

# Te Tai o Poutini Plan – Section 32 Evaluation

## Report Six

### Subdivision - Te Wawaetanga Financial Contributions - Ngā Rourou Pūtea



**Te Tai o Poutini**  
P L A N

*A combined district plan for the West Coast*

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## Executive Summary

### *Subdivision*

This section 32 evaluation report relates to subdivision. Legally, and as the term is used in district plans, subdivision is the process whereby areas of land are divided into separate allotments with separate titles, which can be sold. Section 218 of the RMA defines 'subdivision' as including:

- creating new allotments
- leasing of parts of allotments for more than 35 years; and
- company leases, cross leases and unit titles.

Subdivision, as a legal process, has no physical effects on land or other resources. It simply redefines the legal boundaries of titles for separate sale. However, subdivision is a fundamental precursor to further development, particularly with regard to matters such as movement connectivity and permeability within and between developments, open space, the provision of reticulated services and the future character of the area.

Therefore, the objectives, policies and rules relating to subdivision affect development in the district. The details of many objectives, policies and rules relating to subdivision will be dependent on the outcomes of work being undertaken by other work streams.

Provisions relating specifically to zones (such as site sizes) and overlays (such as subdivision in areas subject to natural hazards) are addressed in the topic-specific s32 reports, even where the provision is located in the subdivision chapter.

This section 32 evaluation report links to the s32 reports for zones, and for all district-wide topics except renewable energy generation, light, signs and temporary activities.

The Subdivision Chapter will assist Te Tai o Poutini Plan (TTPP) Committee to fulfil its statutory functions and responsibilities as required by the RMA through the following proposed objectives, policies and rules:

- Objectives to create sites that are appropriate for their intended variety of uses and functions
- Policies that address the desired characteristics of sites and their relationship to the surrounding environment
- Rules that enable subdivision that will achieve the objectives of the zone in which the site is located, and which address the requirements of any overlays to which the site is subject
- Exemptions from some standards for boundary adjustments, sites for network utilities and access and reserves
- Adoption of National Planning Standard definitions for 'allotment', 'site' and 'subdivision'

Subdivision of Māori land subject to the Te Ture Whenua Māori Act 1993 is exempt from the subdivision provisions of the Resource Management Act 1991 and must instead be undertaken through the Māori Land Court. This process is not controlled by district councils.

### *Financial Contributions*

This section 32 evaluation report relates to financial contributions.

Section 108 of the RMA empowers a Council to impose financial contributions on resource consents, in accordance with the purposes specified in a District Plan. Financial contributions may be imposed for the purpose of promoting the sustainable management of natural and physical resources. Financial contributions can be required as a condition of consent for subdivision and/or development, for the purposes of:

- Providing and/or upgrading public network utility services and transport infrastructure.
- Providing and/or upgrading public reserves.
- Securing environmental compensation generating positive effects to offset any adverse effects of the subdivision, use or development that cannot be avoided, remedied or otherwise mitigated.

Financial contributions under the RMA allow the Councils to manage the externalities associated with proposed activities. Financial contributions are used as a mechanism for achieving the Plan's objectives. For most activities, financial contributions are generally required at the subdivision stage, therefore this topic has a close relationship with that chapter.

Currently the three District Councils on the West Coast/Te Tai o Poutini use financial contributions under the RMA as the sole mechanism to provide for the costs and impacts of development on Council infrastructure and these draft provisions have been developed on the basis of that approach continuing.

However, the District Councils are exploring the potential to move to a Development Contributions regime under the Local Government Act 2002 (LGA). If the Councils do introduce Development Contributions under the LGA then these provisions will be amended by Variation or Plan Change to reflect the updated regime.

The Financial Contributions Chapter will assist Te Tai o Poutini Plan (TTPP) Committee to fulfil its statutory functions and responsibilities as required by the RMA through the following proposed objectives, policies and rules:

- Objectives to put in place a clear, fair and equitable framework for the taking of financial contributions to offset the effects of development on creating requirements for new infrastructure, upgrading of infrastructure, or where environmental effects cannot be otherwise avoided, remedied or mitigated
- Policies that clearly outline the reasons for financial contributions and how they will be applied
- Rules that clearly identify financial contributions requirements and enable costs to be calculated

## Part One: Subdivision

### 1.0 Overview and Purpose

This s32 evaluation report should be read in conjunction with the s32 'Overview Report', which also includes an overview of the s32 legislative requirements, the methodology and approach to the s32 evaluations and the process that the TTPP Committee has undertaken to date through the development of Te Tai o Poutini Plan, including consultation and engagement.

This Section 32 report covers the provisions in the Subdivision Section that apply throughout the West Coast. Other closely related sections to consider are:

- Energy Infrastructure and Transport
- Zone Chapters (in particular as relates to residential density rules)
- Overlay Area Chapters.

The evaluation for these sections are set out in the Section 32 evaluation report specific to each topic.

#### 1.1 Introduction to the Resource Management Issue

Subdivision affects the natural and physical environment and introduces long-term development patterns that shape the form of urban areas and to a lesser extent the rural environment. The way that a site is subdivided, including its size and shape, is important as it not only determines the quality and character of development, it impacts on adjacent sites and the future use of the land, and influences the amenity values of the surrounding environment. Subdivision of land should be of an appropriate size, scale and character for the intended land use.

