Date: Thursday, 23 May, 2019
Time: 10:00 am
Location: Council Chamber
Waikato Regional Council
401 Grey Street
Hamilton East
Members: W Maag - Chair (Maniapoto Maori Trust Board)
T Brough - Deputy Chair (Local Community Representative)
Cr F Lichtwark (Waikato Regional Council)
L Thomson (Waikato District Council)
D Pilkington (Otorohanga District Council)
Cr A Williams (Otorohanga District Council)
Cr S Smith (Waitomo District Council)
N Hayward (Department of Conservation)
C Holland (Local Community Representative)
T Mandeno (Local Community Representative)
M Moss (Local Community Representative)
J Reeves (Local Community Representative)
S Reid (Local Community Representative)
K Van Houte (Local Community Representative)
K Taylor (Maniapoto Maori Trust Board)
W Jensen (Maniapoto Maori Trust Board)
M Moana-Tuwhangai (Waikato-Tainui)
Cr S Kneebone (Joint-Chair Integrated Catchment Management Committee South)
A Livingston - ex officio (Waikato Regional Council)
T Mahuta - ex officio (Waikato Regional Council)

Notice of Meeting:
I hereby give notice that an ordinary Meeting of the West Coast Catchments Committee will be held as detailed above.

VRJ Payne
Chief Executive Officer
1. **Terms of Reference**

2. **Apologies**

3. **Confirmation of Agenda**

4. **Disclosures of Interest**

5. **Confirmation of Minutes**

   5.1 **West Coast Catchments Committee Minutes**

      The minutes from the meeting of the West Coast Catchments Committee dated 19 March 2019.

6. **Issues and Actions Report May 2019**

   Report to update the Committee on any issues and actions from the previous meeting.

7. **Chairperson’s Report**

   A verbal report from the Chairperson to update the Committee on the work programme being carried out throughout the Zone.

8. **West Coast Zone Status Report May 2019**

   Report by the Zone Manager to update the Committee on West Coast catchment financials, activities and work programmes since the last Committee meeting.

9. **Plan Change One - Healthy Rivers Update**

   Mark Gasquoine, Team Leader, Land Management Advisory Services, will provide the committee with a verbal update on the Plan Change 1 Healthy Rivers project.

10. **Kawhia Biodiversity Projects**

    Moniqua Nelson-Tunley (Site Restoration Advisor – Natural Heritage), will provide the committee with an overview of current Integrated Catchment Management biodiversity projects in the Kawhia Harbour catchment.

11. **West Coast Harbour Planning Update**

    Jolene Francis (West Coast Zone Manager) and Tracie Dean-Speirs (Harbour Catchment Management Advisor) will provide an update to the West Coast Catchment Committee on the Harbour Catchment Planning process.

12. **Approach to the Management of Integrated Catchment Management Reserves**

    Report provides an overview of the various financial reserves that the Integrated Catchment Management activities operate such as those that relate to operational expenditure, capital investment and disaster recovery.
**Catchment Committees**

**REPORTING TO:** Integrated Catchment Management Committee.

**CONSTITUTION:** Constituent Councillors appointed by Council, 
One of the two Joint-Chairs, Integrated Catchment Management Committee being either the Joint-Chair from the north or the Joint-Chair from the south depending on the geographic location of the respective catchment,

For each of the relevant catchment committee, the relevant Chair or Deputy Chair of Franklin Waikato Drainage Advisory Subcommittee, Thames Valley Drainage Advisory Subcommittee, Waikato Central Drainage Advisory Subcommittee and Aka Aka Otau Drainage Advisory Subcommittee (ex-officio with full voting rights).

The Council Chair or Deputy Chair (ex-officio with full voting rights).

Appointments made by Council from nominations from territorial and iwi authorities and relevant sector groups/the public within the scheme/management area – such as key agencies, landowners, community groups as identified by Council

The Chair and Deputy Chair from the membership of each Catchment Committee to be appointed by the Integrated Catchment Management Committee.

Refer to membership schedule for each Catchment Committee.

**MEETING FREQUENCY:** Three to four meetings per annum (including field inspections).

**OBJECTIVE:** To provide advice to the Integrated Catchment Committee and support catchment management activities.

**QUORUM:** Chair or Deputy Chair of the Committee, one Waikato Regional Council appointed Councillor and two members of the committee.

**SCOPE OF ACTIVITY:**

1. The Catchment Committees each have an assigned geographical area of interest, representing catchment interests in one of Coromandel, Waikou-Piako, Taupō, Upper Waikato, Central, Waipa, West Coast and Lower Waikato catchments.

2. Each Committee has the opportunity to provide advice to the Integrated Catchment Committee and support Council’s catchment management activities related to:
   (a) Asset management
   (b) Flood control programmes
   (c) Biodiversity and natural heritage operations
   (d) Biosecurity operations
   (e) Harbour and catchment management
   (f) Hazard management and community safety activities
(g) River systems management
(h) Soil conservation and land management programmes

3. As provided for in Council’s Standing Orders, the Chair may consider requests for deputations in relation to specific agenda items and at the discretion of the Chair, a public forum may be included in committee meeting agendas.

POWER TO ACT:

1. To consider and approve annual work programmes for catchment management activities within the relevant catchment area, consistent with Council policy, zone plan priorities and approved annual budgets.

2. To monitor progress of catchment management activities, zone plans including asset management plans against current year budgets.

POWER TO RECOMMEND:

1. To develop zone plans, including asset management plans.

2. Input to locally relevant Council plans to advance the catchment zone plan priorities.

3. Assessment of feasibility and development of (flood protection) capital works proposals in response to community need.

CHIEF EXECUTIVE – POWER TO ACT

1. Refer to Section 2.3.3 of the Procedural Delegations Manual

CATCHMENT COMMITTEES:

North
Waihou Piako Catchment Committee
Coromandel Catchment Committee
Lower Waikato Catchment Committee

South
Central Waikato Catchment Committee
Lake Taupō Catchment Committee
Upper Waikato Catchment Committee
Waipa Catchment Committee
West Coast Catchments Committee
Waikato Regional Council

West Coast Catchments Committee

OPEN MINUTES

Date: Tuesday, 19 March, 2019, 10:00 am
Location: Council Chamber
Waikato Regional Council
401 Grey Street
Hamilton East

Members Present: W Maag (Chair)
M Brough (Deputy Chair)
Cr F Lichtwark (Waikato Regional Council)
Cr A Williams (Otorohanga District Council)
Cr S Smith (Waitomo District Council)
C Holland (Local Community Representative)
T Mandeno (Local Community Representative)
M Moss (Local Community Representative)
J Reeves (Local Community Representative)
K Van Houte (Local Community Representative)
Cr S Kneebone (Joint-Chair Integrated Catchment Management Committee South)

In Attendance: Cr J Hayman

Staff Present: B Toohey (Manager, Lower Waikato/Waipa/West Coast Catchments)
J Francis (Zone Manager, West Coast and Central Waikato)
L Van Veen (Democracy Advisor)

In Attendance: Reon Verry (King Country River Care)
Anna Nelson (King Country River Care)
P Lynch (Waikato Regional Council, Manager Investigation and Incident Response)
SECTION A: UNDER DELEGATION AND FOR THE INFORMATION OF COUNCIL

1. **Apologies**

The apologies from L Thomson (Waikato District Council), D Pilkington (Otorohanga District Council), N Hayward (Department of Conservation), S Reid (Local Community Representative), T Mahuta (ex officio) and A Livingston (ex officio) were accepted. Notice of lateness of M Moana-Tuwhangai was also accepted.

