

BEFORE THE INDEPENDENT HEARING PANELS

UNDER the Resource Management Act 1991

IN THE MATTER of submissions and further submissions on Greater Wellington Regional Council Proposed Change 1 to the Regional Policy Statement.

Submitter **WINSTONE AGGREGATES**
(Submitter 162)

**STATEMENT OF COMPANY EVIDENCE OF PHILIP WAYNE HEFFERNAN
ON BEHALF OF WINSTONE AGGREGATES**

Dated: 3 November 2023

Hearing Stream 5 – Freshwater / Te Mana o te Wai

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1. INTRODUCTION

- 1.1. My name is Philip Wayne Heffernan, and I am contracted as a Principal Planner and a Project Manager at Winstone Aggregates, serving in these roles since May 2023.
- 1.2. I hold a Bachelor of Applied Science degree in Natural Resource Management from Massey University, and I am an Associate Member of the New Zealand Planning Institute and a member of the Resource Management Law Association.
- 1.3. With over 19 years of experience in resource management and planning in New Zealand, I have worked in both the public and private sectors, managing planning teams, overseeing projects, preparing resource consent applications, providing expert evidence at hearings and resource management and planning advice to a diverse range of clients.
- 1.4. Prior to my work with Winstone, I served as the Planning Manager and Principal Planner at Wood and Partners Consultants from 2015 to 2022. Previously, I held positions with at Babbage Consultants Limited, Jacobs (formerly Sinclair Knight Merz) and Auckland City Council.
- 1.5. In this instance, I am representing Winstone and providing company evidence to support their submissions. I confirm I am authorised to give evidence on their behalf.
- 1.6. I confirm that I have complied with the Environment Court's Code of Conduct for expert witnesses, as stated in the Environment Court of New Zealand's Practice Note 2023. In preparing this evidence, I affirm that my expertise covers the matters discussed unless I explicitly rely on the evidence of others. Moreover, I confirm that I have considered all material facts known to me that may impact or detract from my stated opinions.

2. SCOPE OF EVIDENCE

- 2.1. This evidence is presented to outline a company perspective of Winstone Aggregates' submission in the light of PC1 to the RPS for the Wellington Region, especially concerning HS5 on Freshwater/Te Mana o te Wai. The evidence also reviews the relevant Council evidence, and the pertinent s42A and s32 reports, aligning them with the concerns and operational experiences of Winstone Aggregates.
- 2.2. The following matters will be addressed in my evidence:
- An overview of Winstone Aggregates, elucidating its history, operations, and the significant role it plays in the aggregate industry, particularly in the Wellington region.
 - The adverse effects experienced by Winstone Aggregates due to the regulatory framework pre-2023 update of the NPSFM, highlighting specific instances of operational hindrances and the resultant delays.
 - The challenges posed by the lack of recognition for quarrying within the current draft of PC1 to the RPS, and the implications of a 'wait-and-see' approach as opposed to inclusion of the provisions of the updated NPSFM in PC1.
 - The perceived imbalance in the RPS between environmental protection and resource utilisation, stressing the need for a harmonious co-existence that facilitates both environmental stewardship and pragmatic resource usage essential for societal and economic growth.
 - The absence of a robust cost-benefit analysis concerning the freshwater provisions in the RPS, underscoring the need for a comprehensive evaluation to understand the economic, social, and environmental trade-offs, thereby fostering informed decision-making.
- 2.3. My evidence aims to provide a thorough understanding of the concerns from Winstone Aggregates' perspective, offering a comprehensive insight

into the operational challenges faced in the current regulatory landscape. This evidence is intended to contribute to a more balanced and informed deliberation on PC1 to the RPS concerning Freshwater/Te Mana o te Wai.

- 2.4. Apart from the regulatory and operational perspectives, this evidence will delve into the economic and environmental aspects of PC1. It will examine how these changes align or conflict with Winstone Aggregates' objectives, considering both short-term operational costs and long-term sustainability.