There are three main types of subdivision; greenfield urban subdivision, rural subdivision and infill urban development subdivision:

- Greenfield urban subdivision typically involves large-scale, staged subdivision on vacant land to create new or expanded settlements, usually on the edge of existing urban areas. This type of subdivision is usually for residential purposes, but also includes subdividing land for commercial and industrial purposes. This land can be either existing undeveloped residential land or land that is newly zoned for residential development. This type of subdivision has the potential to create significant adverse effects if not carefully planned from the outset.
- Infill urban development subdivision typically involves subdividing existing urban land residential sections, or developing former commercial or industrial sites. Specifically, infill housing is a general term that refers to new housing within existing urban areas. It covers both 'backyard' infill, new houses built within an existing suburb of older houses, and more intensive housing such as apartments and townhouses, creating higher levels of residential density. These subdivisions can be beneficial in terms of managing growth and making use of existing infrastructure, however the layout does play a role in the quality of housing that can be built.
- Rural subdivision includes lifestyle blocks or higher intensity, typically residential land use. These subdivisions generally have minor effects on their own, but cumulatively the effects may be significant, especially on established rural land uses and rural character. This type of subdivision can be ad hoc and have infrastructural implications if not carefully planned from the outset.

Other types of subdivision include 'brownfields' subdivision where existing urban land is converted for a new land use (e.g. conversion of older and smaller 'brownfields' industrial sites for residential use), unit titles (multi-party property ownership for apartments, commercial developments and other intensive developments), cross leases (where owners privately own an undivided share in the land and each dwelling is leased to the owner by the other landowners), specialised subdivision (for utility or reserve purposes), or boundary adjustments (the reconfiguration of existing lot boundaries).

Subdivision itself does not alter the land use but it is generally undertaken to facilitate a new land use (e.g. enabling the construction of residential houses in a previously rural area). It is important that the effects of the likely land use change are addressed at the time of subdivision, rather than through later consenting processes. The effects of subdivision will vary depending on the nature of the

receiving environment and the nature of the proposed subdivision. Potential adverse effects include those identified below:

- Landform – Earthworks associated with the construction of building platforms, the provision of infrastructure including roads, loss of productive soils, and loss of natural landscape character.
- Biodiversity – Vegetation clearance and associated effects on fauna.
- Water quality – Vegetation clearance, release of silt and containment loadings, stormwater runoff, on-site effluent treatment and disposal systems.
- Infrastructure – Increased demand on stormwater, sewerage, roading, energy and water supply.
- Hazards – The creation of additional allotments within an area susceptible to natural hazards.
- Public access – Reduced public access to reserves, the coastal marine area, lakes and rivers.
- Cultural and heritage sites – Earthworks or development associated with subdivision has the potential to modify or damage historic, archaeological or cultural sites or landscapes.
- New boundaries – The height of buildings in relation to boundaries, vehicular access, parking spaces, the provision of public and private infrastructure and the physical changes associated with increased density.
- Social and economic – The use of land for different purposes can cause increased demand for infrastructure, community facilities, public and private transport, and a change in amenity values or social coherence.
- Restrictions on future land use – consent notices, covenants and encumbrances on the new allotments (often intended to mitigate adverse effects flowing from subdivision) may dictate the type or nature of any future development.
- Land use expectations – Subdivision creates an expectation that subsequent occupation and development will be permitted.
- Reverse sensitivity – For example, the establishment of residential settlements which may be sensitive to the adverse effects of existing activities (e.g. dust, odour and noise) which in turn results in complaints about the existing activities which could lead to operational constraints or closure of the existing activities.

## 1.2 Regulatory and Policy Direction

### 1.2.1 Part 2 of the RMA

In carrying out a s32 analysis, an evaluation is required of how the proposal achieves the purpose and principles contained in Part 2 of the RMA.

Section 5 sets out the purpose of the RMA, which is to promote the sustainable management of natural and physical resources. Sustainable management includes managing the use, development, and protection of natural and physical resources to enable people and communities to provide for their social, economic and cultural wellbeing and for their health and safety.

In achieving this purpose, authorities need also to recognise and provide for the matters of national importance identified in s6, have particular regard to other matters referred to in s7 and take into account the principles of the Treaty of Waitangi referred to in s8.

Because subdivision is a precursor to further development, and because it is more logical to address issues earlier in the development process than later, a number of provisions have been included in the Subdivision Chapter in response to the requirements in Part 2, including:

6(a) the preservation of the natural character of the coastal environment (including the coastal marine area), wetlands, and lakes and rivers and their margins, and the protection of them from inappropriate subdivision, use, and development – through the provision of additional requirements for subdivision in identified areas.

6(b) the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development – through the provision of additional requirements for subdivision in these identified areas.

6(c) the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna – through the provision of additional requirements for subdivision in these identified areas.

6(d) the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers – through the provision of additional requirements for subdivision adjoining surface water bodies and the coastal marine area.

6(e) the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga – through the provision of additional requirements for subdivision in these identified areas.

6(f) the protection of historic heritage from inappropriate subdivision, use, and development – through the provision of additional requirements for subdivision in these identified areas.

6(h) the management of significant risks from natural hazards – through the provision of additional requirements for subdivision in these identified areas.

7(b) the efficient use and development of natural and physical resources – through matters of control and discretion.

7(c) the maintenance and enhancement of amenity values – through rule requirements and matters of control and discretion.

7(f) maintenance and enhancement of the quality of the environment – through matters of control and discretion.

7(h) the protection of the habitat of trout and salmon – through the provision of additional requirements for subdivision adjoining water bodies.

Section 8 requires the Council to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). Consistent with the practice followed in the development of the Proposed District Plan, the section 8 principle of most relevance to this topic is the duty to make informed decisions through consultation. Tāngata whenua, through iwi authorities have been consulted a part of the review process and the obligation to make informed decisions based on that consultation is noted.

Additionally Poutini Ngāi Tahu representation with decision making rights were included in TTPP Committee as part of the review process

Part 10 Section 11 of the RMA prevents subdivision except in particular circumstances. As they relate to district plans, these circumstances are that the subdivision either:

- is expressly allowed by a resource consent; or
- does not contravene a national environmental standard, a rule in a district plan, or a rule in a proposed district plan for the same district (if there is one) (i.e. is a permitted activity in terms of all of these documents).