A member queried the Department of Conservation representation on the committee. J Francis advised that a Department of Conservation representative was unable to attend due to a hui being held on the same day which involved staff who would have otherwise attended in N Hayward’s place. J Francis noted that the Department of Conservation have expressed a desire to meet with council staff to determine the level of representation needed across committees. Cr Kneebone undertook to liaise with Chair A Livingston and C Crickett, Director Integrated Catchment Management, to arrange a meeting between suitable parties.

W Maag (Chair) advised that Ronnie Takerei will be replacing Ray Wii as a Maniapoto Maori Trust Board representative on the committee, however Ronnie was an apology for this committee meeting.

WCC19/01

Moved By: M Brough
Seconded By: Cr F Lichtwark

RESOLVED

THAT:

1. The apologies of L Thomson, D Pilkington, N Hayward, S Reid, T Mahuta, A Livingston and R Takerei be accepted.
2. Notice of lateness of M Moana-Tuwhangai be accepted.

The motion was put and carried.

2. **Confirmation of Agenda**

WCC19/02

Moved By: Cr S Kneebone
Seconded By: Cr S Smith

RESOLVED

THAT the agenda of the 19 March 2019 West Coast Catchment Committee, as circulated, be confirmed as the business for the meeting.

The motion was put and carried.

3. **Disclosures of Interest**

M Brough and J Reeves disclosed membership of King Country River Care. There were no further disclosures of interests noted.
Members requested the Waikato Regional Council disclosures of interests register for their review prior to attending committee meetings. Staff undertook to seek the inclusion of this information noting it did not only impact on this committee.

4. Confirmation of Minutes

4.1 West Coast Catchments Committee Minutes

The minutes of the previous meeting of the West Coast Catchments Committee dated 7 November 2018 were received and accepted as a true and accurate record, with the exception of an oversight with the spelling of Cr F Lichtwark’s name.

With respect to Item 5 – Waikato Regional Pest Management Annual Report 2017/18 and Operational Plan 2018/19, a member queried about mechanisms for restricting the sale of red-eared Slider Turtle as pets. Staff undertook to provide further advice on this to the committee.

WCC19/03

Moved By: M Brough
Seconded By: T Mandeo

RESOLVED

THAT the minutes of the West Coast Catchments Committee dated 7 November 2018 be received and approved as a true and accurate record, with the exception of an oversight with the spelling of Cr F Lichtwark’s name.

The motion was put and carried

5. Issues and Actions from the Previous Meeting

Presented by Zone Manager, West Coast and Central Waikato Catchments (J Francis), the report provided an update on the actions and issues raised from the previous West Coast Catchments Committee.

During questions, answers and related discussion Committee members raised or noted the following matters:

- Requested more information be included in the Zone Status Report regarding long term trends of water quality in priority catchments. Staff undertook to provide links to relevant priority catchment data, available on the council website.
- Staff advised of annual water quality monitoring results previously provided by Science and Strategy staff on an annual basis. Staff undertook to provide further advice on this to the committee.
- Members discussed the map provided in the agenda package, which showed areas planted to date. A member acknowledged the difficulty in illustrating work still to be achieved, given the level of private work undertaken by landowners. Requested data be added to the map to communicate the quantity of work achieved so far relative to that which was yet to be undertaken.
WCC19/04

Moved By: Cr F Lichtwark
Seconded By: M Brough

RESOLVED
THAT the report Issues and Actions Report (West Coast Catchment Committee 19 March 2019) be received.

The motion was put and carried

Reon Verry and Anna Nelson of King Country River Care joined the meeting at 10.27am.

6. Chairperson’s Report

The Chair (W Maag) spoke to this item. W Maag requested that the relevant sections of the most recent Integrated Catchment Management Committee minutes relating to the West Coast Catchments Committee be included in the agenda package going forward.

WCC19/05

Moved By: W Maag
Seconded By: Cr S Kneebone

RESOLVED
THAT the verbal Chairperson’s Report (West Coast Catchments Committee 19 March 2019) be received.

The motion was put and carried

7. West Coast Zone Status Report

Presented by Zone Manager, West Coast and Central Waikato Catchments (J Francis), the report provided the Committee with an update on the status of the West Coast Zone activities and work programme, covering the period from 1 November 2018 to 31 January 2019.

During questions, answers and related discussion Committee members raised or noted the following matters:

- 38% of the year to date budget had been expended, noting this is to be expected given that the majority of the work is carried out during the summer months.
- The recent appointment of a Harbour Catchment Management Advisor (Tracie Dean-Speirs). Staff had been inducting her across the harbour catchment planning work carried out to date. Next step was to develop a steering group structure in order to progress the work in this space.
- Reon Verry and Anna Nelson of King Country River Care (KCRC) presented on the King Country Rivers Care’s objectives, strategic goals, action plan and expectations of the Waikato Regional Council. Noted that they were an Incorporated Society which was set up by farmers in December 2013 with an aim of facilitating and promoting “on farm good practice” of sustainable land management principles. They also worked to ensure farmers were represented well in the development of relevant policy, with a particular focus being...
that of the Waikato Regional Council’s Proposed Plan Change 1. Refer doc# 14006946 for the presentation.

• KCRC were working on setting up an umbrella structure made up of groups representing the various catchments throughout the King Country area. They had received 50 applications to join to date, 40 of which have paid subs.

• Anna advised that KCRC have recently completed their Draft 1 Year Action Plan and were seeking feedback on this. She welcomed the committee to provide their feedback prior to the upcoming KCRC meeting.

• A member queried the ability for the KCRC to report annually on the amount of fencing along waterways undertaken by its members and also on the targeted work they undertook to control sediment, particularly along the west coast. Reon advised that the membership forms request applicants to advise on a variety of items, including the length of fencing along waterways at their property. The membership forms were being used to form the baseline information for measuring the success of KCRC related initiatives going forward.

• A member advised of the NIWA Smart Kit and recommended KCRC connect with Waikato Regional Council science staff in order to showcase to KCRC the great work they were undertaking, relevant to what KCRC were also trying to achieve.

• A member highlighted the work some community members were undertaking to rekindle land care groups and develop tools which were also relevant to what KCRC were trying to achieve.

WCC19/06

Moved By: Cr F Lichtwark
Seconded By: M Brough

RESOLVED
THAT the presentation by Reon Verry and Anna Nelson regarding King Country River Care be received.

The motion was put and carried

Patrick Lynch, Waikato Regional Council, Manager Investigation and Incident Response, joined the meeting at 10.45am.

• Patrick Lynch advised the members of the process Waikato Regional Council staff undertake to investigate and regulate incidents.

