficient performance of the district planning function also requires an appropriate level of financial resources. This is another challenging issue for all three West Coast district councils given their limited rating bases reflecting small populations and small areas of rateable land.
65. The Commission was advised that Buller District Council, for example, is providing \$15,000 per annum plus an inflation adjustment, in its new 2018-28 long-term plan for the next stages of its district plan review (i.e. a total of \$150,000 plus inflation over the next ten years). This is in addition to what has been spent to date from what was understood to have been an annual provision for the review of \$20,000. While other funds will be available for policy development and legal costs, these further provisions are for council activities generally not exclusively for the Buller district plan review.⁴
66. By way of comparison, data received from the Ministry for the Environment shows that the cost of producing first generation district plans was estimated (in 2008) to be, on average, \$1.9 million.⁵ Since that time the cost of producing plans has increased and can be expected to continue to increase, with a recent estimate showing average RMA plan costs (including district plan costs) of \$2.5 million for first generation plans, increasing to \$3.5 million for second generation plans.⁶
67. In addition, an analysis of the impact of introducing the proposed national planning standards undertaken for the Ministry for the Environment, shows that the cost of introduction of the standards will be significant and that this will be particularly so for small rural councils.⁷ This evaluation suggests costs will not simply be proportional to population but that there will be significant fixed costs involved in the implementation of the standards combined with factors such as population size and plan complexity. (A breakdown of the main components of the implementation costs follows under 'Efficiencies and cost savings'.)
68. In terms of 'effective' performance of the district plan-making function, relating to achievement of desired outcomes, the Boffa Miskell report identifies the following areas where further work is required in all three West Coast district plans:
 - (a) *giving effect to national policy direction*: including matters of national importance; the NZ Coastal Policy Statement 2010; electricity generation and transmission policy statements; the plantation forestry national environmental standard

⁴ The three West Coast district councils' 2018 long-term plans provide the up-to-date budget provisions for district plan reviews compared to the older 2015 plans used by MartinJenkins (report dated October 2017) for assessing the financial costs and benefits of possible 'reasonably practicable options'.

⁵ This figure is from an uncirculated Ministry for the Environment internal discussion document. It is in line with the range of district plan development costs, between \$0.5 million and \$3 million, cited in the Commission's draft proposal brochure.

⁶ These costs are cited in the 'Draft National Planning Standards Consultation Document', prepared by the Ministry for the Environment, June 2018, in the context of a statement that "the breadth and complexity of planning issues is increasing, and plans are becoming more expensive to prepare" (p. 7).

⁷ 'Economic Evaluation of the Introduction of National Planning Standards' (NPS Economic Evaluation) by Castalia Strategic Advisors, dated February 2018, shows while large councils will incur the biggest overall costs in implementing the national planning standards because their plans are larger and more complex, smaller councils will have the largest proportional cost per capita. It estimates rural councils (population under 20,000) face an implementation cost of \$34.26 per capita, while metropolitan councils face an average cost of \$5.41 per capita.

- (b) *use of technical guidance*: including definition of the extent of the coastal environment; identification of areas of outstanding or high natural character according with current best practice; studies of significant natural areas on private land; knowledge of risks associated with natural hazards (flooding, liquefaction); identification of areas of cultural significance to Ngāi Tahu
 - (c) *best practice approaches*: relating to technical guidance; second generation plan structure including a strategic direction chapter; formalising arrangements with iwi so they can participate in the plan development process.
69. Effective performance of the district plan-making function is relevant also to performance of regulatory functions being ‘appropriate to present and anticipated future circumstances’. Here present and anticipated future circumstances include: increasing national policy direction in light of growing awareness and understanding of appropriate responses to matters such as climate change and natural hazards; growing awareness of matters relating to issues of significance to iwi/Māori; and ever increasing public expectations relating to resource management and environmental protection generally.
70. Given identified resourcing issues, we consider that effective performance of the district plan-making function, including by being ‘appropriate to present and anticipated future circumstances’, is more likely to occur through a single combined plan-making process.
71. For all the above reasons, the proposal can be seen to have clear advantages over the status quo in terms of meeting present and future needs for good-quality performance of the regulatory function of district plan-making under the RMA on the West Coast.

Efficiencies and cost savings

72. As noted, efficiencies in district plan-making on the West Coast can arise in respect of combined use of both people and financial resources leading in a number of cases to anticipated cost savings. These are assessed below in relation to the required implementation of the new national planning standards (over a five year period from April 2019) and also the necessary substantive policy work for councils in developing and reviewing district plans.

National planning standards

73. While the NPS Economic Evaluation undertaken for the Ministry for the Environment shows overall positive benefits from implementing the national planning standards, significant costs will be incurred by councils. The NPS Economic Evaluation categorised these costs as relating to: technology (41 per cent); staff time (30 per cent); the appeals process (20 per cent); and the RMA Schedule 1 process to amend the current plan (9 per cent). There is scope for efficiencies and savings in all these areas on the West Coast under a combined approach.
74. Significant technology costs will arise from the proposed electronic functionality planning standard. This standard will firstly set basic requirements for electronic functionality and accessibility of district plans. These requirements include: the plan being easily accessible online; continual updating of the status of all plan provisions; hyperlinks between relevant district and regional provisions; keyword search functionality; and ability to upload digital plan data. The standard then proposes further evolution with availability of an ePlan (i.e. a fully interactive document, hyperlinked on a website with an embedded GIS system) within five years.

75. The NPS Economic Evaluation notes that most current district plans are PDF versions only and changes will be needed. The Boffa Miskell report confirms that all three West Coast district plans are available as PDFs and only Grey District Council has an online, interactive map facility with the other two councils appearing to rely on simple PDF mapping with no functionality or layering.
76. Boffa Miskell concludes that, given the cost of implementing an ePlan approach and the time necessary to manage the development of this, it would be considerably more efficient and cost-effective for this to be done collaboratively by the West Coast councils as part of a combined district plan-making process.
77. The second highest category of costs arising from the draft national planning standards relate to staff time in implementing the standards and then ongoing administration. This includes work to re-order plans and re-write definitions, rules and policies. It also includes staff time (not included in technology costs) for re-formatting the zones, overlays, maps and symbols required to meet the electronic functionality standard.
78. Given the national planning standards will be mandatory across all three West Coast districts and also the current thinly spread people resources on the West Coast, we consider it would be significantly more efficient and cost-effective for the councils to use these resources collaboratively to undertake the required work.
79. Other efficiencies and cost savings can also be expected from collaborative approaches by the West Coast councils on the RMA Schedule 1 plan-change consultation process arising from new definitions and redrafted rules, and in the costs of any ensuing appeals process.

Substantive policy work

80. As noted above, the Boffa Miskell report identifies areas where all three West Coast district plans need further work. These include giving effect to national policy direction such as the NZ Coastal Policy Statement 2010. Given similarities of the coastal environment on the West Coast, we consider it would be more cost effective for the West Coast councils, including West Coast Regional Council, to combine resources to ensure a common approach in giving effect to national policy direction in this area.
81. Similar arguments apply in respect of the use of available technical guidance and the adoption of best practice approaches. This relates to areas such as defining the extent of the coastal environment; improving knowledge of risks associated with natural hazards; and identifying areas of cultural significance to Ngāi Tahu and formalising arrangements with the iwi. Again, given the commonality of this work, there are likely to be efficiencies and cost savings if the three councils, in conjunction with West Coast Regional Council, take a common approach to the adoption of this work including, as necessary, the contracting in of specialised technical resources.

Productivity improvements

82. The criterion relating to productivity improvements applies both within councils and also for households and businesses that interact with the councils.