In addition to the provisions of the RMA that relate to all activities, subdivision, including the creation of esplanades, is subject to Part 10 of the RMA. Within this Part, s218 provides definitions of 'subdivision of land' and 'allotment', thereby defining the scope of the activities that may be covered by subdivision provisions.

Sections 106, 108, 108AA, 108A and 220 set out the sorts of conditions that may be imposed on subdivision consents, and so the rules and standards of the proposed plan need to reflect these matters.

Sections 229 – 237H set out the provisions relating to esplanade reserves and strips and access strips. Although the requirements can be altered by way of a rule in a plan or by the conditions of a resource consent, the assumption made by the RMA is that, whenever a subdivision occurs adjoining the sea or a qualifying lake or river that creates lots smaller than 4ha in area, a 20m wide esplanade reserve or strip will be created along the coast, river or lake boundary.

### 1.2.2 National Instruments

The following national instruments are relevant to this topic:

#### *New Zealand Coastal Policy Statement 2010 (NZCPS)*

The purpose of the NZCPS is to state policies in order to achieve the purpose of the RMA in relation to the coastal environment of New Zealand. The subdivision provisions of the proposed TTPP will need to give effect to the NZCPS.



### *National Policy Statement for Freshwater Management 2020 (NPS-FM)*

The NPS-FM sets out an objective and policies that focus on:

- Managing freshwater in a way that 'gives effect' to Te Mana o te Wai: (the integrated and holistic well-being of a freshwater body) in the management of fresh water;
- Prioritising the health and wellbeing of water bodies and freshwater ecosystems, followed by the health needs of people, followed by the ability of people and communities to provide for their social, economic and cultural well-being, now and in the future;
- Avoiding overallocation, improving and maximising efficient allocation and use of water and safeguarding its life-supporting capacity;
- Improving integrated management of fresh water and the use and development of land;
- Establishing a national objectives framework, monitoring progress, and accounting for freshwater takes and contaminants; and
- Providing for the active involvement of tangata whenua in freshwater management and that Māori freshwater values are identified and provided for.

While many of the objectives and policies relate to the functions of regional councils, those covering integrated management, and tangata whenua roles and interests are of relevance to the district councils and TTPP Committee. Provisions relating to the management of the use and development of land to safeguard water will also be relevant to the Proposed TTPP, but will need to be implemented in close coordination with West Coast Regional Council in order to avoid overlap and duplication.

### *National Policy Statement on Urban Development 2020 (NPS-UD)*

The NPS on Urban Development seeks to establish well-functioning urban environments that respond to the changing needs of people, communities and future generations. While the provision of sufficient development capacity for housing and business land throughout the district is a matter for other work streams, the intended outcomes are given effect to, in part, through objectives, policies and other provisions relating to subdivision.

### *National Environmental Standard for Assessing and Managing Contaminants in Soil to Protect Human Health 2011 (NESCS)*

The NESCS imposes additional requirements for the subdivision of land where land contamination may be a concern. As such, TTPP provisions for subdivision do not need to address the potential for land contamination.

## 1.2.3 National Planning Standards and/or Guidance Documents

### *National Planning Standards*

The following aspects of the National Planning Standards are relevant to this topic:

1. The National Planning Standards require a single chapter for subdivision, including objectives and policies.
2. The National Planning Standard definition of 'site' ('allotment' is defined in s218 RMA and adopted by the National Planning Standards) is:
  - a. an area of land comprised in a single record of title as per Land Transfer Act 2017; or
  - b. an area of land which comprises two or more adjoining legally defined allotments in such a way that the allotments cannot be administered separately without the prior consent of the council; or
  - c. the land comprised in a single allotment or balance area on an approved survey plan of subdivision for which a separate record of title as per Land Transfer Act 2017 could be issued without further consent of the Council; or
  - d. except that in relation to each of sub clauses (a) to (c), in the case of land subdivided under the Unit Title Act 1972 or 2010 or a cross lease system, a site is the whole of the land subject to the unit development or cross lease.
3. The National Planning Standard definition of 'boundary adjustment' ('subdivision' are is defined in s218 RMA) is:

Means a subdivision that alters the existing boundaries between adjoining allotments, without altering the number of allotments.

### *New Zealand Standard 4404: 2010 Land Development and Subdivision (NZS: 4404)*

NZS4404 is the main standard used by the three district councils for setting infrastructure requirements around land development and subdivision.

The Standard encourages sustainable development and modern design. It is applicable to greenfield and infill development, and brownfield redevelopment projects. It includes requirements for earthworks and geotechnical needs, roads, stormwater, wastewater, water supply, landscape, and network utility services. The Standard incorporates up-to-date design principles such as low impact design (LID) solutions to stormwater management, and urban design principles that encourage more sustainable places, spaces, and networks in towns and cities.

### *Other Guidance*

National guidance documents relevant to individual zones and district wide matters are discussed in the s32 reports for those topics. Some of these have implications for subdivision, as set out in those reports.

#### 1.2.4 Regional Policy

The West Coast Regional Policy Statement (WCRPS) gives an overview of the significant resource management issues facing the region, including issues of resource management significance to Poutini Ngāi Tahu. The purpose of the WCRPS is to set out objectives, policies and methods to resolve those resource management issues and to achieve the integrated management of the natural and physical resources of the West Coast. Even where subdivision is not explicitly mentioned in objectives and policies, most chapters of the WCRPS describe subdivision as a method that local authorities will or should use when giving effect to the WCRPS. These issues are explored more fully by other work streams, with their outcomes incorporated into the provisions for subdivision where appropriate.

#### 1.2.5 Poutini Ngāi Tahu Iwi Management Plans

The RMA requires that when preparing a District Plan, the territorial authority must take into account any relevant planning document recognised by an iwi authority and lodged with the territorial authority, to the extent that its content has a bearing on the resource management issues of the district (section 74(2A)). There are three iwi management plans on the West Coast – the Te Rūnanga o Makaawhio Pounamu Management Plan, the Ngāti Waewae Pounamu Management Plan and the Lake Māhinapua Management Plan.