• J Francis advised members of the opportunity to submit on the Inter-regional marine pest pathway discussion document, of which submissions would close 24 May 2019.

WCC19/07

Moved By: W Maag
Seconded By: S Smith

RESOLVED
THAT the report West Coast Zone Status Report to 31 January 2019 (West Coast Catchment Committee 19 March 2019) be received.

The motion was put and carried
8. **Update on Hill Country Erosion Fund and One Billion Tree Funding**

   Report to provide the Committee with an overview on recent discussions, decisions and announcements concerning the 'Hill Country Erosion Fund' and 'One Billion Tree' funding opportunities. A member expressed that the funding should not be used to procure exotic planting.

   WCC19/08

   **Moved By:** W Maag  
   **Seconded By:** S Kneebone

   **RESOLVED**  
   THAT the report Update on Hill Country Erosion Fund and One Billion Tree Funding (West Coast Catchment Committee 19 March 2019) be received.

   The motion was put and carried

9. **Flood Campaign Update**

   Report to provide the Committee with an update on the proposed communications campaign in relation to Council's flood protection and land drainage schemes. The report was taken as read.

   WCC19/09

   **Moved By:** Cr F Lichtwark  
   **Seconded By:** Cr S Kneebone

   **RESOLVED**  
   THAT the report Flood Campaign Update (West Coast Catchment Committee 19 March 2019) be received.

   The motion was put and carried

Meeting closed at 11.37am

_________________________  
Chair
Report to West Coast Catchments Committee

Date: 29 April 2019

Author: Jolene Francis – Zone Manager, West Coast and Central Catchments

Authoriser: Brendan Toohey - Manager, Lower Waikato West Coast Catchments, Integrated Catchment Management

Subject: Issues and Actions Report May 2019

Section: A (Committee has delegated authority to make decision)

Purpose
1. The purpose is to report back on actions and issues discussed at previous West Coast Catchments Committee meetings.

Staff Recommendation:
That the report Issues and Actions Report May 2019 (West Coast Catchment Committee dated 23 May 2019) be received.

Report Back
2. Table 1 lists both resolutions and matters arising and issues raised from previous meetings that are tracked over time.

Key

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete</td>
<td>On plan / work in progress</td>
</tr>
<tr>
<td>Issues being addressed</td>
<td>Not completed / on hold / at risk</td>
</tr>
</tbody>
</table>
Matters Arising
3. Table 1 below is a summary of the key matters which were raised at the last catchments committee meeting and the actions that followed.

<table>
<thead>
<tr>
<th>Date</th>
<th>Matters Arising</th>
<th>Actions</th>
<th>Status update</th>
<th>Responsible</th>
</tr>
</thead>
<tbody>
<tr>
<td>18/03/2019</td>
<td><strong>Waikato Regional Pest Management Annual Report 2017/18 and Operational Plan 2018/19</strong>&lt;br&gt;A Member requested further information on the Waikato Regional Council response to the issue on the sale of Red Eared Slider turtles.</td>
<td>Currently no restriction on the sale of these turtles. Any future response will form part of the next Regional Pest Management Plan review (RPMP).</td>
<td>Complete</td>
<td>Zone Manager</td>
</tr>
<tr>
<td>7/11/2018</td>
<td><strong>West Coast Zone Status Report</strong>&lt;br&gt;The committee requested that information on catchment work programmes/activities to show timelines and progress towards completing the priority work plans/achieving the goals set.</td>
<td>Presented at the March 2019 committee meeting.</td>
<td>Completed</td>
<td>Zone Manager</td>
</tr>
<tr>
<td>7/11/2018</td>
<td><strong>West Coast Zone Status Report</strong>&lt;br&gt;A committee member requested a map showing areas planted to date and what areas are planned to be planted.</td>
<td>Update to be given at meeting.</td>
<td>In Progress</td>
<td>Zone Manager</td>
</tr>
<tr>
<td>5/09/2018</td>
<td><strong>West Coast Zone Status Report</strong>&lt;br&gt;The committee requested an overview of the possum eradication programme at the next meeting.</td>
<td>To be included in the RPMP annual report from the biosecurity team.</td>
<td>Complete</td>
<td>Zone Manager</td>
</tr>
<tr>
<td>30/8/2016</td>
<td>A joint study was underway with Waikato Tainui and NIWA on whitebait. Once results were available these would be made available to the Committee, but no substantial findings were available yet. The Committee requested a presentation on whitebait management from the Department of Conservation (DOC) at their next meeting.</td>
<td>No results are available yet from the Waikato Tainui/NIWA whitebait study. Information will be made available to the committee once results are available. Natasha Hayward gave a presentation at the March 2018 meeting. Mark Brough gave an update on this at the November 2018 meeting.</td>
<td>In progress</td>
<td>Zone Manager</td>
</tr>
</tbody>
</table>
Report to the West Coast Catchment Committee

Date: 29 April 2019

Author: Jolene Francis – Zone Manager, West Coast and Central Catchments

Authoriser: Brendan Toohey - Manager, Lower Waikato West Coast Catchments, Integrated Catchment Management

Subject: Chairperson Report May 2019

Section: A (Committee has delegated authority to make decision)

Purpose
1. A verbal update for the information of the committee will be provided by the West Coast Catchments Committee Chairperson, Weo Maag. The update will include any matters of particular relevance to the zone.
2. Members are asked to pre-read the minutes from the previous Integrated Catchment Management Committee meetings, and raise questions as required during the Chairperson’s Report.
3. Minutes and Agendas can be found on Waikato Regional Council’s website at Agendas and minutes.

Staff Recommendation:
That the verbal report Chairperson Report May 2019 (West Coast Catchment Committee 23 May 2019) be received.

Attachments
None

References
None
Report to West Coast Catchment Committee

Date: 29 April 2019

Author: Jolene Francis - Zone Manager, West Coast and Central Waikato Catchments

Authoriser: Brendan Toohey - Manager, Lower Waikato West Coast Catchments, Integrated Catchment Management

Subject: West Coast Zone Status Report May 2019

Section: A (Committee has delegated authority to make decision)

Purpose

1. This report outlines the status for West Coast Zone activities and work programmes, covering the period 1 February 2019 to 30 April 2019 including:
   - Financial performance (River, Catchment and Zone Management) to 30 April 2019
   - Key project updates
   - Non-financial status to 30 April 2019:
     - Long Term Plan (LTP) measures and
     - Zone based measures (Catchment Management)

Executive Summary

2. This report outlines the status for West Coast Zone activities, work programmes and financials covering the period to 30 April 2019.

Staff Recommendation:
That the report West Coast Zone Status Report May 2019 (West Coast Catchment Committee 23 May 2019) be received.

Zone Overview

3. This report outlines the status for West Coast Zone activities, and work programmes covering the period up until 30 April 2019.