83. In respect of productivity improvements within councils arising from the draft proposal, this is seen to relate in particular to the use of scarce people resources i.e. using staff to the best advantage. The proposed collaborative approach will allow greater use of specialist staff within their particular skill areas, as distinct from staff being used independently by the three councils across all the necessary tasks to achieve the required outcomes. This greater specialisation may also benefit the councils in terms of attracting and retaining much-in-demand specialist resource management staff.
84. At the same time, there will be increased scope for council staff currently with mixed resource management and non-resource management responsibilities, to devote more time to the latter responsibilities.
85. In relation to productivity improvements for households and businesses when interacting with the councils, these will occur in areas such as the making of submissions just once rather than three times and, potentially, lodging one rather than three appeals should a submission not be supported. This will have benefit for iwi, and Ngāti Waewae in particular, whose interests cross all three districts.
86. In addition, under the proposal a standard resource consent application will be required in respect of any activity covering more than one district, saving time and money for those concerned. It is further noted that efficient and effective implementation of a district plan, including the resource consent process, is related to the quality of that plan. Accordingly a higher quality combined district plan will have ongoing productivity improvement benefits for households and businesses using the plan.
87. Overall, we consider that significant productivity improvements, both for councils and those interacting with the councils, are likely to arise from the proposal.

Simplified planning processes

88. The proposal will result in a common district plan across the West Coast. This will necessarily lead to simplified planning processes as there will be just one set of overarching planning policies and rules in relation to features, interests and activities which are common across the three districts. This in turn will assist public understanding of these policies and rules.
89. While the proposal relates only to a combined district plan, having West Coast Regional Council involved in this process will make it easier to also achieve consistency and alignment with regional plans and the regional policy statement for the West Coast, noting that district plans must 'give effect to the regional policy statement'. At the same time, involvement with district plan development is likely to benefit West Coast Regional Council in relation to its responsibilities for having a regional policy statement and regional plans in place, by way of better understanding of district interests and priorities.

Scale and scope of the changes proposed

90. The proposal relates only to district council responsibility to prepare and have in place for each district, a district plan under the RMA. The proposal, involving transfer of this responsibility and the preparation of a new combined plan for the West Coast, does not extend to the implementation and ongoing administration of the combined plan which will continue to be the responsibility of the three district councils as at present. As such, the proposal has limited scale and scope.
91. For the councils concerned, the proposal will involve the mayors of the three districts and the regional council chairperson, along with one further elected member from each council, meeting regularly as members of the joint committee to agree the contents of a new combined West Coast district plan. As noted, the three current district plans are all overdue for review and the commitment for the six district council representatives on the joint committee will be no more, and arguably less, than is currently required to meet their statutory obligations separately within their respective districts.
92. While it will be a matter for the councils to determine, it is not envisaged that additional elected member remuneration will be required as a consequence of the proposal being implemented. This is distinct from remuneration for the independent chairperson of the committee and for the two iwi representatives which are seen as additional costs. Council staff involvement through the technical advisory team is seen as part of their existing employment arrangements and again no more than what should reasonably be expected at present in relation to required district plan reviews.
93. For West Coast Regional Council there will be a formal ongoing accountability for the combined district plan on top of its current roles and responsibilities. However, immediate responsibility for preparation and adoption of the plan, along with the necessary processes for future plan changes and reviews, will be delegated to the joint committee involving all four councils. As noted above, the proposal is seen to have real benefits for West Coast Regional Council in terms of achieving consistency and alignment between district plans and the regional policy statement.
94. In the absence of any cost-sharing arrangements between the parties, there will be some additional administrative costs for West Coast Regional Council relating particularly to servicing of the joint committee and the technical advisory team. (Funding for the substantive policy work involved in the plan development is addressed below.)
95. The proposal also involves the participation of one representative from each of the two West Coast rūnanga. While this is an additional commitment for the two rūnanga, both support the proposal. This is in light of the efficacy for them of being involved in developing one district plan for the West Coast as opposed to them having to consider and then submit separately on three different plan reviews.
96. The proposal provides for the establishment of a technical advisory team to provide advice and support to the joint committee. It does not prescribe the membership of this team. While it is envisaged that all the councils will contribute staff to the team, it will be up to each council to determine the scale of this commitment. The two rūnanga have also sought participation in this team and this is addressed below.

97. There will be an enhanced ability to contract in specialist advice to assist the work of the technical advisory team. In addition to enabling the procurement of good quality specialist advice, this will have the benefit of freeing up council staff for other activities such as district plan administration including monitoring, and also non-resource management regulatory work.
98. In conclusion, the scale and scope of changes proposed as a result of the proposal are seen as having a limited impact on existing council activities and resources. While the impact does impose some additional costs, primarily on West Coast Regional Council, it will also provide significant benefits to all the councils in terms of time and resources for wider resource management responsibilities and other council activities.

Degree of community support for draft proposal already demonstrated

99. The degree of community support already demonstrated to the Commission for the draft proposal can be identified from the following sources: written submissions, survey monkey responses, and the June 2018 UMR Research telephone survey.
100. As noted under 'Consultation on the draft proposal', there has been majority support for the proposal from each of these sources:
 - (a) 22 of the 38 written submissions (58 per cent) supported the draft proposal
 - (b) 11 of the 19 survey monkey responses (58 per cent) supported the draft proposal
 - (c) 52 per cent of the telephone survey respondents supported the draft proposal.
101. Further analysis of community support is provided below against the clause 21(6) criterion of likely demonstrable community support for a final proposal in each affected district.

Potential benefits and disadvantages of modified proposals or alternative options

102. Some alternatives, modifications and changes to the draft proposal were suggested as a result of the consultation. These are addressed below.

One or more unitary authorities

103. A few submitters/respondents suggested alternative proposals involving establishment of one or more unitary authorities. As noted above, the Commission did previously identify the option of a single unitary authority for the West Coast as a reasonably practicable option. The Commission considered this option had the largest gains for the West Coast in terms of providing good quality infrastructure and services. However, it also considered the requirements for democratic local decision-making in relation to this option, particularly the need for local boards, had implementation risks. This remains the case given the continued unfamiliarity with local boards outside of Auckland and ongoing discussions in Auckland as to the scope of local board functions and powers.

104. These implementation risks also apply in respect of options for two or three unitary authorities for the West Coast. In addition, such options raise significant concerns about the quality of service delivery and performance of regulatory functions. This is particularly the case in relation to effective coastal and catchment management, given the commonality of the coastline for the length of the West Coast Region and the fact that rivers currently form boundaries between the three districts.⁸ Duplicating specialist resources to carry out these regional council functions, between two or three councils, would also be inefficient.
105. Given these concerns about multiple unitary authorities, only the option of a single unitary authority is seen as potentially viable. There were, however, only a few calls for establishment of a single West Coast unitary authority during the consultation period. They did not raise significant new arguments or evidence in support, to warrant us considering this option further as the basis for a new draft proposal and consultation with the West Coast community (in place of the current proposal).

Joint administration of combined district plan

106. A few submitters/respondents suggested modification of the draft proposal by also providing for joint administration of the combined district plan once in place. While such a modification extending the scope of the proposal may well have benefits in terms of more efficient and effective administration of the combined plan, it is a sufficiently significant change to require further consultation particularly with the councils. This modification would need to include matters such as formation of a joint administration team and how and where this would be accommodated and resourced, and also the impact on the district councils in relation to their other responsibilities.
107. Again calls for such a modification are not seen to be sufficiently strong or evidence-based to warrant the Commission considering issuing either a modified final proposal or new draft proposal. It is also worth noting that joint administration of the combined plan could evolve naturally on the West Coast, as a result of the councils working more collaboratively together on district plan preparation and adoption.

A combined Grey-Westland district plan

108. Another possible modification arising out of the consultation process is to limit the scope of the draft proposal to Grey and Westland districts, reflecting the support of those two councils for the draft proposal. Such a modification, however, would significantly undermine the Commission's argument for a common West Coast approach to district plan-making including joint resourcing, and as a consequence bring into question the rationale for a transfer to West Coast Regional Council.
109. It is noted that, if the Commission were to decide not to proceed to a final proposal, the Grey and Westland councils would have the option of agreeing to a combined district plan for their two districts under section 80 of the RMA but without West Coast Regional Council involvement. Given this possible scenario, it is difficult to justify proceeding to a modified (two-district) final proposal requiring further involvement by the Commission through the establishment of the required formal transition process and completion of a reorganisation scheme.

⁸ A river may be an appropriate boundary for a territorial authority (e.g. district council) in relation to the community or communities of interest in the area. However, given catchment management is a regional council function requiring whole catchments, as far as possible, to be within one region, a river is not generally an appropriate boundary for a regional council or unitary authority.