While these documents focus on specific issues they also contain wider information about the overall approach to sustainability and kaitiakitanga of resources and Poutini Ngāi Tahu values. Natural landscapes may have cultural values such as pā, kāinga, ara tawhito (traditional trails), pounamu, mahinga kai, and wāhi ingoa (place names). The traditions of Ngāi Tahu tūpuna (ancestors) are embedded in the landscape.

## 2.0 Resource Management Issue and Analysis

### 2.1 Background

'Subdivision' can be a confusing term, because it has two meanings. Legally, and as the term is used in district plans, it is the process whereby areas of land are divided into separate allotments with separate titles, which can be sold. Section 218 RMA defines 'subdivision'. It includes:

- creating new allotments
- leasing of parts of allotments for more than 35 years; and
- company leases, cross leases and unit titles

More widely, in common language people refer to a 'subdivision' as an area of new residential development, including the survey of land into allotments; and erecting new houses and associated infrastructure.

Subdivision, as a legal process, has no physical effects on land or other resources. It simply redefines the legal boundaries of titles for separate sale. However, land is often subdivided as a primary step for new development. It has associated or consequent activities and effects.

Residential development has traditionally been managed in New Zealand, in both townships and rural areas, by controlling the subdivision of land. This has two results:

- The popular expectation that if one buys a site, one can build a house on it.
- Subdivision rules in district plans focus on subdividing land to build houses and are inflexible for subdivision for other purposes.

Subdivision may not have any direct physical effects on land, but it is a fundamental precursor to further development, particularly with regard to matters such as movement connectivity and permeability within and between developments, open space, and the future character of an area.

Therefore, the policies and rules relating to subdivision affect development on the West Coast. Most houses and buildings need utilities and facilities such as roads or vehicular accessways, water supply and effluent disposal. These utilities and facilities may be shared, rather than being exclusive to each household. It is easier and more cost-effective to provide for shared utilities and facilities for a whole area before the new titles are sold.

Installing utilities and preparing land for subdivision can also have adverse effects on the environment, such as sediment runoff from earthworks, noise and vibration, and disturbance of sites of special ecological, heritage or cultural value. These effects are managed as part of the subdivision process.

Subdivision is the most common process under which the consent authority can take land for esplanade reserves and esplanade strips, in accordance with the RMA and rules in the TTPP.

## 2.2 Evidence Base – Research, Consultation, Information and Analysis undertaken

### 2.2.1 Research

The Committee has reviewed the three current District Plans, commissioned technical advice, obtained assistance from various internal and external experts and utilised this, along with internal workshops and community feedback to assist with setting the plan framework. This work has been used to inform the identification and assessment of the environmental, economic, social and cultural effects that are anticipated from the implementation of the provisions. This advice includes the following:

<b>Title</b>	<b>Built Form – Main Towns Character Analysis of the West Coast September 2019</b>
<b>Author</b>	Lois Easton
<b>Brief Synopsis</b>	An analysis of the housing typology and character of the different settlements of the West Coast and the key design aspects that make up this character
<b>Link to Document</b>	<a href="https://tpp.nz/wp-content/uploads/2022/01/Built-Form-main-towns-character-analysis-west-coast-Sept-2019.pdf">https://tpp.nz/wp-content/uploads/2022/01/Built-Form-main-towns-character-analysis-west-coast-Sept-2019.pdf</a>

<b>Title</b>	<b>Te Tai o Poutini Plan Technical Update – Subdivision Objectives and Policy. Report to Te Tai o Poutini Plan Committee 5 May 2021</b>
<b>Author</b>	Lois Easton
<b>Brief Synopsis</b>	Outlines the issues around subdivision and proposes objectives and policies to address these.
<b>Link to Document</b>	<a href="https://tpp.nz/wp-content/uploads/2021/05/Agenda-Te-Tai-o-Poutini-Plan-Committee-Meeting-5-May-2021.pdf">https://tpp.nz/wp-content/uploads/2021/05/Agenda-Te-Tai-o-Poutini-Plan-Committee-Meeting-5-May-2021.pdf</a>

<b>Title</b>	<b>Te Tai o Poutini Plan Technical Update – Subdivision Rules. Report to Te Tai o Poutini Plan Committee 2 September 2021</b>
<b>Author</b>	Lois Easton
<b>Brief Synopsis</b>	Outlines potential draft rules and subdivision standards for inclusion within the Plan.
<b>Link to Document</b>	<a href="https://tpp.nz/wp-content/uploads/2021/09/TTPP-Agenda-2-September-2021.pdf">https://tpp.nz/wp-content/uploads/2021/09/TTPP-Agenda-2-September-2021.pdf</a>

## 2.2.2 Consultation and Engagement

Te Tai o Poutini Plan has been the subject of significant consultation and community engagement. Within that, the issues around urban areas and settlements have been the subject of targeted consultation alongside the overall TTPP consultation and engagement process.

This commenced in 2019 with the identification of development stakeholders on the West Coast – local surveyors and planning firms, infrastructure providers, Development West Coast, Māwhera Incorporation, Regional Public Health and local businesses.

Numerous one on one meetings were held with individual stakeholders during the Plan drafting, with multi-stakeholder workshops also held.