3. BACKGROUND

- 3.1. Winstone Aggregates (a division of Fletcher Concrete and Infrastructure) holds a prominent position in the aggregates industry in New Zealand. With a rich history dating back to the 19th century, Winstone has established itself as the largest manufacturer and distributor of aggregates in the country. The company operates numerous extraction sites across New Zealand, including the Wellington region, where it plays a significant role in meeting the demand for aggregates.
- 3.2. In the Wellington region, Winstone operates several quarries, including Belmont Quarry, Otaki Quarry, and Petone Quarry. These operations provide a local and reliable source of aggregates for various construction projects in the region. Winstone's quarries in the Wellington area have been longstanding contributors to the Wellington Regional market, providing a local source of essential materials for roading, construction, and infrastructure development.
- 3.3. The demand for aggregates in the Wellington region is driven by population growth and ongoing infrastructure projects. Major initiatives such as the Wellington Northern Corridor, which includes projects such as Transmission Gully, required a substantial volume of aggregate. Current projects such as River Link in the Hutt Valley will continue this demand. Winstone is well-positioned to meet this demand, leveraging its operational quarries and extensive expertise in aggregate production and distribution.

- 3.4. The importance of aggregates to the Wellington region's economy cannot be overstated. Aggregates are fundamental to the construction industry, serving as a vital component in road construction, building projects, and infrastructure development. The availability of locally sourced aggregates is crucial for minimising transportation costs and ensuring a sustainable supply of materials. Aggregates are a vital ingredient in ensuring the Region meets its objectives in terms of provision of sustainable public infrastructure and affordable housing. There is no alternative.
- 3.5. However, the aggregate industry often faces challenges in the consenting process and the protection of quarry resources. Winstone emphasises the need for local government support to create a planning framework that recognises the significance of aggregates, streamlines the consenting process, and safeguards quarry resources from sterilisation and reverse sensitivity effects. By addressing these issues, Winstone aims to continue supplying high-quality aggregates for affordable housing, infrastructure development, and the overall prosperity of the Wellington region. Winstone recognises that its aggregate extraction and associated clean filling of overburden by its nature does result in adverse effects to the environment, and not all of these can be avoided. It seeks to carry out its activities as sensitively and as sustainably as possible, and to manage adverse effects.
- 3.6. In addition to its operational history, Winstone's activities have a significant economic impact, particularly in the Wellington region. The company contributes substantially to local development projects, creating employment opportunities and supporting economic growth.

4. IMPLICATIONS FOR WINSTONE AGGREGATES – FRESHWATER/TE MANA O TE WAI

- 4.1. The NPSFM, updated in 2023, introduced a tailored consent pathway for quarrying and cleanfilling activities. This update is of significant importance to the quarrying industry, including Winstone Aggregates. The inherent nature of quarrying necessitates operations to be situated where the resources are located. Absence of a designated pathway under the NPSFM as published in 2020 risked sterilising vast tracts of New Zealand

land for aggregate and mineral extraction, which in turn threatened the sustainability and growth of the industry.

- 4.2. The lack of a specific consent pathway prior to the 2023 update had a far-reaching negative impact on the quarrying industry. This was seen in the operational hurdles faced by existing sites and the challenges in identifying and securing future sites. The regulatory environment was uncertain and restrictive, which hampered not only the strategic planning but also the daily operations of quarrying.
- 4.3. Winstone Aggregates faced substantial adverse effects following the implementation of the NPSFM, specifically before its 2023 revision. A case in point involves Flat Top Quarry's expansion application submitted in September 2020. Auckland Council declined the application, guided by ecologists' advice. According to the terminology in the NPSFM at that time (which had at the time just been released), a minor wet area within the property was classified as a 'natural wetland,' consequently designating the proposed extension as a 'prohibited activity.' Under the regulatory environment both prior to the original 2020 NPSFM and following its 2023 update—which included a specific consent pathway for quarrying—the application would have proceeded.
- 4.4. The rejection of Flat Top Quarry's expansion application is illustrative of the broader operational setbacks faced by Winstone Aggregates during this period. The lack of a clear regulatory pathway meant that essential activities, fundamental to the continuation and expansion of operations, were embroiled in a complex and uncertain consenting process. This not only delayed crucial projects but also incurred additional operational, consultant and legal costs.
- 4.5. The overall impact of this regulatory ambiguity was an over 3-year delay to the Flat Top Quarry expansion project. The consenting process for this project has now restarted, with the expectation that the application is likely to be lodged in 2024. This delay represents a tangible example of the hindrances faced by the quarrying industry, underscoring the necessity of the 2023 update to the NPSFM in providing a clear and navigable pathway for quarrying and cleanfilling activities.