110. Accordingly, a modified final proposal involving a combined district plan for Grey and Westland districts only, is not supported.

Membership of joint committee

111. There were no submissions or suggestions relating to the make-up of the proposed joint committee. However, the West Coast Tai Poutini Conservation Board suggested the Department of Conservation, as a major 'land manager' on the West Coast and contributor to the regional economy, be represented on the transition board. We do not consider this would be appropriate given the purpose of the board is only procedural in nature, to enable the joint committee to begin meeting as soon as possible. Representation on the joint committee may be considered more appropriate.
112. We, however, do not consider Department of Conservation membership of the joint committee would be appropriate either. Such membership would set a precedent in relation to involvement of significant land managers/owners and may cause a conflict of interest for the parties concerned. This should not, however, prevent the joint committee acknowledging the significant interests of the Department (on behalf of the Crown) on the West Coast, through a working relationship with it, in the development of the combined district plan.

Membership of technical advisory team

113. Both of the rūnanga in their submissions requested that the proposed technical advisory team includes a representative, appointed by Ngāi Tahu, "with experience in incorporating Ngāi Tahu values into a resource management plan".
114. The proposal does not prescribe the membership of the technical advisory team, rather leaving this to agreement by the parties involved which include the two rūnanga. This is seen as appropriate given the differing staff responsibilities and resourcing levels in place at the councils. While we support the intent of the request by the rūnanga, we will forward the request by the rūnanga to the transition board for its consideration and determination.

RMA accreditation of committee members

115. The RMA requires members of any hearings committee hearing submissions on a proposed district plan to be "accredited" persons under the RMA.
116. The Commission's proposal provides that the joint committee responsible for the combined district plan will comprise the mayor/regional council chairperson and one other elected member from each of the four councils, two iwi representatives and an independent chairperson. There is no requirement in the proposal for any of these representatives to be accredited under the RMA. It is understood that none of the three current mayors or the regional council chairperson are accredited and the other representatives are yet to be identified.⁹
117. In the normal course the committee members hearing submissions on a proposed combined West Coast district plan will need to be accredited to meet RMA requirements. This could be achieved, for example, by the joint committee appointing a subcommittee to hear submissions on the proposed combined district plan with this subcommittee comprising accredited persons from each district.

⁹ According to the Ministry for the Environment website, at present three Buller district councillors and three Westland district councillors are accredited under the RMA.

118. It is expected it will take at least two years before a proposed West Coast district plan is publicly notified. Given this lapse of time, and a further undefined period before future plan changes may need to be considered, we do not see it as appropriate to prescribe in detail how this matter should be addressed. However, we will provide a power for the joint committee to appoint subcommittees to give it necessary flexibility to address this matter.

Funding development of the combined district plan

119. A matter that was raised during the consultation period that needs to be considered for inclusion in a final proposal is the funding arrangements for the combined district plan-making obligation, including for possible future plan changes.
120. The Commission expressed its preference, in its draft proposal brochure, for regional council responsibility for funding by way of a regional rate. This was on the basis of the need for certainty of ongoing funding and clear accountability for this. The councils generally supported this approach to funding when questioned during the consultation period. Accordingly we have decided to include in the proposal a provision for West Coast Regional Council to be responsible for funding the district plan obligation by way of a regional rate.
121. As noted earlier, we will request the transition board to consider a process whereby individual district councils will be responsible for future district plan changes involving local variations only. In such cases it would be appropriate for the district council concerned to also be responsible for funding such a plan change. Accordingly we have also decided to provide flexibility in respect of general regional council responsibility for funding, relating to local plan changes, in the final proposal.
122. These funding provisions are seen as minor expansions, rather than ‘modifications’ of the draft proposal.

Desirability of early certainty about local government organisation

123. The original reorganisation application was received in June 2015 and was first considered by the Commission in August 2015. The intervening period has involved the Commission working with the West Coast councils under the ‘regional efficiency programme’ as well as the reorganisation process. But in any event, the lapse of time needed to be considered by the Commission in its decision on its draft proposal.
124. We considered that the option of structural change to West Coast local government arrangements may have been seen as ‘off the table’ with the release of the draft proposal. This is likely to have reduced uncertainty directly related to a structural change scenario. We took this into account in considering whether to identify a West Coast unitary authority as another preferred option and basis of a new draft proposal.
125. We also considered there was still a level of ongoing uncertainty about council responsibility for the separate district plans, however, and it was desirable that this be removed as soon as possible, particularly given all three district plans are overdue for review. The option of identifying joint administration of the combined district plan as another preferred option, and basis of a new draft proposal, could be seen as continuing an undesirable level of uncertainty. Such ongoing uncertainty, and potential ongoing delays in progressing district plan reviews in particular, is a relevant consideration for us in making our decision under clause 21(1).

Conclusion

126. After considering the submissions, views and information received under clause 20 of Schedule 3 of the LGA, and having regard to the matters set out in clause 21(2)(b), we conclude as follows:

- (a) the Commission will not identify the establishment of one or more unitary authorities as another preferred option and basis for a new draft proposal for the West Coast (under clause 21(1)(c)). This is because unitary authorities are not seen as the best option for promoting the purpose of local government relating to the enabling of democratic local decision-making. In addition, multiple unitary authorities would raise real concerns about ability to deliver quality services and regulatory functions. Such an option may also be seen as failing to give appropriate weight to the desirability of early certainty for West Coast local government organisation.
- (b) the Commission will not issue a modified proposal providing for either joint administration of the combined West Coast district plan once made, or for a combined Grey and Westland district plan only (under clause 21(1)(b)). This is because joint district plan administration has not been the subject of any consultation with the West Coast councils or consideration by the Commission and would require the issuing of a new draft proposal. This would result in continuing uncertainty about future responsibility for district plans on the West Coast. A combined Grey and Westland district plan would significantly undermine the argument for a combined approach, including resourcing, to district plan-making on the West Coast involving a statutory transfer to West Coast Regional Council. In addition, this option could (in the absence of the draft proposal being issued as a final proposal) proceed at any time with the two councils concerned agreeing to such a plan under section 80 of the RMA without Commission involvement.
- (c) the Commission will not decline to issue the draft proposal as a final proposal (under clause 21(1)(d)) – and thereby retain the status quo. This is because the proposal is seen as a distinctly preferable option to status quo planning arrangements in relation to achievement of the purpose of local government and also facilitating improved economic performance on the West Coast. In particular, the proposal is seen as significantly better able to meet the current and future needs of West Coast communities for good quality performance of the regulatory function of district plan-making, while having no significant impact on democratic local decision-making on the West Coast.
- (d) the Commission agrees the draft proposal, issued as a final proposal, and subject to inclusion of a provision for the combined West Coast district plan to be funded by way of a regional rate, is the option that best promotes the purpose of local government and facilitates improved economic performance on the West Coast and otherwise meets the criteria of clause 21(2).

Requirements for issuing a final proposal

127. Before deciding to issue the draft proposal as a final proposal, the Commission must be satisfied (under clause 21(3) and (6) of Schedule 3 of the LGA) that:
- (a) it has sufficient information about the views of the persons referred to in clause 20(1)(c)
 - (b) the final proposal is likely to have demonstrable community support in the district of each affected territorial authority.

Views of persons referred to in clause 20(1)(c)

128. The Commission is satisfied it has sufficient information about the views of the persons referred to in clause 20(1)(c). The specified persons/parties include the affected local authorities, the applicants, a range of central government agencies, affected iwi and Māori organisations, adjoining local authorities, council-controlled organisations, community boards and any other person, body or group considered appropriate by the Commission.
129. All these persons and organisations were advised of the Commission's draft proposal and the deadline for submissions, and follow-up contact was made as appropriate. Submissions were received from a number of these persons/organisations and Commissioners and/or officers held meetings with representatives of others such as Development West Coast and interested agencies such as Department of Conservation; Ministry of Business, Innovation and Employment; Ministry for the Environment and Department of Internal Affairs.