Specific meetings and workshops held were:

### *Plan Development Phase*

- 19 October 2019 – Westland growth and development workshop
- 20 October 2019 – Grey growth and development workshop
- 20 and 21<sup>st</sup> November 2019 – Buller growth and development workshops
- 18<sup>th</sup> March 2020 – Hokitika public meeting (general community)
- 19 March 2020 - Hokitika and Greymouth town centre drop ins and Greymouth public meeting (general community)
- 22 September 2020 – Westport public meeting (general community)
- 24 September 2020 – Reefton drop in and public meeting (general community)

### *Draft Plan Consultation Phase*

- 22 February 2022 – multi-stakeholder infrastructure provider workshop
- 24 February 2022 – multi-stakeholder developer and professional services interests
- 21 February 2022 – Westport community public meeting (general community)
- 22 February 2022 – multi-stakeholder infrastructure provider workshop
- 22 February 2022 – Hokitika community drop in (general community)
- 24 February 2022 – multi-stakeholder developer and professional services interests
- 24 February 2022 – Greymouth community drop in (general community)
- 11 April 2022 – Hokitika public meeting (general community)
- 12 April 2022 – Greymouth public meeting (general community)
- 13 April 2022 – Westport public meeting (general community)

The draft TTPP was released for public feedback in January 2022 and there was some feedback provided on the Subdivision Chapter. The chapter was amended following feedback as outlined in a report to the Committee on 29 March 2022.

<b>Title</b>	<b>Te Tai o Poutini Plan: Technical Report Feedback on the Draft Plan: Report to Te Tai o Poutini Plan Committee 29 April 2022</b>
<b>Author</b>	Lois Easton
<b>Brief Synopsis</b>	This report brings the feedback on the draft Plan and recommends amendments to the Plan in response to that feedback.
<b>Link to Document</b>	<a href="https://tpp.nz/wp-content/uploads/2022/03/TTPP-Agenda-29-March-2022.pdf">https://tpp.nz/wp-content/uploads/2022/03/TTPP-Agenda-29-March-2022.pdf</a>

### *RMA Schedule 1 Consultation*

The RMA requires councils to undertake pre-notification consultation with those parties identified in Schedule 1, clause 3, during the preparation of a proposed district plan. These parties include:

- the Minister for the Environment;
- those other Ministers of the Crown who may be affected by the proposed plan;
- local authorities who may be so affected; and
- the tangata whenua of the area who may be so affected, through iwi authorities.

As a result of this consultation, written feedback was received from Department of Conservation, Department of Internal Affairs, Te Rūnanga o Ngāi Tahu and the Ministry for the Environment.

No specific feedback was provided on the Subdivision topic.

### 2.2.3 Poutini Ngāi Tahu Advice

Te Rūnanga o Ngāti Waewae and Te Rūnanga o Ngāti Mahaki o Makaawhio are the two papatipu rūnanga on the West Coast/Te Tai o Poutini. They are collectively known as Poutini Ngāi Tahu. Poutini Ngāi Tahu have provided feedback on the approach to subdivision, with two key concerns identified:

- adverse effects of subdivision and the consequent development occurring in and around sites and areas of significance to Poutini Ngāi Tahu and within their cultural landscapes
- subdivision resulting in discharges of wastewater to freshwaters or the coast, and the need for effective land based wastewater treatment and disposal systems to be required as part of policy and subdivision standards.

## 2.3 Operative District Plan Provisions

### 2.3.1 Buller District Plan

While there is considerable explanatory material in the operative Buller Plan and detailed methods descriptions that refer to subdivision there is very little actual policy guidance. There is one objective and three policies that specifically reference subdivision as follow:

*Objective 4.7.5.1. To maintain or enhance the natural character of the coastal environment by avoiding, remedying or mitigating the adverse effects of land use activities and subdivision requiring a coastal location.*

*Policy 4.5.5.7. To ensure that in locations where there are known mineral resources of regional significance that the presence of minerals is a relevant consideration in decision making by encouraging other land use or subdivision activities which would have the effect of rendering unusable known mineral resources of regional significance and which have the ability to locate elsewhere to do so.*

*Policy 4.7.6.1. The subdivision, use and development of land in the coastal environment shall be tightly controlled within the Paparoa Character Area.*

*Policy 4.8.7.7. To protect areas of significant indigenous vegetation and significant habitats of indigenous fauna from inappropriate use, subdivision and development.*

Section 7.3 of the operative Buller Plan contains the rules for subdivision. These can be summarised as follows:

## Permitted Activities

Residential Zone	<p>Subdivision where:</p> <ul style="list-style-type: none"> <li>• The number of titles remains the same as prior to the subdivision (esplanade reserves shall not be counted).</li> <li>• Any existing buildings comply with the District Plan requirements.</li> <li>• No new roading or access points are required.</li> <li>• No new Council services are required.</li> <li>• The subdivision is undertaken for boundary adjustment purposes or for the creation of a Special lot.</li> <li>• This is any new subdivision which is needed solely for a public work utility which is permitted by Part 6 Infrastructure or approved as a result of a resource consent.</li> </ul>
Rural Zone	Subdivision for boundary adjustments or the creation of a special lot
Natural Environments Character Area	<p>Subdivision where:</p> <ul style="list-style-type: none"> <li>• The number of titles remains the same as prior to the subdivision (esplanade reserves shall not be counted).</li> <li>• Any existing buildings comply with the District Plan requirements.</li> <li>• No new roading or access points are required.</li> <li>• No new Council services are required.</li> <li>• The subdivision is undertaken for boundary adjustment purposes or for the creation of a Special lot.</li> </ul> <p>This is any new subdivision which is needed solely for a public work utility which is permitted by Part 6 Infrastructure or approved as a result of a resource consent.</p>

## Controlled Activities

Residential Zone, Commercial Zone, Scenically Sensitive Commercial Zone, Industrial Zone, Sergeants Hill Industrial Area, Port Zone and Cement Production Zone	<p>Subdivision where:</p> <ul style="list-style-type: none"> <li>• Each allotment must be of sufficient dimensions to accommodate an existing or proposed principal building such that the building can comply with the relevant standards in the District Plan, provided that in the case of an existing building which does not comply with the current District Plan standards, does not increase the extent to which the building fails to comply. Minimum allotment size in non-sewered areas, 1500m<sup>2</sup> unless the subdivision is for a Special lot.</li> <li>• Each allotment shall be able to contain a square measuring 15m x 15m unless the subdivision is for a Special lot</li> <li>• The subdivision of land in the Sergeants Hill Industrial Area shall be undertaken generally in accordance with the Concept Plan in Part 5.2.6.7.</li> </ul>
Rural Airport Zone, Paparoa Character Area	Any subdivision which constitutes a boundary adjustment or Special lot.