- 4.6. Given the adverse impacts Winstone Aggregates has faced, including significant delays due to the NPSFM, the Company has considerable concern with the approach the Greater Wellington Regional Council (GWRC) has adopted in updating the RPS under PC1. The current 'wait-and-see' strategy, involving future RPS plan changes to include quarrying, is unacceptable, particularly given the recent notification of Plan Change 1 to the Natural Resources Plan.
- 4.7. A better outcome would involve aligning the RPS with the NPSFM update of 2023 with the pathways to establish a consistent, streamlined, and predictable consenting pathway for quarrying and cleanfilling activities. Implementation of the NPSFM would not only meet the urgent needs of the aggregate industry but also significantly alleviate the consenting challenges Winstone Aggregates currently faces, thereby promoting a more sustainable quarrying environment.
- 4.8. The current draft of PC1 to the RPS appears to lean heavily towards environmental protection at the expense of resource utilisation. While Winstone Aggregates acknowledges the paramount importance of environmental stewardship, we believe that a more balanced approach is necessary. The RPS should facilitate a balance between environmental preservation and the pragmatic use of natural resources essential for societal advancement, community wellbeing and economic growth. The aggregate industry is a pivotal player in regional development, and a balanced policy framework will not only ensure environmental sustainability but also drive economic prosperity by ensuring a steady supply of critical construction materials.
- 4.9. Winstone Aggregates notes, with concern, the absence of a robust cost-benefit analysis concerning the freshwater provisions stipulated in the RPS where GWRC has adopted an arguably more stringent approach than what is set out in the NPS-FW. Such an analysis is fundamental in evaluating the economic implications against the anticipated environmental benefits of the proposed provisions.
- 4.10. The lack of a cost-benefit analysis hampers a well-informed decision-making process, potentially leading to policies that might be economically

detrimental or impracticable to implement. The absence is a significant concern to Winstone Aggregates in light of the broad protection extended to 'all waterbodies'. We suggest a comprehensive cost-benefit analysis should have been undertaken to ensure that the freshwater provisions within the RPS are grounded in a solid understanding of the economic, social, and environmental trade-offs.

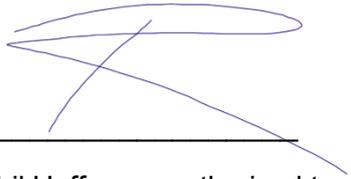
- 4.11. While Winstone's supports the intent of improvements to freshwater, they also bring about economic implications that cannot be overlooked. The costs associated with adapting to new Policy direction, which will inevitably lead to new rules affect not only Winstone Aggregates but also have a ripple effect on the broader construction industry and the economy and may inadvertently undermine aspirations of the Region in terms of intensification, climate change response and growth.

5. CONCLUSION

- 5.1. Winstone's has been impacted by the implementation of the NPSFM. There are concerns if the RPS does not recognise adequately the quarrying industry that this will be replicated, thus making a more onerous regulatory environment than was envisaged by the update to the NPSFM when a pathway for the quarrying industry was created.
- 5.2. Waiting for an update to the RPS to recognise the quarrying industry is considered insufficient and creates uncertainty for the industry.
- 5.3. Winstone's considers the Council's cost-benefit analysis has not been done for such a significant change in protection and therefore has not considered the implications on industries such as the quarrying industry.

5.4. In conclusion, it is crucial to underline that while environmental stewardship is non-negotiable, a sensible approach that incorporates economic, social, and cultural dimensions is imperative.

Signature

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke that extends to the right.

Phil Heffernan authorised to give evidence on behalf of
Winstone Aggregates.

Dated 3 November 2023

ATTACHMENT A QUALIFICATIONS AND EXPERIENCE OF PHIL HEFFERNAN

Career Summary	2023 - Now	Project Manager and Principal Planner Winstone Aggregates
	2022- Now	Director and Principal Planner 7Lab Limited
	2015 – 2022	Wood and Partners Consultants Ltd – Planning Manager and Principal Planner
	2014 – 2015	Babbage Consultants Limited - Planning Manager
	2012 – 2014	Jacobs – Auckland Environmental and Planning Team Leader
	2010 – 2012	Jacobs – Senior Planner
	2005 – 2010	Jacobs - (formally Sinclair Knight Merz) - Environmental Planner
	2004 – 2005	Auckland City - Regulatory Planner
Qualifications	Bachelor Applied Science – Natural Resource Management	
Affiliations	Associate New Zealand Planning Institute	
	Member Resource Management Law Association	