Likely demonstrable community support for final proposal in each district

130. We are aware, 'demonstrable community support' is not defined in the LGA. However, clause 21(7) of Schedule 3 provides that for the purpose of considering this requirement in respect of a final proposal, clause 8(2) and (3)(b) apply. This clause provides:
- 8(2) The Commission may consider (but is not limited to) the following matters:
 - (i) a petition or petitions of affected electors
 - (ii) questionnaires or surveys of ratepayers or residents
 - (iii) submissions or other correspondence about existing or proposed local government arrangements
 - (iv) meetings with community members or their representatives in which views on the existing or proposed local government arrangements are expressed ...
 - 8(3)(b) The Commission does not need to determine whether the persons who support local government reorganisation are a majority of the persons in the affected area.
131. To be satisfied there is likely to be demonstrable community support for a final proposal in each of the three West Coast districts, the Commission needs firstly to consider the information received in response to the draft proposal. In line with clause 21(7) (applying the provisions of clause 8(2)) it should also consider other information received during its engagement with the West Coast community.

Information received in response to draft proposal

Written submissions

132. As already noted, a majority of the written submissions were in support of the proposal (22 out of 38). One of the supporting submissions was from outside the West Coast, with the remaining 21 supporting submissions broken down by district as follows:
- (a) Buller: 4
 - (b) Grey: 2
 - (c) Westland: 5
 - (d) Grey and Westland: 1
 - (e) Across all three districts: 9
133. Of the 21 supporting submissions, 15 were from organisations representing multiple interests/people. These include the following organisations with members or affiliates across the three West Coast districts: Te Rūnanga o Ngāti Waewae, Federated Farmers and Forest & Bird.

Survey monkey responses

134. As also previously noted, a majority of valid survey monkey responses (11 out of 19) supported the draft proposal. Four of these 11 responses were anonymous and did not provide the district of residence. The breakdown of the remaining seven responses by district is as follows:
- (a) Buller: 3
 - (b) Grey: 4
 - (c) Westland: -

Telephone survey

135. The UMR Research survey was a scientifically designed, randomised telephone survey conducted across the West Coast in June 2018. This survey tested the level of support for the draft proposal in the three districts, with the results as follows.

District	Support	Opposed	Unsure
Buller	33%	48%	18%
Grey	62%	23%	15%
Westland	58%	27%	15%

Conclusion

136. Based on the telephone survey, sufficient support for the proposal can be demonstrated in both Grey and Westland districts. The level of support in both districts is further reflected in the support of the respective councils for the draft proposal as well as support from organisations representing interests across the three districts and support from individuals within each district.

137. There is less support in Buller District, though there is also a slightly higher level of 'unsure' people in this district. In addition Buller District Council opposed the draft proposal. Against this, organisations such as West Coast Regional Council and Te Rūnanga o Ngāti Waewae which represent people in Buller District as well as in the other two districts, supported the draft proposal.

Context of level of response to draft proposal

138. In deciding whether we are satisfied there is likely to be demonstrable community support for a final proposal in each district, we considered the context of the level of response to the draft proposal. A total of 38 written submissions is low compared to other Commission draft proposals. For example, the draft proposal for the Wairarapa, an area with a similar sized population (approximately 45,500 compared to 32,000 on the West Coast), attracted a total of 1,191 written submissions.

139. The Wairarapa draft proposal involved amalgamation of the three districts and this was subsequently opposed by a majority of voters in a poll on a final proposal. The Commission's experience is that a structural change particularly involving amalgamation, is very likely to engender the expression of strong views on both sides but particularly by those opposed to the proposal.

140. In contrast, the Commission's proposal for the West Coast is a non-structural proposal involving transfer of the statutory district plan-making obligation between councils. Given its technical nature, it was always going to be a challenging exercise to fully engage the West Coast community on the proposal.

141. We see the low level of response to the Commission's proposal as, to some extent, a lack of opposition to the proposal. This was confirmed in the following comment by the Westland mayor at the hearing on 31 May: "the people were comfortable with this (the draft proposal) and did not bother turning up to hearings like this one and in the other areas".

142. The 'relative lack of opposition' to the draft proposal is also to be seen against the background of a propensity for West Coast residents to openly express their views when they see this as necessary or desirable. For example, voter turnout at local authority elections on the West Coast is higher than in many other areas in New Zealand.¹⁰ Strong public demonstrations of opposition to proposals for the West Coast are also not uncommon. Recent examples of these include plans in respect of Buller hospital¹¹ and proposals relating to mining on conservation land¹².

143. We also took into account West Coast residents' propensity to openly express their views on particular issues alongside the high awareness of residents of the Commission's draft proposal. The UMR Research telephone survey showed almost three-quarters of respondents were aware of the draft proposal.

¹⁰ With just two exceptions (in Grey District in 2010 and 2013), voter turnout at local authority elections on the West Coast since 1989 has been above the national average for district councils.

¹¹ A *NZ Herald* report dated 18 August 2017, commented that "more than 1000 people turned up in wheelchairs, pushchairs, mobility scooters and on foot to link hands around Buller Hospital today ... The Hands Around the Hospital demonstration was a passive demonstration against the Government's plan to replace the hospital with an integrated family health centre (IFHC)."

¹² A *Stuff* report dated 23 July 2018, commented that "West Coasters came out in huge numbers on Sunday to protest against the Government's plan to ban new mining on Department of Conservation land. Around 5000 people turned out for the opening of the West Coast's new \$25.8 million Taramakau Bridge."

Other information received in support of change

General community feedback

144. Throughout the time of its engagement with the West Coast community, the Commission has received feedback on a need for change to current local government arrangements, comprising one regional council and three district councils for a population of just over 32,000.
145. Concerns about the viability of current arrangements are exacerbated by the size of the region (over 23,000 square kilometres making it the fifth largest region in NZ) resulting in it being the sparsest populated region (at just 1.4 people per square kilometre). In addition, approximately 85 per cent of the region is Crown land with most being held as conservation estate. This land is not rateable by councils for local government purposes. As a result, the West Coast councils have a limited funding base to meet their obligations and responsibilities compared to councils for districts of similar size.

Community engagement questionnaire

146. As part of the West Coast community engagement programme conducted by the Commission in June and July 2016, a questionnaire was provided for residents to give feedback on the way the West Coast councils are currently set up and the way services are delivered. A total of 699 questionnaires were returned with 54 per cent considering council services could be better delivered as shared services over all or part of the region. Of the 54 per cent supporting forms of shared services, the response was broken down by district as follows:
- (a) Buller: 111 respondents (50 per cent)
 - (b) Grey: 108 respondents (60 per cent)
 - (c) Westland: 140 respondents (53 per cent).

Alternative applications/other proposals for change

147. A total of 23 responses were received by the Commission to the required invitation for alternative reorganisation applications or other more general proposals for change on the West Coast. Five of these responses proposed some form of shared service arrangement including:
- (a) a joint response from the four West Coast councils, supported by Development West Coast, which identified the option of “a single district plan across the region”¹³
 - (b) a proposal for “unified district planning” from a Buller District resident
 - (c) a proposal for “an ongoing investigation of, and application of, shared services arrangements between district councils wherever possible” from a Grey District resident.

¹³ Buller District Council subsequently advised the Commission it had initially misunderstood the scope of the proposal for a single district plan and it no longer supported the joint council initiative for a single district plan.

Survey on West Coast local government options

148. A UMR Research telephone survey, conducted in October 2017, surveyed West Coast residents on their support for potential reasonably practicable options for local government arrangements on the West Coast. The option of the transfer of responsibility for delivery of some services between councils had the lowest opposition of the four options identified (36 per cent), while support for this option broken down by district was as follows:

- (a) Buller (sample of 201): 45 per cent
- (b) Grey (sample of 201): 29 per cent
- (c) Westland (sample of 200): 40 per cent.

Support for change in relation to the purpose of local government reorganisation

149. In deciding whether we are satisfied there is likely to be demonstrable community support for a final proposal, we believe there is merit in considering the support indicated to date by the West Coast community for some form of change to current local government arrangements in general, as well as specifically. This can be seen to assist the Commission give effect to the overarching statutory purpose of local government reorganisation (section 24AA of the LGA). This purpose is to improve the effectiveness and efficiency of local government by, among other things, requiring the Commission, in consultation with communities, to identify, develop and implement the option that best promotes 'good local government'.