## Discretionary Activities

Residential Zone, Commercial Zone, Scenically Sensitive Commercial Zone, Industrial Zone, Port Zone	Any subdivision which does not comply with the standards for permitted or controlled activities is a discretionary activity
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and Cement Production Zone	
Scenically Sensitive Residential Zone	<p>Subdivision where:</p> <ul style="list-style-type: none"> <li>• Each allotment must be of sufficient dimensions to accommodate an existing or proposed principal building such that the building can comply with the relevant standards in the District Plan, provided that in the case of an existing building which does not comply with the current District Plan standards, does not increase the extent to which the building fails to comply. Minimum allotment size in non-sewered areas, 1500m<sup>2</sup> unless the subdivision is for a Special lot.</li> <li>• Each allotment shall be able to contain a square measuring 15m x 15m unless the subdivision is for a Special lot</li> </ul>
Rural Zone, Rural Airport Zone, Paparoa Character Area, Natural Environments Character Area	Any subdivision other than controlled activities for the purposes of creating one or more new allotments

### *Buller Plan Changes 133-145*

The Buller District Council released Plan Change 133-145 in 2016 as a package of plan changes relating to the rolling review of the Buller District Plan. This Plan Changes were not progressed beyond the notification stage, as by that time it was clear that the district plans on the West Coast/Te Tai o Poutini were going to be combined as a result of recommendations from the Local Government Commission. The plan changes proposed to replace the objectives and policies of the operative Buller District Plan with new objectives and policies. There were no specific objectives or policies which addressed or mentioned subdivision.

### 2.3.2 Grey District Plan

The operative Grey Plan contains a wide range of objectives and policies that outline the outcomes sought from subdivision. This includes Objectives and policies in relation to:

- Outstanding Natural Landscapes
- Natural character of rivers, lakes, wetlands and their margins
- Natural character of the coastal environment
- Financial contributions
- Residential character
- Rural character

Alongside this, in Section 13, it has three specific objectives and six policies within a subdivision chapter as follow:

*Objective 13.3.1 To ensure that sites that are created by subdivision do not subsequently result in adverse effects on the environment which cannot be avoided, remedied or mitigated.*

*Objective 13.5.1 The adequate provision of services, infrastructure and access for sites created by the subdivision in a manner that avoids, remedies or mitigates adverse effects.*

*Objective 13.7.1 To contribute to the protection of conservation values and enable public access and recreational use of rivers, lakes and the coastal environment by the creation of esplanade reserves and strips in locations where the above matters require addressing.*

*Policy 13.4.1 That sites created should be able to accommodate any subsequent land use having regard to the characteristics of that use and the rules of the Management Area.*

*Policy 13.4.2. Any subdivision should avoid, remedy or mitigate the likely adverse effects on significant indigenous vegetation and habitats, outstanding landscape features, and the natural character of waterbodies and the coastal environment.*

*Policy 13.4. 3. To restrict subdivision in areas of known natural hazard unless the effects of those natural hazards can be adequately avoided or mitigated.*

*Policy 13.4.4. Sites that include or are close to National Grid Infrastructure shall be designed and positioned to accommodate any subsequent land use while maintaining an adequate setback or buffer from National Grid Infrastructure. This shall include the avoidance of sensitive activities within the National Grid Buffer Area.*

*Policy 13.6.1 1. Subdivision should provide for:*

- a) Safe and effective vehicular and pedestrian access, including reasonable access to infrastructure.*
- b) Adequate water supplies for drinking and firefighting.*
- c) Potable water for drinking.*
- d) Disposal of sewage in a manner that maintains public health and avoids, remedies and mitigates effects such as soil and water contamination.*
- e) Disposal of stormwater in a manner that does not affect water quality and avoids inundation.*
- f) Supply of electricity, street lighting and telecommunications using a method that is appropriate to the subdivision/development and the amenity value of the area.*
- g) Connections into reticulated systems where they are available.*
- h) Adequate provision for open space and reserves, including pedestrian linkages*
- i) The design and layout of a subdivision shall provide for any potential building or structure to be erected on the site while maintaining an appropriate separation distance from the National Grid Infrastructure. This shall include the avoidance of sensitive activities within the National Grid Buffer Area.*
- j) In the Residential, Rural-residential, Township and Commercial Environmental Areas, the following:*
  - i. Roads to a sealed standard*
  - ii. Underground reticulation of services*
  - iii. Kerb and channelling and sealed footpaths*

*Policy 13.8.1 To generally require esplanade reserves or strips to be set aside for allotments of less than four hectares in accordance with the criteria set out in Table 13.1 below.*

In addition the Coastal Environment chapter contains a policy specifically around the provision of esplanade reserves:

*Policy 7.4.4 Improvement and enhancement of public access by taking of, where appropriate, esplanade reserves on coastal subdivision.*

Appendix Five of the operative Grey Plan contains the subdivision rules.