4. The focus for the West Coast Zone in the 2018/19 year continues in the following areas:
   - Increased work within the northern part of the zone in the priority harbour catchments of Aotea, Kawhia and Whaingaroa, targeting particular properties with significant values to maximise external funding opportunities.
   - The continuation of the Hill Country Erosion Fund Programme in the southern part of the zone, focusing on raising awareness with landowners and implementation of soil conservation, water quality and biodiversity projects within the Awakino, Lower Mokau and Mangaotaki priority catchments.
   - The potential continuation of the Hill Country Erosion Fund Programme in the southern part of the zone, focusing on raising awareness with landowners and implementation of soil conservation, water quality and biodiversity projects within the Awakino, Lower Mokau and Mangaotaki priority catchments.
   - Continuation of ‘business as usual’ work within the wider West Coast catchments.
• Continued collaboration with key stakeholders including Department of Conservation, Ministry for Primary Industries, Iwi, Nga Whenua Rahui, QEII Trust, Local Territorial Authorities, and Beef+Lamb New Zealand.

5. Strategic initiatives to increase the uptake of work within the West Coast catchments have included:
  • Raising the Waikato Regional Council contribution threshold from $10K to $35K before an encumbrance binding future landowners to the current landowner agreements is required.
  • Completion of the West Coast Zone Plan in 2016 to guide internal work programmes and external collaboration.
  • Establishing a record of success for the Hill Country Erosion Fund to facilitate future funding and raising community awareness through advertising, newsletter, drop-in days, presentations and field days, as well as the one-on-one farm visits.

6. The general work areas and priorities for 2018/19 were a continuation of existing priority catchment work in the harbour and hill country catchments. Catchment planning for the West Coast Harbours continued. River management work continued across the zone.

Expenditure to 30 April 2019
7. Summarised budget information is presented in Figure 1 and Table 1. Budget expenditure is tracking above forecast due to landowner projects being completed ahead of expectations earlier in the financial year.
### Table 1: West Coast Zone Financial Summary through to 30 April 2019 - by activity

**West Coast Catchment**  
*Apr-19 NZD*

<table>
<thead>
<tr>
<th>Activity</th>
<th>YTD Actual</th>
<th>YTD Budget (Revised)</th>
<th>Variance</th>
<th>FY Budget (Revised)</th>
<th>FY Budget Ann Plan</th>
<th>% Spent</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MAINTENANCE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Catchment Oversight</td>
<td>147,440</td>
<td>178,917</td>
<td>31,477</td>
<td>215,778</td>
<td>226,688</td>
<td>68%</td>
</tr>
<tr>
<td>Information and Advice</td>
<td>65,685</td>
<td>65,364</td>
<td>(321)</td>
<td>73,587</td>
<td>75,587</td>
<td>89%</td>
</tr>
<tr>
<td>Catchment Maintenance</td>
<td>16,850</td>
<td>11,123</td>
<td>(5,727)</td>
<td>24,200</td>
<td>35,700</td>
<td>70%</td>
</tr>
<tr>
<td>Catchment New Works</td>
<td>276,912</td>
<td>232,115</td>
<td>(44,797)</td>
<td>452,586</td>
<td>454,586</td>
<td>61%</td>
</tr>
<tr>
<td>River Management</td>
<td>170,744</td>
<td>107,212</td>
<td>(63,532)</td>
<td>258,431</td>
<td>258,431</td>
<td>66%</td>
</tr>
<tr>
<td>Hill Country Erosion</td>
<td>420,121</td>
<td>348,350</td>
<td>(71,771)</td>
<td>617,926</td>
<td>617,926</td>
<td>68%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,125,288</td>
<td>1,041,796</td>
<td>(83,492)</td>
<td>1,798,940</td>
<td>1,848,350</td>
<td>63%</td>
</tr>
<tr>
<td>Interest on reserve expense</td>
<td>(4,619)</td>
<td>(1,570)</td>
<td>3,049</td>
<td>(1,887)</td>
<td>(1,887)</td>
<td>245%</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXP (OPEX)</strong></td>
<td>1,120,669</td>
<td>1,040,226</td>
<td>(80,443)</td>
<td>1,797,053</td>
<td>1,846,463</td>
<td>62%</td>
</tr>
<tr>
<td><strong>CAPITAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FUNDED BY</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Rate</td>
<td>729,934</td>
<td>729,934</td>
<td>0</td>
<td>875,948</td>
<td>875,948</td>
<td>(83)%</td>
</tr>
<tr>
<td>Targeted Rates</td>
<td>575,901</td>
<td>580,410</td>
<td>(4,509)</td>
<td>696,515</td>
<td>696,515</td>
<td>(83)%</td>
</tr>
<tr>
<td>Government Grant</td>
<td>26,470</td>
<td>3,942</td>
<td>22,528</td>
<td>274,000</td>
<td>274,000</td>
<td>(10)%</td>
</tr>
<tr>
<td>Direct Charges</td>
<td>8,710</td>
<td>0</td>
<td>8,710</td>
<td>0</td>
<td>0</td>
<td>n/m</td>
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<tr>
<td>Royalties</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>n/m</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>1,341,015</td>
<td>1,314,286</td>
<td>26,729</td>
<td>1,846,463</td>
<td>1,846,463</td>
<td>(73)%</td>
</tr>
</tbody>
</table>

Notes to Table: MPI Hill Country Erosion Fund (HCEF) and Department of Conservation (DOC) partnership funding are displayed in the ‘government grant” line.
Key Projects
A summary of the key projects for the West Coast Zone is provided below.

8. **Northern Zone:**
   There has continued to be high demand within the northern zone for funding support. Catchment new works are focused in the three priority harbour catchments: Kawhia, Aotea, and Whaingaroa, with the majority of new works occurring in the Waitetuna sub-catchment of the Whaingaroa (Raglan). Works include riparian retirement and planting, stream bank erosion control, bush retirement, harbour edge retirement and wetland protection.

   **Harbour Catchment Planning**
   We have completed a draft project plan for the West Coast Harbour catchment planning process and a presentation will be given at the May 2019 meeting by the Zone Manager and Tracie Dean-Spiers (Harbour Catchment Management Advisor).

9. **Southern Zone:**
   **Hill Country Erosion Programme:**
   2018/19 is the final year of the Hill Country Erosion programme. The hill country erosion fund (HCEF) programme is fully subscribed in this last year of funding. Works include bush retirement, pole planting soil conservation, riparian retirement and planting and wetland protection works.

   A regional application for the next HCEF funding round was made and council was successful in obtaining $3.7M in funding across 5 zones. The West Coast Zone will be receiving approx. $1.2M of this. It was agreed ‘in principal’ for a small targeted rate increase from 2020/21 financial year – a report detailing the proposed West Coast Hill Country Programme for 2019-23 will be presented at the August 2019 catchment committee meeting.

10. Other catchment work (outside of priority catchments) is being undertaken on numerous properties throughout the wider West Coast catchments, involving channel spraying, riparian retirement and planting, and also land retirement. Routine maintenance activities include blockage/tree removal and weed spraying, while erosion control using tree laying was also undertaken.