150. That is, the more general support for change can be seen as reflecting a community desire for identification and development of the option that best promotes good local government. We consider, following consultation with the West Coast community, that option is the final proposal, and that there is some prospect all those in favour of change generally will support the final proposal specifically.

Overall view on demonstrable community support for the proposal

151. In terms of the requirement of clause 21(6) and bearing in mind the application of clause 8(2), we are satisfied that there is likely to be demonstrable community support for a final proposal (based on the draft proposal) in each of the three affected West Coast districts. This is based on:

- (a) the levels of support for the draft proposal demonstrated in each of the three West Coast districts by way of the written submissions, survey monkey responses, and West Coast telephone survey
- (b) the context of the level of response to the draft proposal
- (c) the feedback received throughout the entire engagement period about a need for change to local government arrangements on the West Coast including support for forms of shared services.

152. We also note that, with the application of clause 8(3)(b), we do not need to determine whether the people who support the final proposal are a majority in an affected area, in this case a particular district.

Decision to issue a final proposal

153. As set out in this document, the Commission has met the consultation requirements of clause 20 of Schedule 3 of the LGA in respect of the draft West Coast reorganisation proposal. The consultation has not resulted in any information to invalidate or change the basis of the decisions taken by the Commission in respect of the draft proposal. Further information received, particularly relating to the proposed national planning standards and the status of the current West Coast district plans, has in fact strengthened the arguments for a combined West Coast district plan.
154. The consultation on the draft proposal has confirmed the West Coast councils' preference for West Coast Regional Council responsibility, by way of a regional rate, for funding the combined plan in line with the Commission's own stated preference. This preference reflected the councils' desire for certainty in funding given the ongoing nature of the joint committee's work. Accordingly we have decided to add provision for regional council funding to meet combined district plan obligations to the draft proposal, and, under clause 21(1)(a), to issue this proposal as a final proposal.
155. The 'legal description' of the final proposal is attached as *Appendix 5*. It reflects the contents of this document and also subsequent discussions with Department of Internal Affairs' officials given their responsibility for preparing the required Order in Council to give effect to the final reorganisation proposal.
156. In deciding to issue a final proposal, we are satisfied that the requirements of clause 21(3) relating to certain information requirements, and of clause 21(6) relating to likely demonstrable community support in Buller, Grey and Westland districts, have been met.
157. Clause 21(4) relates to specific content requirements for a final proposal. Given the nature of the proposal, a transfer of statutory obligations between councils and no other changes to existing local government arrangements, the requirements of this clause, relating to new or changed local authorities, are easily met (as set out in clause 15 of the attached final proposal legal description).
158. Clause 21(5) provides that the Commission may, as part of a final proposal, prohibit further reorganisation applications in the affected area for a specified period. We do not see any reason to include such a provision in the final West Coast proposal. In any event, it is noted that the Commission in receiving a reorganisation application does have scope to decline to assess that application where "changes substantially similar to those proposed in the application have been considered by the Commission but were not seen to constitute a reasonably practicable option, and the grounds for that decision continue to apply" and where "it is not in the public interest to assess the application".

Next steps

159. We note that having decided to issue a final West Coast proposal on the basis set out in this document i.e. draft proposal amended only to provide for regional funding for the combined district plan, a final reorganisation proposal document will be prepared to meet the requirements of clause 22 of Schedule 3 of the LGA.
160. The requirements of clause 22 include the final West Coast proposal document being available for public inspection. A final proposal document must include a statement explaining how the final proposal will promote the purpose of local government and facilitate improved economic performance; it must also contain a balanced assessment of the final proposal outlining the advantages and disadvantages in respect of changes to the responsibilities of each affected local authority.
161. We note that the Department of Internal Affairs is responsible for preparing the required Order in Council to implement the final proposal (i.e. there is no provision for a poll on this type of reorganisation proposal). The Department advised us the Minister of Local Government could be in a position to submit the Order in Council to the Executive Council within 6-8 weeks of the Commission making its decision to issue a final proposal.
162. Once the Order in Council has been signed by the Governor-General, the West Coast transition board will be able to meet. This will require the independent chairperson to be appointed and the parties (the councils and two rūnanga) to appoint their representatives to the board.
163. Finally the Commission agreed it would travel to the West Coast to announce its decision, with separate meetings in Westport, Greymouth and Hokitika, and noted the related communications and publicity that was required.

Appendix 1: Further analysis of survey monkey responses

Reasons for supporting the draft proposal

Analysis of reasons for supporting the proposal (based on full 25 responses received) shows:

- a. Simplified & consistent planning processes: 100%
- b. More consistent rules for operation of region-wide industries: 66%
- c. Likely to achieve sustainable management of resources: 66%
- d. Reduced time & cost for consent applications: 50%

Comments made by respondents supporting the draft proposal (reproduced verbatim):

- Whether it is more likely to achieve sustainable management would in many ways be influenced by the new WC Regional Policy Statement.
- The process for completing the District Plan can be contentious between different parties and could lead to cost escalation. However this will only mean one set of legal & development costs compared to three - one for each council. Our belief is that once this process is completed the benefits outweigh the negatives. Having a common approach to all aspects of the district plan will be advantageous to all businesses and households.
- Our experience has been that 25% of the total cost involved with the promulgation of a District Plan lies in its development. The balance is taken up by the legal and other interactions involved in making it operational. A Combined District Plan will mean that there is one set of development costs and one set of legal processing to promulgation costs rather than the current three separate sets of costs. The Combined District Plan can also provide for specific circumstances applying to individual districts without a compromise to its commonality.
- It would help reduce the feuding, territorialism and ego driven competition between regions via mayors and councillors, and create a more focused approach to economic and social development Coast-wide; it would also I think facilitate a longer term approach to planning and execution rather than the short three years between elections which generally results in costly revisiting of existing decisions and plans. Tourism is badly served by constantly having to go cap in hand to each council for funding, and having to justify to every new line-up of councillors the district wide benefits to ratepayers of visitor spend and patronage of local businesses such as cafes, pubs, and a wide range of retailers aside from the accommodation and dedicated specialist tourism activity operators. It will never achieve sustained growth without some certainty of funding and a cohesive approach region-wide.

Reasons for opposing the draft proposal

Analysis of reasons for opposing the proposal (based on full 25 responses received) shows:

- a. No reason to change: 90%
- b. May result in short-term delay compared to current processes: 60%
- c. Set-up costs: 50%
- d. Proposal doesn't go far enough: 10%

Comments made by those opposing the proposal (reproduced verbatim):

- The costs will continue to be too high. The three district councils should align services as much as possible and keep each other ODP

- Ongoing costs. Less local input. Trying to incorporate three different regions needs into one plan.

Additional comments (reproduced verbatim):

- Centralisation on the "Coast has only ever meant a decrease of services and an increased delay and cost of providing services to all bar the immediate area the services are centralized too. The proposal may help the Government in their negotiations with one central body but the model proposed will not help the District Councils or the Ratepayers. If the Government is serious in attempting to help the District Councils it should provide income by way of rates on the "Crown" Land that the District or Regional Councils are unable to rate. If this is done then individual Councils will then have the financial base upon which to more easily carry out their functions.
- While farmers need some local input at council level because of geological and other differences that affect some consents.
- While I agree with the proposed changes, and in particular that there will be representation from iwi on the joint committee, I would have like to have seen the outcome of the Regional Policy Statement concluded before this process to consult on the combined WC District Plan was undertaken.
- It would be beneficial to local people in the communities to also receive the run off from any financial savings with combined councils being implemented, to see an ease in the local rates. Mine as a partially retired business woman, at coming 70, are at present over \$5000 which is difficult when you also have a mortgage on your head still and on your own with a large property. It also is detrimental to the sale of your property, which I have been trying to do for over 6 years, possibly when prospective clients see my extremely exorbitant rates they run the other way. When I have approached the local mayor and other rates inquiry people at the council, I am fended off by either comments of "Put your rates up", which I cannot do as I no longer do B&B, or " It is because you have 2 sewage connections, when in fact we have one main sewage connection with another very short one leading in to the main pipes, certainly not a valid reason to double charges to my property. Hopefully this proposed draft will have a helpful flow on affect to the family's of the West Coast.
- Reorganisation is a distraction and takes away resources from the issues the West Coast really needs to address - economy, social issues....
- A District Plan review is long overdue for Westland and we are looking forward to working with a combined team to progress to the One District Plan
- The sooner this process gets off the ground, the better.
- The proposal is flawed in concept and will be counterproductive to the further advancement of our northernmost West Coast region.
- The draft proposal is fatally flawed in concept and should be abandoned.
- The Coast is economically in transition from an extractive industry based economy (plus dairy and tourism) into a more green-based industry focus - waste to energy, acid mine drainage used for power generation, carbon foam, horticulture in tunnel houses supplied with carbon dioxide from the byproduction of CO2 from the WTE plant - to achieve this, planning, and the resource management and consents process throughout the Coast must be streamlined and cohesively consistent.