These are summarised below:

Permitted Activities	None
Controlled Activities	<ol style="list-style-type: none"> <li>1. Where minimum lot sizes are met: <ul style="list-style-type: none"> <li>• Rural Environmental Area 1ha</li> <li>• Rural Residential 4000m<sup>2</sup></li> <li>• Township – 500m<sup>2</sup> where public sewage is available, 1000m<sup>2</sup> where public sewage reticulation is not available</li> <li>• Residential (excl Kaiata Park, Moana and Iveagh Bay) – 350m<sup>2</sup> where public sewage reticulation is available, 1000m<sup>2</sup> where public sewage reticulation is not available</li> <li>• Residential (Moana and Iveagh Bay) 350m<sup>2</sup> with an average area of 500m<sup>2</sup></li> <li>• Residential (Kaiata Park) 1500m<sup>2</sup></li> </ul> </li> <li>2. Boundary Adjustments – Rural Environmental Area – no minimum lot size provided the resultant allotments are not less in size than the smallest that existed before subdivision</li> <li>3. Allotments created for access, utilities, roads and reserves have no minimum lot size</li> </ol>



	<ol style="list-style-type: none"> <li>4. All standards in relation to Water supply, stormwater, sanitary sewage disposal, energy supply, telecommunications, roading and access, roading agreements, and point strips are met</li> <li>5. Subdivision in Kaiata Park must be in general accordance with the Kaiata Outline Development Plan</li> <li>6. The site must not be subject to any actual or potential natural hazards</li> <li>7. Subdivision is restricted (detailed standards) within 14m of National Grid Infrastructure</li> </ol>
Discretionary Activity	Any subdivision that contravenes a controlled standard and is not a non-complying activity
Non-complying Activity	Any subdivision within 14m of National Grid Infrastructure that does not meet the controlled activity standards

### 2.3.3 Westland District Plan

The operative Westland Plan contains a wide range of objectives and policies that outline the outcomes sought from subdivision. This includes objectives and policies in relation to:

- Protection of water resources from adverse effects
- Natural character
- Rural zone character
- Coastal environment
- Infrastructure and servicing
- Financial contributions
- Reverse sensitivity for existing uses in the Rural Zone
- Natural hazards
- Public access to water (and creation of esplanades to achieve this)

There is also considerable explanatory material in the operative Westland Plan and detailed methods descriptions that refer to subdivision, but there are no specific technical objectives and policies relating to the mechanics of subdivision.

Rules for subdivision are contained in Part 7 of the Plan as follow:

Permitted Activities	<p>Any subdivision as follows:</p> <ul style="list-style-type: none"> <li>• The number of titles remains the same as prior to the subdivision (esplanade reserves shall not be counted).</li> <li>• Any existing buildings comply with the District Plan requirements.</li> <li>• No new roading or access points are required.</li> <li>• No new Council services are required.</li> <li>• The subdivision is undertaken for boundary adjustment purposes or for the creation of a Special lot.</li> <li>• This is any new subdivision which is needed solely for a public work utility which is permitted by Part 6 Infrastructure or approved as a result of a resource consent.</li> </ul>
Controlled Activities	<p>Subdivision in the area subject to the Franz Alpine Resort Outline Development Plan that is supplied with fully reticulated comprehensive water supply, sewage treatment and disposal and is in accordance with the outline plan</p> <p>Subdivision that meets the following standards</p> <ul style="list-style-type: none"> <li>• Residential Mixed, Small Settlement, General Residential and Coastal Settlement Zones <ul style="list-style-type: none"> <li>○ 300m<sup>2</sup> minimum lot size or 1000m<sup>2</sup> in non sewered sites except</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Kumara Junction Developments Area minimum lot size 4000m<sup>2</sup></li> <li>○ Shape Factor for sites other for public works and network utilities 12x12m</li> <li>• Commercial Core Zone minimum lot size 200m<sup>2</sup></li> <li>• Tourist Commercial Zone minimum lot size 200m<sup>2</sup> for a front site and 600m<sup>2</sup> for a rear site</li> </ul>
Restricted Discretionary Activities	Subdivision in the Waiho River General Flood Hazard Zone
Discretionary Activities	<p>Subdivision in the Rural Zone with a minimum lot size of 5000m<sup>2</sup></p> <p>Subdivision in the Residential Mixed, Small Settlement, General Residential and Coastal Settlement Zones that meets the following standards:</p> <ul style="list-style-type: none"> <li>○ 285m<sup>2</sup> minimum lot size or 700m<sup>2</sup> in non sewered sites except</li> <li>○ Kumara Junction Developments Area minimum lot size 2000m<sup>2</sup></li> <li>○ Shape Factor for sites other for public works and network utilities 10x10m</li> <li>• Subdivision in the Commercial Core Zone not meeting Controlled Activity Minimum Lot Sizes</li> <li>• Subdivision in the Tourist Commercial Zone np minimum lot size for a front site and 200m<sup>2</sup> for a rear site</li> </ul>
Non – complying Activities	<p>Any subdivision that is not permitted, controlled or restricted discretionary.</p> <p>Any subdivision in the Waiho River Severe Flood Hazard Zone</p>
Subdivision to be Declined in Some Circumstances	<p>There is what appears to be a poorly worded rule (status unclear) that states an application for subdivision consent will be refused where:</p> <ul style="list-style-type: none"> <li>• Any land in respect of which consent is sought, or any structure on that land, is or is likely to be subject to material damage by erosion, falling debris, subsidence, slippage or inundation from any source; or</li> <li>• - Any subsequent use that is likely to be made of the land may accelerate, worsen, or result in material damage to that land, other land, or structure, by erosion, falling debris, subsidence, slippage or inundation from any source - unless the Council is satisfied that the effects of the above are avoided, remedied or mitigated by conditions on a resource consent, or other means including works.</li> </ul>

### 2.3.4 Analysis of combined operative district plan approaches

Objectives and policies relating to the outcomes sought when subdividing are scattered throughout the operative plans. Only the Grey Plan contains specific objectives and policies relating to the mechanics of subdivisions, including the creation of esplanade reserves.

In terms of Rules, there is a very different approach across the three operative plans.