11. **West Coast Catchment Committee Planning Workshop**
   A planning workshop was held with the West Coast Catchment Committee, after the formal committee meeting on the 19 March 2019. This workshop is required to be held every two years under the West Coast Zone Plan. The committee broke into 3 groups, with each asked to consider the following in relation to the 4 objectives of the zone plan:
   - Current and new projects/actions (with reference to section 7 of the zone plan);
   - Prioritisation of projects/actions, with a focus on the next 1-3 years;
   - Any common areas of interest and/or collaboration opportunities.

   Refer to Attachment 2 for an overview of the discussions and resulting notes from the workshop.
Performance Measures

12. Progress toward the performance measures against the 2018-2028 LTP and the West Coast Zone Plan Measures are presented in Tables 2 and 3.

Key

<table>
<thead>
<tr>
<th>Status</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Complete</td>
<td></td>
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<tr>
<td>On plan/work in progress</td>
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<tr>
<td>Issues being addressed</td>
<td></td>
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<tr>
<td>Not completed/on hold/at risk</td>
<td></td>
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</tbody>
</table>

13. Table 2. 2018 – 2028 Long Term Plan measures and performance through 30 April 2019

<table>
<thead>
<tr>
<th>Group Activity of Activity</th>
<th>Sub activity</th>
<th>Level of service</th>
<th>Performance measure</th>
<th>Target</th>
<th>Commentary</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flood Protection</td>
<td>River management</td>
<td>To achieve a balance between maintaining channel capacity, channel stability, and environmental values in the management of priority rivers and streams in each management zone.</td>
<td>Proactive monitoring (inspections, surveys and scheme reviews) of priority rivers and streams on a cyclical basis as per the agreed work programme.</td>
<td>Achieved</td>
<td>Desk-top/field inspections and forward planning for Waitetuna and Marokopa completed. An aerial drone survey was completed for Waikawau in September 2018 which will be used to inform future management approaches.</td>
<td></td>
</tr>
<tr>
<td>Integrated Catchment Management</td>
<td>Biosecurity</td>
<td>To control plant and animal pests within the Waikato region to maintain and enhance biodiversity and protect agricultural productivity and community health.</td>
<td>Average number of possums caught for every 100 traps set for possum operations - aerial control.</td>
<td>Less than 5% residual trap catch (RTC) for ground control Less than 3% RTC aerial control.</td>
<td>Mahoenui PPCA control operation was completed with a result of 0.0% RTC. NW Waikato West PPCA started in last week of February. This area is programmed to take 12 months to complete. Currently tendering for Karioi North PPCA and Mokautiti 1&amp;2 farmland.</td>
<td></td>
</tr>
<tr>
<td>Group of Activity</td>
<td>Sub activity</td>
<td>Level of service</td>
<td>Performance measure</td>
<td>Target</td>
<td>Commentary</td>
<td>Status</td>
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</tbody>
</table>
|                    | Feral goats are maintained at low numbers in priority catchments. | Regeneration of sensitive understory vegetation. | Council has continued to work collaboratively with DOC undertaking feral goat control at high value sites across the region. DOC focuses control on public conservation land and Council on private land.  
  - West Coast/Whareorino: –
    1260 goats controlled
    SH3 goat control around Mangaotaki Reserve complete
    310 goats controlled.  
  - Mt Pirongia: –
    Work begins March 2019 | | |
<p>|                    | Reducing trend in the number of known sites for each species of eradication pest plant pests with limited distribution or density. | Eradication | Integrated Catchment Services Pest Plant Officers undertake passive and active surveillance to find and destroy Regional Pest Management Plan eradication species. Any eradication pest plant species found is surveyed and destroyed. | | |
| Biodiversity       | Work with partners, stakeholders and community to maintain and enhance indigenous biodiversity. | Improving trend in the habitat condition score of sites under active management. | Achieved | In the absence of national agreement about appropriate Tier 2 monitoring methods, a regional impact monitoring plan is being prepared. This plan will outline methods to be trialled for measuring the changes in habitat condition resulting from active management. Specific site management undertaken includes: | |</p>
<table>
<thead>
<tr>
<th>Group Activity</th>
<th>Sub activity</th>
<th>Level of service</th>
<th>Performance measure</th>
<th>Target</th>
<th>Commentary</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Toreparu Wetland</td>
<td>Financial support for fencing, provision of technical advice, liaison with community, and repeat vegetation monitoring. More fencing is planned for the next two years, and a willow control management plan has been endorsed by the community and formed the basis of a Ministry for the Environment Freshwater Improvement Fund application that unfortunately was unsuccessful. Ongoing discussions will determine alternative funding options going forward.</td>
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<tr>
<td>Coastcare projects</td>
<td>Ongoing planting and pest plant control planned for all Coastcare sites. Plants for the 2019 season have been ordered.</td>
<td></td>
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</tr>
<tr>
<td>Kawhia</td>
<td>A community and stakeholder group has been established to address management of a section of Kawhia coastline from the township to the northern boundary of Tainui Kawhia Incorporated Forestry. This group is investigating ways to protect the cultural and biodiversity values of this beach while still allowing recreational use. Key targets at present are investigating ways to alleviate vehicle impacts on sensitive areas and conduct a trial of native vegetation as a coastal buffer for commercial forestry. We are supporting this group by working with them on developing a restoration plan and provision of plants and expertise for the coastal buffer trial.</td>
<td></td>
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</tr>
<tr>
<td>Te Maika</td>
<td>The Te Maika trust have a strong interest in protecting and restoring Te Maika to a predator-free, near pristine state while still allowing people to visit and stay on the peninsula. Long term goals included making</td>
<td></td>
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</tr>
<tr>
<td>Group Activity</td>
<td>Sub activity</td>
<td>Level of service</td>
<td>Performance measure</td>
<td>Target</td>
<td>Commentary</td>
<td>Status</td>
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<td></td>
<td>the habitat suitable for the reintroduction of kiwi and tuatara. We are supporting them with development of a restoration plan that will aid them in developing their ideas further and seeking partnerships with other organisations. Lake Harihari - Following the placement of a fish-friendly culvert and planting of 7500 natives, further agreement in place with landowner to fence off flax wetland and outlet stream. A further 1800 plants have been planted around the culvert outlet. A maintenance programme is currently being implemented for all plantings. Taharoa lakes - A Management plan (which primarily involves weed control, planting and fencing) ratified with Taharoa Trust and attracted DOC funding of $70k. Works have started and two lakes are currently being fenced with the margins planted late autumn/early winter. Te Kopua marae - A draft site Restoration Plan has been developed with project partners; Tainui hapu, Whaingaroa ki te Whenua, WDC and Waikato Regional Council. The intention is to develop an environmentally friendly and sustainable option to alleviate and/or adapt to coastal erosion. This may be used as a case study for similar incidents of coastal erosion.</td>
<td>100%</td>
</tr>
</tbody>
</table>
Zone Plan Goals and Focus Areas

1. The goals for the West Coast Zone are:

   **Goal 1:** Protect and enhance the productive soil capacity, fresh and marine water quality and biodiversity.
   
   **Goal 2:** Direct resources to activities and areas of greatest environmental benefit.
   
   **Goal 3:** Support mana whenua and strengthen community partnerships.
   
   **Goal 4:** Enhance outcomes for the West Coast through strengthened leadership and visibility.

2. These Goals are to be achieved through actions within 16 Focus Areas (refer to Section 7 of the West Coast Zone Plan). The relationship of the Focus Areas and Goals is presented in Attachment 1. Zone base measures and performance through to 30 April 2019 is as follows (Table 3):
## Table 3. Zone based measures and performance through 30 April 2019