Appendix 2: Summary of main points raised in submissions and at hearings on draft West Coast reorganisation proposal

Points made in support of the proposal for a combined West Coast district plan

1. Will reduce time, delays, frustrations for those seeking consents/attending hearings
2. Reconciliation of three district plans will result in efficiencies, cost savings and productivity improvements for councils and ratepayers
3. All district plans are currently overdue for review and the review process is long and costly; council collaboration in review process will help in response to well-organised interest groups which are often resourced for legal challenges
4. Difficult for individual councils to meet current legislative requirements e.g. adequate identification of significant vegetation sites, also compliance monitoring/enforcement
5. West Coast poses particular challenges in terms of isolation, length of coastline, low ratepayer base, and the resource management issues are significant; any option that will make it easier to pool resources and expertise should offer considerable benefits
6. Will help protect and enhance the West Coast environment which is a point of differentiation for businesses like Westland Milk, and consistent environmental management is conducive to business success and sustainability
7. Will support regional development especially in terms of resilience of electrical supply, transport links and communication networks; will assist West Coast to speak with a unified voice to central government
8. Will result in a better quality plan through effective use of specialised resources; also more efficient implementation of national directions to provide a more robust planning framework with clear and consistent rules for achieving better outcomes
9. Will address current inconsistencies in plans e.g. electricity infrastructure
10. Combined plan will allow iwi to participate effectively, presently Ngāti Waewae are required to participate in all three district plan reviews
11. Technical Advisory Team should include representative with experience in incorporating Ngāi Tahu values into a resource management plan
12. WCRC is the best resourced and most experienced consent and monitoring authority
13. Oversight of WCRC in the preparation of district plans offers potential benefits in terms of integrated resource management, however success will depend on extent the councils are willing partners in the approach
14. Important that any combined plan allows for tailored provisions to protect special characteristics of communities and local environments that make up the West Coast
15. Combined plan is likely to help councils and businesses attract/retain experienced staff
16. Coast-wide policies will make West Coast more attractive for both residents and new people with national and international experience
17. Proposal is conducive to further collaborative approaches and shared services on the West Coast which is essential given the small numbers of ratepayers; it may be seen by some as a first step towards unification
18. People are comfortable with proposal, therefore did not bother turning out at hearings

Points made in opposition to the proposal

1. Proposal is flawed and costly though the actual costs are not provided; it won't reduce costs to ratepayers; introduces another layer of bureaucracy with dubious benefit; will take several years for planning approach to be embedded and operationalised
2. Problems are overstated and could be addressed by different mechanisms
3. Will be no long-term advantage as there will be extra costs in implementation and running costs (e.g. travel), centralisation doesn't automatically result in lower costs
4. Will result in councils meeting legal costs for matters not affecting them
5. Costs will be prohibitive for community and place great pressure on staff; Buller has more important issues to focus on and employ their limited resources
6. The three districts have very different local problems, huge distances and geographical features resulting in different logistical, cultural and population approaches to issues
7. Councils have different approaches to mining, indigenous vegetation, infrastructure needs; mediation would be very drawn out and lead to costly legal challenges
8. Each district should have autonomy with elected members having democratic right to decide district needs and values, autonomy starts with the local plan ownership; the plan change process is a key mechanism for responding to local needs must be controlled locally, local process also facilitates public participation
9. Centralisation can be quite disconnected from local aspirations, needs and realities, and lead to the isolation of outer areas and to their demise
10. Proposal is against the concept of localism
11. Would be better for councils to use same plan template (required under national planning standards anyway) so plans aligned but allowing local differences; councils can still share processes/hearings/expert input on overarching and common issues e.g. national direction and this may highlight opportunities for future shared services
12. If proposal is to have district-specific sections – what is to be achieved by one plan?
13. How would rules for one plan be developed/which district's rules? If determined by population size – Buller would be disadvantaged and unlikely to play a significant role in steering local changes through a combined process; different rules have not come about by accident, where rules are the same there will be no efficiencies
14. Buller is more advanced in its plan review process, which is a cumbersome and time-consuming process, and would be penalised in terms of cost, time and effort already invested if costs were then to be shared equally on an ongoing basis
15. BDC has never been in favour of a combined district plan for all the West Coast; Martin Jenkins report shows there is no economic benefit and in fact a net cost
16. Cross-boundary issues are not a concern including in Punakaiki area; present arrangements are not seen as an impediment for businesses; region does compete
17. BDC supports the 'low level change' identified in earlier Boffa Miskell report; it is prepared to assist and support the other West Coast councils based on its experience with its proposal including a joint governance committee (of the four councils) to facilitate reviews of three district plans/ensure consistency and also a technical team
18. Don't agree there is an acceptable threshold for LGC to claim demonstrable community support for the proposal; it is a big call to say there is a mood for change

Other points made:

1. Proposal doesn't address key problem of too many councils and councillors
2. WCRC should be abolished as an unnecessary layer of bureaucracy which is also undemocratic and unresponsive, with a conflict of interest in relation to resource management e.g. use of 1080
3. Regional council functions could be absorbed by district councils i.e. two or three unitary authorities; suggestion for 'Punakaiki autonomous zone'
4. Unification of councils is the most cost effective option, with amalgamation still on the table as the rest of NZ does not see three separate districts; support for a unitary authority with three local boards to achieve efficiencies and better outcomes while retaining local democracy
5. Current local government structure (4 councils) creates disunity and works against progress on important issues such as key infrastructure
6. Council staff should be rationalised and made inter-changeable; common IT system needed; other services should be rationalised with more collaboration
7. West Coast is not crying out for development; the major issue to address is climate change
8. Administration of combined plan (consents etc.) should also be transferred to WCRC
9. The proposed joint committee must be part of the final proposal with consultation with councils on its composition and logistics; membership changes shouldn't affect progress of the combined plan
10. Department of Conservation should be represented on transition board
11. The combined plan should be funded regionally as it would be of regional benefit; there also needs to be certainty about funding arrangements
12. Councils should still be able to contribute to the funding of a combined plan
13. LGC support will be required to ensure plan is in place as quickly as possible
14. Community will need to be consulted about changes in planning designations etc.
15. Councils will need to reflect national planning standards from 2019; will also need to take account of guidance on coastal hazards and climate change, the review of national environmental standard for sources of human drinking water, work of biodiversity collaborative groups (includes indigenous biodiversity)
16. LGC should prepare a model of what the region's local government may in future idealistically evolve into, as a benchmark for ratepayers to identify with and aspire to otherwise the resources expended on this process will have been largely wasted
17. LGC have conducted a thorough and due process; need to be given the tools to provide a similar committee structure and funding arrangements for other West Coast activities while still recognising the existing three communities of interest; LGC could then leave a legacy for its work on the West Coast

Appendix 3: Key findings from UMR Research West Coast survey

A telephone survey was conducted by UMR Research on the West Coast between 15 and 19 June 2018 to ascertain levels of support/opposition for the Commission’s draft West Coast reorganisation proposal.

Sample size

The total sample size was 610 people over the age of 18, broken down by district as follows:

- Buller District: 206
- Grey District: 201
- Westland District: 203

Awareness of Commission’s draft proposal

Awareness was high overall, with almost three quarters (**74%**) of residents aware of the Commission’s draft proposal.

