

Report To: UDS Implementation Committee
Subject: Regional Aggregate Sources
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1. Purpose of Report

- 1.1 Initial assessment indicates a looming shortfall in aggregate sources within Greater Christchurch. An Environment Court decision examined this issue and called for urgent review by the Councils. In the absence of a co-ordinated response it is inevitable that the issue will be addressed independently by each district and by individual quarry developers through a series of controversial resource consent applications. The purpose of this report is to provide the Committee with information on the issue of aggregate supply and make a recommendation that the Councils collaborate to quantify the resource situation as a basis for considering appropriate further actions.

2. Introduction

- 2.1 In the decision on the Road Metals case (Road Metals Company Limited ENV C 163/05) the Environment Court found that Christchurch City Council has significantly over estimated the supply and underestimated the demand for aggregates in defining its provision for aggregate extraction in the Christchurch City Plan (Rural Q). The basic premise in the City Plan is that the existing Rural Q zones would 'play out' and that future aggregate would be sourced from the Waimakariri River. However a subsequent report from Environment Canterbury (ECan) – the Regional Gravel Management Report - has found that the Waimakariri River is over allocated and that ongoing aggregate extraction at current rates cannot be sustained. In 'obiter' the Court commented that provision in planning documents for 50 – 100 years supply is not unreasonable.
- 2.2 Christchurch City Council (CCC) carried out a desktop study to identify possible future quarry sites within Christchurch. The identification of these sites was steered by their suitability in relation to location of residential dwellings, predicted groundwater levels (in Christchurch City aggregate can only be extracted to a depth greater than 1 meter above the maximum recorded groundwater level) and groundwater ponding issues relating to bird strikes within proximity to the airport. The most suitable sites identified were then mapped and included an exclusion buffer of 400 metre radius around dwellings and businesses. This illustrated the very limited possibilities within Christchurch for future quarry sites.
- 2.3 Christchurch City Council has investigated aggregate supply for the greater Christchurch area. The report for this investigation concluded that there is approximately ten years of aggregate supply available. The study found that the total demand for aggregates within the Selwyn and Waimakariri districts is already outstripping local supply. This shortfall in supply is generally sourced from quarries within the CCC area.

- 2.4 The report showed that Christchurch's resources are meeting some of the sub - regional demand. This factor, along with constraints of identifying future sources in Christchurch indicated the importance of aggregate supply and demand being addressed at a sub-regional level. A viable supply of material is crucial to regional economic growth. Gravel is an important resource for construction and building and that it is fundamental to the economic well being of the City.

3. UDS involvement

- 3.1 In March this year a regional Focus Group was established, with representatives from each of the UDS partners, to look at the issue of future aggregate supply and demand.
- 3.2 The purpose of the Focus Group was to address whether the region would be better serviced if future aggregate supply and demand across the region was managed differently. The group were to identify, compile, and share existing reports and information on district demand and supply; agree current constraints; and discuss options.
- 3.3 The group agreed that the implications of the shortfall had direct and unique implications for each district due to the different way that each district provided for aggregate demand. The implications of the shortfall of aggregate supply and increasing future demand were not limited to or specific to the UDS partners. For example the NZTA are aggregate users but do not have responsibility for identifying future supply sources, ECan have responsibility for managing extraction from the rivers but are not involved in identifying land based aggregate supplies.
- 3.4 The focus group identified difficulties in the existing policy provisions in that they do not plan beyond a ten year timeframe. There is no certainty of availability of resource after this time and there is little knowledge of what the impacts on each Council will be.

4. The Way Forward

- 4.1 The focus group agreed that the way forward is to work collectively. By doing this the Councils will be able to:
- provide a certainty of resources, location and availability
 - provide a sustainable supply beyond twenty years
 - use quarry resources sparingly and efficiently
 - protect potential future resources from inappropriate development
 - manage the environmental impacts of quarrying
 - establish a consistent planning framework for quarrying across the region
 - provide efficient and effective planning for all stakeholders
- 4.2 **The Options: Change in Policy Philosophy**
While gravel reserves were initially provided for by the Provincial Government (at suitable horse and cart distances for road building and other purposes) it has more recently been the private sector which has identified sources of aggregate and supplied the market accordingly. It has not been considered a function of local authorities to identify and provide for sources of gravel. However, the depletion in resources available in Christchurch could already be having an impact across the sub-region. This pressure is likely to increase as the available supply within Christchurch falls.

5. Three options were assessed by the UDS quarry focus group.

- 5.1 **Option one**, is to maintain the status quo. This is a combination of private and public development of quarries and designations as required. There is no particular planning to this. The Focus Group considered that this is reactive not proactive and is not providing planning for the future. Future quarry zone opportunities are closed off by development and subdivision and influenced by escalating supply and cartage costs from source to supply.
- 5.2 **Option two**, is for each council doing independent local planning. However, in this scenario cross boundary export/import of aggregate is not recognised and there is an inconsistent planning approach across the region. This places a pressure and difficulty in locating new and future sites. The Focus Group found that this approach does not manage the risk of an influx of resource consent applications on sites across the region, having the same piecemeal effect that Christchurch would like to avoid. There is no certainty for the community and a possible economic cost.
- 5.3 The Focus Group considered **Option Three** as the best way forward. This is for Councils to work together on a staged approach where decisions can be made on whether or not to proceed to the next stage. The stages would be:
- geological survey of the gravel resources available in Selwyn, Christchurch and Waimakariri to identify sites where future aggregate resources can be obtained. This would cost in the order of \$20,000 and with the costs being split four ways using the existing UDS cost sharing formula (37.5% each for CCC and ECan and 12.5 % each for Selwyn and Waimakariri)
 - then overlay these with identified economic, environmental and social constraints in order to identify the most appropriate areas for future quarry sites.
 - consideration of whether to proceed with plan changes to protect the preferred quarry sites
 - consideration of how the quarry sites would be managed or owned and the extent or not of council involvement.

6. Recommendation

- 6.1 **The recommendation from the focus group is** that the UDS Councils proceed with an assessment of the gravel resources (over the Selwyn, Christchurch and Waimakariri part of the Canterbury Plains) and a detailed assessment of the supply and demand for gravel in the Greater Christchurch area and consider further work once this has been completed.