<table>
<thead>
<tr>
<th>Activity</th>
<th>Zone Objectives/Outcomes</th>
<th>Measure/Targets</th>
<th>Commentary</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial management</td>
<td>Manage operational and capital activities within budget. Demonstrated by monthly financial reports and end of year full result.</td>
<td>Target equal or less than 102% variance from budget.</td>
<td>Zone expenditure for this financial year is tracking above forecast due to landowners completing works earlier than expected in the financial year..</td>
<td></td>
</tr>
<tr>
<td>Catchment oversight</td>
<td>To provide a high standard of support and servicing to the catchments committee.</td>
<td>4 effective Catchments Committee meetings per year.</td>
<td>Meetings have been held in September, November and March for the 2018/19 financial year.</td>
<td></td>
</tr>
<tr>
<td>Information and advice</td>
<td>Respond effectively to zone enquiries and information requests. Report on the outcomes of the annual zone environmental monitoring programme.</td>
<td>Enquiries received are recorded in asset management system and are responded to appropriately.</td>
<td>Enquiries are predominantly related to the management of streams/rivers and request for assistance in dealing with erosion or the protection/enhancement of areas with high biodiversity values. The latest edition of the West Coast Newsletter was released in September 2018.</td>
<td></td>
</tr>
<tr>
<td>Catchment maintenance</td>
<td>Continue to develop three year maintenance works programmes with property owners within the zone.</td>
<td>Maintenance plans in place for prioritised sites/work. Maintenance works programs undertaken on all properties with identified non-compliance (to legal agreements).</td>
<td>A zone-wide maintenance programme has been initiated, with the first stages of the discovery, and inspection programmes underway. A maintenance works programme has been undertaken at Lake Harihari, and a maintenance plan developed for Waitetuna catchment works, with some works undertaken in the last financial year.</td>
<td></td>
</tr>
<tr>
<td>Catchment new and river management works</td>
<td>Promote new catchment works and river management according to the agreed zone priorities of; a. Priority Catchments: Awakino, Lower Mokau, Mangaotaki</td>
<td>Complete agreed works in partnership with landowners, constructed to a high standard within budget estimates.</td>
<td>Catchment new works and river management has been actively promoted through newsletters, presentations and field days, and agreed works have been completed in partnership with landowners in the following areas: a. Awakino, Lower Mokau, Mangaotaki (Hill Country Erosion Fund programme).</td>
<td></td>
</tr>
<tr>
<td>Activity</td>
<td>Zone Objectives/Outcomes</td>
<td>Strategic Objectives</td>
<td>Measure/Targets</td>
<td>Commentary</td>
</tr>
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<tr>
<td>in zone management plans and within budget estimates.</td>
<td>b. Kawhia, Aotea, Whaingaroa&lt;br&gt;c. Dunmore/Ruakiwi area&lt;br&gt;d. Waitetuna, Marokopa, Waikawau</td>
<td></td>
<td></td>
<td>• Kawhia and Whaingaroa harbour catchment water quality, biodiversity and soil conservation projects undertaken. • Waitetuna and Marokopa works completed as planned.</td>
</tr>
</tbody>
</table>
### FOCUS AREAS AND GOALS

Relationship between each focus area and the zone goals.

<table>
<thead>
<tr>
<th>Focus area</th>
<th>Goal 1: Water Quality, Biodiversity, Soil Capacity</th>
<th>Goal 2: Resources directed to areas of greatest environmental benefit</th>
<th>Goal 3: Relationships/collaboration</th>
<th>Goal 4: Leadership and visibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. New Catchment Management works to enhance soil conservation, water quality and biodiversity</td>
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<tr>
<td>2. River Management Works</td>
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<tr>
<td>3. Maintenance of existing catchment and river management works</td>
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<tr>
<td>4. Priority biodiversity funding and natural heritage partnership programme</td>
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<tr>
<td>5. Sustainable land management</td>
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<tr>
<td>6. Coastal</td>
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<tr>
<td>7. Pest Management</td>
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<tr>
<td>8. Community resilience to hazards</td>
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<td></td>
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<tr>
<td>9. Prioritisation of catchments for soil conservation, water quality and biodiversity values</td>
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</tr>
<tr>
<td>10. Development of catchment and harbour and management plans</td>
<td></td>
<td></td>
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<td></td>
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<tr>
<td>11. Criteria confirmation</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>12. Support of mana whenua initiatives</td>
<td></td>
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<tr>
<td>13. Increased effectiveness through partnerships</td>
<td></td>
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<tr>
<td>14. Leadership</td>
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<tr>
<td>15. Build awareness of West Coast features and zone plan objectives within the council and influence council programmes</td>
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<tr>
<td>16. Communication and partnership</td>
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</tbody>
</table>
1.0 Introduction and purpose

Leanne Lawrence of Ridley Dunphy Environmental Ltd (RDE) was engaged to facilitate the West Coast catchment committee’s (“the committee”) planning workshop, to fulfil the requirement of the West Coast zone plan to hold a two-yearly planning and prioritisation meeting. This workshop was held after the formal committee meeting on the 19 March 2019, commencing at 12.15am and concluding at 2.40pm.

The purpose of this memorandum is to document the notes that were taken from this workshop. These notes will be circulated to the committee for confirmation and further input as required (particularly from those committee members who were absent), and will also be utilised for the future zone plan light review (planned in 2019/2020); and the full zone plan review (planned in 2022/2023).

It should be advised that these workshop notes have been drafted as the committee members had presented/proposed. These projects/actions and the associated prioritisations will still require to be assessed by staff and considered in the full context of resourcing, budget and the scope of the light and full zone plan reviews.

2.0 Workshop format

There were 11 committee members present at the workshop, where three smaller working groups were formed.

Each of the four zone plan objectives were workshopped within these working groups, and were asked to consider:

- Current and new projects/actions (with reference to section 7 of the zone plan);
- Prioritisation of projects/actions, with a focus on the next 1-3 years;
- Any common areas of interest and/or collaboration opportunities.

After approximately 10-15 minutes, each small working group was asked to present back to the full group their discussions based on the consideration points above.

The notes taken from these discussions are summarised below.
3.0 Objective one

‘Protect and enhance productive soil capacity, water quality and indigenous biodiversity’.

Year 1 (2019/2020)

- Identify and protect historic sites and waahi tapu across the zone.
- Continue the commitment of annual riparian and erosion control planting.
- Prioritise environmental restoration projects north of the Raglan harbour, e.g. Limestone Downs.
- Provide an overall greater awareness of regulations.
- Continue to prioritise sediment as an issue to address.
- Provide funding to support the farm environmental plan development process. There are links to sediment reduction, and potential collaboration opportunities (e.g. Beef and Lamb).
- Develop sub-catchment profiles, collate metrics e.g. land use, rivers etc. Utilise this data to measure identified goals.
- Identify clear and measurable goals which are “SMART”, utilising existing data where possible.
- Identify these goals for each key area of work, and how these contribute to the “core goals”.
- Identify who in WRC are doing what work, and identify other partnerships and synergies (e.g. community groups, projects etc).