Reasons *for* having a combined district plan

The majority of residents saw each of the following three reasons for having a combined plan as good reasons:

- more consistency between council planning rules and requirements for resource consents: **60%**
- will result in efficiencies such as shared legal costs and single submission process: **56%**
- combined plan would be of higher quality through sharing of resources and specialised skills: **52%**

Reasons *against* having a combined district plan

Less than half the residents saw the following reasons against having a combined district plan as good reasons:

- would involve four councils and may result in more complicated funding and accountability arrangements: **40%**
- set-up costs for aligning current plans and identifying areas for special recognition: **33%**
- may have impacts on how councils are structured if staff have both planning and other responsibilities: **31%**

Support for/opposition to a combined district plan:

District	Support	Opposed	Unsure
Buller	33%	48%	18%
Grey	62%	23%	15%
Westland	58%	27%	15%
Overall	52%	32%	16%

Appendix 4: Status and comparability of current West Coast district plans

The findings from the Boffa Miskell report (BM report) on the current West Coast councils' district plans are set out below.¹⁴

Status of current district plans

The BM report notes that all three district plans were made operative in the early 2000s and are past the 10-year period for reviews stipulated in the Resource Management Act 1991 (RMA). It also notes that there have been considerable developments in the last 5-7 years in terms of legislative change, case law, national policy direction, national standards and technical best practice. District plans also need to respond to present day foreseen resource management issues and community aspirations such as changes in natural hazard risks, tourism pressures and opportunities, and align with community outcomes in the councils' long-term plans.

Buller and Westland district councils have initiated a rolling review/plan change process in respect of their plans. Buller District Council is the more advanced in this process with current plan changes 133 – 145. These changes incorporate:

- a new introduction to the plan
- a new introduction to the significant resource management issues, objectives and policies for the district
- new issues, objectives and policies for the management of culture and heritage, hazardous substances and contaminated land, mineral extraction, natural hazards, built environment, coastal environment, natural environment, rural environment, transport, utilities
- new rules for electricity utilities.

As noted in the BM report, the Commission has been advised that Buller District Council has held hearings on its proposed plan changes and made the necessary decisions. It was also advised that the council hopes to be able to address district plan rules as the next phase of its review by the end of the current council term i.e. October 2019.

National and regional policy direction

The BM report notes that district plans are required to give effect to any national policy statement, the NZ Coastal Policy Statement, national planning standards and the regional policy statement.

The report provides an analysis of the level of integration of national and regional policy guidance into the three district plans (Appendix 2). In summary, it shows that while there are some areas in which higher order documents are given effect to, there are a number of areas in which the three plans do not give effect to national policy direction. The areas identified are:

¹⁴ The Boffa Miskell report, dated 3 July 2018, was undertaken as a 'desk top' exercise relying on the councils' published documents and information publicly available on their websites.

- all plans are generally in accordance with the RMA but would better align with the expectations of the RMA if there was clearer identification of and provision for matters of national importance under section 6 of the RMA
- none of the plans identify the extent of the coastal environment and while the Buller plan addresses coastal issues it could be greatly improved to give effect to the NZ Coastal Policy Statement 2010
- improvements could be made to all three plans in managing renewable electricity generation and electricity transmission to give effect to the respective national policy statements
- all three plans require amendment to give effect to the National Environmental Standard for Plantation Forestry.

The BM report notes ability to give effect to national direction in district plans is challenging in a situation where the intermediate regional direction is in a state of flux. It states that in a number of aspects, the regional application of the national direction has not yet been achieved, or is not current, for the West Coast Region. (The West Coast Regional Council publicly notified its regional policy statement in March 2015 with hearings on submissions held in May 2018.)

The BM report notes that the biggest recent change in national direction is the recently released draft national planning standards. The standards, to be made operative in April 2019, will require all district plans follow a set format and meet mandatory requirements for format, structure and some content (prescribed definitions, noise and vibration metrics). West Coast district plans will have to give effect to the mandatory provisions within five years of them becoming operative.

Comparison of current district plans

Boffa Miskell undertook its analysis of differences and commonalities in the three district plans using the draft national planning standards as a basis for comparison.

The BM report concludes that all three plans would need to be substantially reformatted and amended to give effect to the draft standards. It also commented that the issues that will need to be addressed by the West Coast councils in terms of format and structure are generally consistent and there would be considerable efficiency in addressing these collectively rather than individually.

In its earlier report under the West Coast 'regional efficiency programme', Boffa Miskell noted that the Grey district plan had an 'effects-based' format, while the other two plans had an 'activity-based' format. It notes in its new BM report that this difference in format is now largely irrelevant under the national planning standards approach with all plans needing in future to be zone- and activity-based regardless of the current approach.

District-wide issues

The BM report comments that the issues for all three districts are largely common and especially so at the district-wide level. The district-wide matters the standards anticipate being covered include:

- natural environmental values (coastal environment, landscape, landforms and natural character, ecosystem and indigenous biodiversity)
- environmental risks (natural hazards, hazardous substances and contaminated sites)
- community values (heritage sites and areas, sites of significance to Māori, protected trees)
- infrastructure and energy
- subdivision
- general district-wide matters (temporary activities, noise and light, earthworks, signs, activities on the surface of water, mining).

The BM report notes that these district-wide matters commonly cover issues identified as matters of national importance or are dealt with in the same way across districts. It notes further that approaches to key issues such as landscape, biodiversity, the coastal environment and natural hazards which extend across district boundaries, should be addressed in the same way. The BM report concludes that if a combined district plan approach was taken on the West Coast, there would not therefore need to be any particular variation in the approach taken to deal with district-wide issues.

Zone-level approaches

The BM report comments that different approaches would also not be required at a zone level and that the same set of zones would be appropriate to all three districts given their similarity in scale and nature (largely rural with small to medium towns and settlements). Where any localised differences in land management approach need to be reflected, the national planning standards would allow the application of a 'precinct'¹⁵ or 'overlay'¹⁶ without impacting on the common zoning approach.

The BM report gives the example of where all towns could have a 'residential' zone applied but an area in one town could be identified as a 'character overlay' to recognise a particular difference that merits different rules e.g. Franz Alpine Resort in the Westland district plan or the 'scenically sensitive residential zone' in the Buller district plan.

The BM report also identifies use of the precinct approach, or tailored rules for specific geographic areas, as ways to reflect current differences between the districts in relation to subdivision standards if it was agreed these should be retained under a combined plan. In addition the report notes that the draft standards enable the creation of additional special purpose zones for land use activities that are significant to a district.

In respect of one district wishing to take a different approach, the BM report says it is important to note that applicable rules do not have to be the same across the whole area. However it is best practice to avoid differences wherever possible and to ensure that where there are agreed differences these are for clear resource management or effects reasons.

¹⁵ A **precinct** spatially identifies and manages an area where two or more additional provisions apply which modify the policy approach of the underlying zone(s) or redefine or modify land use outcomes.

¹⁶ An **overlay** spatially identifies an area, feature or item that following a district-wide assessment has been determined to have distinctive values, environmental risks or factors that require management in a different manner from the underlying zone provisions.

The BM report identifies the different district approaches currently in relation to mining and notes the proposed joint committee would enable consideration and resolution of such differences and adoption of consistent policy and rules approaches. It states again that the draft standards provide a number of opportunities to recognise differences including possible different mining precincts within the rural zone that have an effects based reason to be managed differently, or specific rules that introduce a different regime for managing effects of different types of mining e.g. coal versus gold.

In relation to integration of the district plans, the BM report notes a key issue the councils will face is the requirement for functionality of district plan documents and maps as a result of the draft national planning standards. This will require a movement to an ePlan approach and to provide interactive GIS planning maps. Given the cost of implementing an ePlan approach and the time necessary to manage the development of this, the report concludes it will be considerably more efficient and cost effective for this to be done collaboratively as part of a combined district plan process. The BM report also notes that at present only Grey District Council has an online, interactive mapping map facility with the other two councils appearing to rely on simple pdf mapping with no functionality or layering. All three district plans are available as a pdf.

Technical guidance

The BM report comments that best practice approaches to the application of technical issues into district plans is continually evolving. However, there is now clear guidance in case law around the level of specialist input to inform key issues such as identification of the coastal environment, identification of outstanding natural features and landscapes, transport rules and noise standards. It notes the use of standard technical approaches is of benefit to all councils in ensuring consistent approaches to issues that are common to individual districts.

Analysis of the three West Coast district plans shows technical guidance has been used in respect of some issues but that:

- there has been no definition of the extent of the coastal environment by any of the district councils to give effect to the NZ Coastal Policy Statement 2010
- there has been limited district-wide identification of outstanding natural features and landscapes, and no identification of areas of outstanding or high natural character which accords with best practice
- there have been no district-wide studies of significant natural areas on private land completed
- there is incomplete knowledge of the risks associated with natural hazards (flooding, liquefaction), or existing assessments are not sufficient as a basis for land use management (e.g. the landward extent of areas at risk of coastal hazard have not been mapped)
- there is incomplete identification of areas of cultural significance to Ngāi Tahu.

The BM report notes there would be efficiencies in completing any required technical assessments across all three districts jointly through a combined district plan, rather than independently. This would ensure consistency of approach and significant cost reduction.

In addition, section 80(7) of the RMA *requires* councils to consider appropriate combined documents where significant cross-boundary issues relating to the use, development or protection of natural and physical resources arise or are likely to arise. The BM report suggests particular section 6 matters of national importance are relevant to this requirement on the West Coast including landscapes, coastal issues and hazards.

Best practice approaches

Finally the BM report notes that district plan approaches have evolved considerably since the RMA was enacted in 1991. Development of second generation district plans has seen the adoption of the vast knowledge gained through implementation of first generation plans, case law and the plan development experiences of other councils.

The BM report identifies what it describes as minimum best practice in relation to the current West Coast district plans. This includes:

- ensuring plans remain current
- keeping pace with legislative change
- aligning with national and regional policy direction
- adopting best practice technical guidance.

The BM report also identifies other best practices which should be adopted for any contemporary second generation plan, including a strategic direction chapter to set the overall high level vision and objectives to be achieved through the implementation of the plan. The chapter should form the basis for the more specific objectives, policies and rules for each of the zones and district-wide matters addressed in the other chapters.

The BM report notes that in preparing district plans it is considered best practice to formalise arrangements with iwi as to how they can participate in the plan development process. Councils should also ensure iwi are appropriately resourced and engaged to assist collaboratively in the development of the plan and in particular recognition of iwi values, sites of cultural significance and specific iwi management objectives, policies and methods. It notes, however, Boffa Miskell was unable to ascertain whether any of the three councils have any specific arrangements with Ngāi Tahu or local rūnanga for consultation or general resource management processes.

Conclusion

The BM report concludes that all of the district plans will require substantial work to give effect to national policy and the national planning standards. The Buller plan has made some progress towards reviewing the strategic objectives for the district, albeit in a manner integrated into the plan chapters rather than in a strategic directions chapter. However in the absence of regional direction, and in the absence of clear technical guidance on district-wide issues, this will require review in a relatively short time. The Grey and Westland district plans require considerable work to restructure their provisions to provide a strategic direction for those districts.

The BM report identifies some potential barriers to integration of the plans including:

- Reconciling differences in plan approach where one council wants to take a distinctly different approach to an activity or issue. This could potentially form a barrier to consensus or timely resolution. However, this type of issue could be resolved through the joint committee approach proposed in the draft proposal by the Commission.
- Similarly, some parts of the community may not want to be subject to a combined district plan approach. This could be managed through appropriate stakeholder and community engagement processes.

Following its assessment, Boffa Miskell says it remains of the view that it would be more efficient to have one combined district plan approach for the region, rather than three district plans covering the same issues in the same or similar ways. They remain of the opinion that there can be considerable time and cost savings in one combined review rather than three individual reviews running in parallel.

The BM report notes that there is sufficient flexibility in the draft national planning standards framework (through the provision for precincts, overlays and rules) to enable localised or situational differences to be expressed where this is necessary to achieve appropriate resource management outcomes.

Boffa Miskell says it considers it would be technically possible to achieve a contemporary and high quality combined district plan for the West Coast, subject to:

- establishment of systems and processes to ensure adequate consultation and engagement with all stakeholders and the community
- establishment of systems and processes to ensure combined decision making that is robust but timely
- sufficient resources to ensure that the process is undertaken in a timely manner and includes all necessary technical and expert inputs.

Appendix 5: Proposed legal description of final West Coast reorganisation proposal

Transfer of statutory obligations

1. The obligations of each of Buller, Grey and Westland district councils, under section 73 and Schedule 1 of the Resource Management Act 1991, for there to be a district plan at all times for each district and for the preparation, notification, adoption, periodic amendment and review of these district plans, are transferred to West Coast Regional Council.
2. The transferred obligations for the preparation, notification and adoption of new district plans and for the periodic amendment and review of those plans will be met by the preparation, notification, adoption, periodic amendment and review of a combined district plan for the Buller, Grey and Westland districts under section 80 of the Resource Management Act 1991.
3. For the avoidance of doubt, clause 2 will not prevent the preparation, notification, adoption, periodic amendment and review of a document that meets the requirements of both the combined district plan and a regional plan or regional policy statement, or both, as authorised under section 80 of the Resource Management Act 1991.

Provisions for inclusion in reorganisation scheme

4. 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 provide for:
 - a) a permanent joint committee between all four West Coast councils and local iwi (the West Coast District Plan Committee)
 - b) the West Coast Regional Council to delegate to the West Coast District Plan Committee its district plan obligations under clauses 1 and 2
 - c) the purpose and terms of reference for the West Coast District Plan Committee to be to:
 - i. prepare and notify the proposed combined West Coast district plan (combined district plan)
 - ii. hear and consider (including through subcommittees as necessary and appropriate) all submissions received on the proposed combined district plan
 - iii. adopt a final combined district plan
 - iv. monitor implementation of the combined district plan and the need for amendments
 - v. undertake amendments and reviews of the combined district plan, or ensure these are undertaken, as required
 - d) the initial membership of the West Coast District Plan Committee, to at least such time as the combined district plan becomes fully operative, to comprise:
 - i. an independent chairperson
 - ii. the chairperson of West Coast Regional Council and one other elected member from and appointed by West Coast Regional Council

- iii. the mayor of Buller District and one other elected member from and appointed by Buller District Council
 - iv. the mayor of Grey District and one other elected member from and appointed by Grey District Council
 - v. the mayor of Westland District and one other elected member from and appointed by Westland District Council
 - vi. one representative appointed by Te Rūnanga o Ngati Waewae
 - vii. one representative appointed by Te Rūnanga o Makaawhio
- e) a West Coast District Plan Technical Advisory Team (the Technical Advisory Team) to provide technical advice to the West Coast District Plan Committee.

Independent chairperson of West Coast District Plan Committee

5. The first appointment of the independent chairperson of West Coast District Plan Committee will be made by the Local Government Commission on the recommendation of the transition board, with all subsequent appointments made by the committee.

Membership of West Coast District Plan Technical Advisory Team

6. The Technical Advisory Team will have a membership agreed by the West Coast District Plan Committee following nominations by the parties comprising the committee.

Funding

7. Subject to clause 8, the costs for there to be a combined district plan and for preparing, notifying, adopting, periodically amending and reviewing the combined district plan will be funded by West Coast Regional Council through a rate set in relation to all rateable land within West Coast Region.
8. The West Coast District Plan Committee may agree that the relevant district council or councils, or their district or districts, is to be responsible for funding work relating to a particular amendment to the operative combined district plan which will have only, or predominantly, a localised impact.

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 district plan.
10. The transition body will comprise:
- a) a transition board
 - b) an implementation team.

Transition board

11. The transition board will comprise:
- a) an independent chairperson appointed by the Local Government Commission
 - b) the chairperson of 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 Ngati 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.

Affected local authorities continue in existence

15. 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 obligations, continue to have all their current roles, powers and responsibilities by or under law.

Areas of interest of iwi and hapū in West Coast

16. There will be no changes to the extent to which areas of interest for Ngai Tahu and Te Rūnanga o Ngati Waewae and Te Rūnanga o Makaawhio in particular, are included in Buller, Grey and Westland districts.

Clauses 45 and 46 of Part 4 of Schedule 3 of the Local Government Act 2002 not to apply

17. Clauses 45 and 46 of Part 4 of Schedule 3 of the Local Government Act 2002 will not apply to the reorganisation scheme.