Year 2 (2020/2021)

- Inform landowners of their land use capability (LUC) to assist with better land use decisions.
- Support community groups to action farm environmental plan requirements.
4.0 Objective two

‘Direct resources to activities and areas of greatest environmental benefit’.

Year 1 (2019/2020)

- Make it easier for groups to share knowledge to achieve outcomes (e.g. biodiversity outcomes re: plant and animal pests).
- Greater sharing of knowledge by WRC to community groups and others (e.g. field days).
- Provide education to urban communities on how they can make a difference to the environment so there is a balance between urban and rural impacts.
- Hill country erosion fund priorities already set, and should be maintained.
- Actively think about and prepare for future zone developments/chances (e.g. post settlement JMA relationships).
- Be aware of urban impacts e.g. stormwater and sewage, and provide input into regulatory changes where applicable and appropriate.
- Prioritisation which encapsulates opportunities. Undertake an evaluation process for new projects which considers the environmental, social, cultural benefits and values, as well as biodiversity ‘hotspots’, ability to work with others, mana whenua interests etc.
- Maintain gains which have already been made by WRC (e.g. plant and animal pest control areas).

5.0 Objective three

‘Support mana whenua and strengthen community partnerships’.

Year 1 (2019/2020)

- Develop clear guidelines on how to engage with mana whenua.
- Identify mana whenua and community groups so it is easier for WRC and communities to engage and work together.
- Important that when WRC/community groups reach out to mana whenua to listen to what aspirations and current/previous planning Māori have undertaken for their land and resources.
• Identify who are the iwi/hapū/mana whenua within the zone, and identify key contacts within community groups, mana whenua and iwi authorities to make it easier for connection.

• WRC staff to “live” closer to communities. Difficult to connect when the majority of staff are based in Hamilton.

• There are many funding opportunities (e.g. the Freshwater Improvement Fund), and have increased priority. WRC can apply for joint funds with community groups.

• Develop clearer lines of communication with WRC so the community knows who to go to for information, support etc.

• Include ‘iwi authorities’ as well as mana whenua.

• Provide a list of community groups and partner organisations that are available.

• Focus on WRC retention of good staff to build relationships, ensure there is a well documented process for handover – succession planning.

6.0 Objective four

‘Enhance outcomes through leadership and visibility’.

Year 1 (2019/2020)

• WRC councillors need to be more visual in the community to break down the barriers.

• Identify and communicate the differences between local and central government roles and responsibilities, and who sets the ‘rules’.

• Leaders (both WRC and councillors) need to attend community groups to ensure they have the tools those groups need, and to positively endorse community groups.

• More assistance made available to community groups, with WRC empowering community groups to undertake works on behalf and with the support of WRC.

• Improve the WRC website and the West Coast zone content, including WRC and community groups information included.

• West Coast should learn from other zones, to ensure mistakes are not repeated and things that worked well are replicated (e.g. soil mapping).

• Understand the aspirations of the committee, where the committee becomes more strategic in their role for the zone.
- Committee to have the opportunity to have more planning meetings and field trips to assist with strategic planning.

7.0 Applicability

This memorandum has been prepared for the sole benefit of Waikato Regional Council as Ridley Dunphy Environmental Limited’s client with respect to the brief. It is not to be relied upon or used out of context by any other person without reference to Waikato Regional Council. The reliance by other parties on the information or opinions contained in the memorandum shall, without prior review and agreement in writing, be at such party’s sole risk.

Leanne Lawrence
Ridley Dunphy Environmental Limited
Report to the West Coast Catchment Committee

Date: 7 May 2019

Author: Jolene Francis - Zone Manager, West Coast and Central Waikato Catchments

Authoriser: Brendan Toohey - Manager, Lower Waikato West Coast Catchments, Integrated Catchment Management

Subject: Plan Change One - Healthy Rivers Update

Section: A (Committee has delegated authority to make decision)

Purpose
1. Mark Gasquoine, Team Leader, Land Management Advisory Services, will provide the committee with a verbal update on the Plan Change One - Healthy Rivers Plan Change.

Staff Recommendation:
That the verbal report Plan Change One - Healthy Rivers Update (West Coast Catchment Committee 23 May 2019) be received.

Attachments
None

References
None
Report to West Coast Catchment Committee

Date: 8 May 2019
Author: Jolene Francis - Zone Manager, West Coast and Central Waikato Catchments
Authoriser: Brendan Toohey - Manager, Lower Waikato West Coast Catchments, Integrated Catchment Management
Subject: Kawhia Biodiversity Projects
Section: A (Committee has delegated authority to make decision)

Purpose
1. Moniqua Nelson-Tunley (Site Restoration Advisor – Natural Heritage), will provide the committee with an overview of current ICM biodiversity projects in the Kawhia Harbour catchment.

Staff Recommendation:
That the report Kawhia Biodiversity Projects (West Coast Catchment Committee 23 May 2019) be received.

Attachments
None

References
None
Report to West Coast Catchment Committee

Date: 8 May 2019

Author: Jolene Francis - Zone Manager, West Coast and Central Waikato Catchments

Authoriser: Brendan Toohey - Manager, Lower Waikato West Coast Catchments, Integrated Catchment Management

Subject: West Coast Harbour Catchment Planning Update

Section: A (Committee has delegated authority to make decision)

Purpose
1. Jolene Francis (West Coast Zone Manager) and Tracie Dean-Speirs (Harbour Catchment Management Advisor) will provide an update to the West Coast Catchment Committee on the Harbour Catchment Planning process.

Staff Recommendation:
That the report West Coast Harbour Catchment Planning Update (West Coast Catchment Committee 23 May 2019) be received.

Attachments
None

References
None
Report to West Coast Catchment Committee

Date: 8 May 2019
Author: Jolene Francis, Zone Manager – West Coast and Central Waikato Catchments
Authoriser: Brendan Toohey - Manager, Lower Waikato West Coast Catchments, Integrated Catchment Management
Subject: Approach to the Management of Integrated Catchment Management Reserves
Section: A (Committee has delegated authority to make decision)

Purpose
1. This report provides the Committee with an overview of the various financial reserves that the Integrated Catchment Management activities operate, such as those related to operational expenditure, capital investment and disaster recovery. For each of these reserves, this report provides:
   - A description of the reserve
   - The funding source for the reserve
   - A discussion regarding options to improve operational reserve management

Executive Summary
2. Council maintains several financial reserves that assist in managing the risk associated with:
   - The potential for operational work programme variances
   - Capital expenditure
   - The potential for storm damage to occur

3. With specific regard to operational reserves, the current approach is to consider each zone reserve balance when preparing the Long Term Plan (LTP), and determine whether those balances should be retained, drawn down to offset costs (in the case of a surplus), or proactively remediated (in the case of a deficit). Outside of this process, Catchment Committees also recommend from time-to-time that reserve balances be used to support operational programmes. It is important to note that, while this is the current practice, there is no specific supporting guideline to assist Catchment Committees in making these recommendations.

4. While no action is required, it is recommended that this Committee seeks the views of each Catchment Committee and Land Drainage Sub-committee on the issues raised by this report, including the matters raised in Paragraph 15 of this report.

5. The West Coast Zone operational reserve is currently $19,855. A draft policy for the zone will be brought to the committee for discussion at the August 2019 meeting.

Staff Recommendation: That the report Approach to the Management of Integrated Catchment Management Reserves (West Coast Catchment Committee 23 May 2019) be received.
Background

6. As part of the day-to-day financial management of the work undertaken by the Integrated Catchment Management Directorate, the following reserves are held (that are ring-fenced from other Council financial reserves):
   - Zone operational reserves.
   - Zone capital reserves.
   - Zone and regional disaster reserves.

7. These reserves are provided for by each zone (and the corresponding Catchment Committee), along with each land drainage area (and the corresponding Land Drainage Sub-committee).

8. An overview of these financial reserves is provided in the following table.

<table>
<thead>
<tr>
<th>Reserve</th>
<th>Description</th>
<th>Source of funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone operational</td>
<td>Provides for the real-time variances in operational expenditure against the available budget.</td>
<td>Reserve balances are transferred between corresponding operational budgets, depending on whether there is a budget surplus or a budget deficit. All balances remain specific to the Zone.</td>
</tr>
<tr>
<td>Zone capital</td>
<td>Funds upfront capital expenditure to renew existing assets and establish new ones.</td>
<td>Reserve balances are replenished over an agreed period of time by loan repayments and depreciation charges for relevant assets, as outlined by the Infrastructure Strategy and Regional Asset Management Plan.</td>
</tr>
<tr>
<td>Zone disaster</td>
<td>Funds the additional work that is required to remediate damage to insured and uninsured assets (up to an event with a 5% AEP).</td>
<td>Reserve balances are replenished through an addition loading on relevant targeted rates, to a maximum combined balance of $3.12M (current combined balance is $3.2M).</td>
</tr>
<tr>
<td>Regional disaster</td>
<td>Funds the additional work that is required to remediate damage to insured and uninsured assets (events larger than a 5% AEP, but less than what would trigger insurance or government assistance).</td>
<td>Reserve balance is replenished through an addition loading on relevant targeted rates, to a maximum combined balance of $6.5M (current balance is $4.3M).</td>
</tr>
</tbody>
</table>

9. This report follows an earlier briefing to this Committee and all catchment committees in mid-2018 covering our regional disaster recovery provisions.

Issues

10. The historical movement of zone operational reserves varies from zone to zone, as do the forecast operational reserve balances (completed as part of the 2018-2028 LTP). An overview of these historical and forecast balances is provided in the following diagram.
11. While capital and disaster reserves have existing and specific management criteria related to the replenishment of reserve balances and target balances, the management of zone operational reserves is only considered in general terms as part of the development of each LTP, and from time-to-time as required to support each zone operational programme. There is no specific guidance provided to Catchment Committees on matters such as the triggering of:

- The proactive replenishment of operational reserve balances where they are in deficit
- The proactive drawing down of operational reserve balances where funds are accumulated beyond an agreed maximum balance (including an agreement on what that maximum balance should be)

12. However, in the absence of this guidance, some zone-specific steps have been taken recently to proactively manage operational reserve budgets. For example:

a) The 2018-2028 LTP includes a provision in the Lower Waikato Zone operational budget to replenish the currently overdrawn operational reserve.

b) The Coromandel Catchment Committee agreed at their September 2018 meeting to have an operational reserve ceiling of $200k - $300k (excluding flood protection direct beneficiary activity), or 10% of the annual operational budget.

c) All land drainage sub-committees have agreed to have a reserve balance target of 50% of the respective annual operational budget, as a means of self-insurance against storm damage (noting that these areas do not have access to the zone disaster reserves described above).

13. Individual catchment committees and land drainage sub-committees may also, from time-to-time, agree to a drawdown of surplus operational reserve balances to fund specific areas of work (particularly where it is possible to accelerate a programme of work). A recent example of this is also provided by the Coromandel Catchment Committee, where an acceleration of the annual river management programme with funding from the operational reserve was approved by Council.

14. Also, Catchment Committees may agree to maintain an operational reserve surplus for specific projects that have funding collected over multiple years. Two examples of this can be seen with the Lake Taupo Zone (in relation to the funding of work to address foreshore erosion) and the Central Waikato Zone (in
relation to the funding of river management work undertaken under the service level agreement with Hamilton City Council).

Options
15. Council is not required to have specific management criteria for zone operational reserves (other than meeting general accounting standards and other related Council policies). Therefore the Committee may wish to take no action on this matter, and continue with the current approach of monitoring zone reserve balances and considering actions as required to support zone operational work programmes. However, given the important role that zone operational reserves have in managing zone work programme risk, along with the need to avoid unnecessary or excessive surpluses or deficits, it is recommended that action is taken to formalise the current approach, along with the identification of any management bottom-lines that will need to be met by each zone.

16. In this regard, it is recommended that the Committee seeks the views of each Catchment Committee and Land Drainage Sub-committee on this matter, including with regard to:
   - The maximum operational reserve balance that should be allowed for (beyond which the balance will be proactively drawn down to fund planned or accelerated operational activities).
   - The maximum operational reserve deficit that should be permitted (beyond which the balance will be proactively recovered through, for example, adjustments as part of the development of a Long Term Plan) or allocation of annual operational funds.
   - The use of zone operational reserves to spread the funding of certain activities that are planned to occur periodically (e.g. the accumulation of funding for 10-yearly scheme reviews evenly over the preceding 10-year period, as is the current approach).
   - The use of zone operational reserves for other purposes (e.g. the management of operational work programme risk, such as the provision of self-insurance where no other mechanism is provided for).
   - Any other matters relevant to the zone.

17. The West Coast Zone operational reserve balance is currently $19,855 with no projected movement over the term of the LTP, therefore the development of a reserve policy is not pressing. However, a draft policy for the zone, giving regard to the aforementioned points, will be brought to the committee at the August meeting for discussion. The graph below displays the projected Zone expenditure over the 2018-28 LTP term.
Conclusion

18. Council maintains several financial reserves that assist in managing the risk associated with:
   - The potential for operational work programme variances
   - Capital expenditure
   - The potential for storm damage to occur

19. With specific regard to operational reserves, while these are managed as part of the overall financial management of each zone, Council does not provide zones with specific guidance or required bottom-lines, particularly with regard to the maximum and minimum reserve balances that will be permitted before proactive corrective action is taken. And in this regard, it is recommended that the Committee seeks to views of each Catchment Committee and Land Drainage Sub-committee, in order to inform any further recommendations to Council on this matter.

20. A draft policy document will be tabled at the August 2019 West Coast catchment committee meeting for discussion.

Attachments
None.

References
None