In Buller and Westland there are a small number of permitted activities relating to boundary adjustments and creation of lots for reserves and utilities. These rules would also enable cross lease sites to subdivide.

The Grey Plan contains no Permitted Activities but has a comprehensive set of controlled activities with specified minimum lot sizes and performance standards. This creates a clear set of expectations

around the norm for subdivision in the district, and advice from technical staff is that these minimum lot sizes (which align to the density provisions for residential development) are generally adhered to.

Because natural hazards are not specifically mapped in the Grey Plan, many applications for subdivision – particularly in rural areas, require a Discretionary Activity consent and a detailed natural hazards assessment.

The main issues around the effectiveness of the subdivision provisions in the operative Grey Plan has been around retention of rural production values and issues of reverse sensitivity, particularly with mineral extraction. The minimum lot size of 1ha for a controlled activity in the Rural Environment Area has been identified as being particularly problematic – resulting in widespread and ad hoc subdivision in some areas, compromising rural production values.

The Buller Plan places no minimum lot sizes on subdivision – however there are residential density provisions in some zones, which result in the practical minimum lot size being the same as the density provisions. Within the Rural Zone, all subdivision is a Discretionary Activity in Buller. With no policy guidance around this, what has happened in practice has been extensive, widespread and ad hoc subdivision of parts of the Rural Zone – particularly around Westport. There is no guidance on appropriate minimum lot sizes. Staff are not aware of any rural subdivision consents that have been declined. As more subdivision of the rural areas has occurred there have been concerns around the loss of rural production values and also reserve sensitivity issues arising – particularly in relation to mineral extraction in surrounding rural areas. This has been identified as a growing problem that needs to be addressed in the TTPP.

The Buller Plan is also very light on policy guidance around natural hazards, and this is another identified concern for subdivision that has arisen in this area. Very few natural hazards (two land instability areas) are identified in the Buller Plan – however the Buller District is subject a very large range of coastal, flooding and land instability hazards. During the life of the Buller Plan, subdivision has occurred in some locations subject to very high hazard risk, and this is a significant issue which the subdivision provisions need to address.

In Westland, there is fairly comprehensive and clear policy guidance about the wider outcomes sought from subdivision in the plan, but no specific objectives and policies around subdivision mechanics. This guidance has been heavily relied on by staff to manage the risks around natural hazards in particular – which are also very extensive in the Westland District. The Westland Plan sets the same minimum lot sizes for sites in the Residential, Small Settlement and Coastal Settlement Zones. This has been identified as problematic – with issues in both the Small Settlement and Coastal Settlement Zones arising around wastewater disposal, and in the Coastal Settlement Zone about loss of natural character.

The Westland Plan has no Controlled Activity for subdivision in the Rural Zone – all subdivision is a Discretionary Activity down to a minimum lot size of 5000m<sup>2</sup>. While the plan gives good clear policy guidance around protection of many natural environment aspects and the avoidance of natural hazards, it did not anticipate the extent of demand for lifestyle subdivision that would occur, as this was not a common activity in Westland at the time of the plan development.

As on the rest of the West Coast, ad hoc subdivision of rural areas has become a significant issue for Westland District – particularly around Hokitika with widespread subdivision of small lifestyle sites, including those down to 2000m<sup>2</sup> (i.e. non-complying) being approved. Loss of farming productivity due to subdivision is not as a great a concern in Westland as it is in Buller and Grey, but Hokitika is surrounded by three major alluvial goldfields, and reverse sensitivity conflicts between mineral extraction and lifestyle residential is becoming common.

In summary, all three of the Operative Plans have been identified as no longer achieving desired outcomes in relation to subdivision with issues of rural subdivision and the need to retain rural production values and avoid reverse sensitivity being particularly significant.

## 2.4 Analysis of Best Practice – How Other Councils are Addressing the Same Issue

A review of current practice in respect of this matter has been undertaken, together with a review of the following District Plans:

- Timaru District Plan (2<sup>nd</sup> Generation Draft)
- Selwyn District Plan (2<sup>nd</sup> Generation Proposed)
- Porirua District Plan (2<sup>nd</sup> Generation Proposed)
- New Plymouth District Plan (2<sup>nd</sup> Generation Proposed)
- Nelson Unitary Plan (2<sup>nd</sup> Generation Draft)

These plans were chosen because they represent 2<sup>nd</sup> generation plans, with a range of similar issues.

Key findings of the review were:

- Other plans do not provide for any subdivision as a Permitted Activity
- Although there is a range of district-specific provisions, the common standards for a 'complying' subdivision relate to:
  - Esplanades
  - Allotment size and shape
  - The provision of services (waters, electricity and telecommunications)
  - Roads and access
  - Compliance with site-specific standards such as outline development plans.
- Where a standard is infringed, the activity status varies from restricted discretionary to noncomplying, depending on the standard breached. There are no prohibited activities for subdivision in the plans reviewed.
- The matters for consideration listed in each plan contain some common themes:
  - Esplanades
  - Allotment size and shape
  - The provision of services (waters, electricity and telecommunications)
  - Roads and access
  - Compliance with site-specific standards such as outline development plans
  - Construction effects
  - Natural hazards
  - Subdivision layout, including roads and reserves

The review of the New Plymouth District Plan also identified the use of subdivision "bonus lots" as an incentive to support the legal and physical protection of areas of significant indigenous biodiversity. This is something the TTPP Committee wished to pursue to support those landowners with areas of significant indigenous biodiversity on the West Coast. This is discussed further in the s32 report on to the Ecosystems and Biodiversity topic.

## 2.5 Summary of Issues Analysis

Subdivision is a fundamental method by which many objectives and policies of the Plan are achieved. For example, urban form is largely driven by road layout and site sizes, both of which are managed through the subdivision process. Infrastructure such as roads, water, sewer, electricity and telecommunications is most efficiently provided to an urban area before houses and commercial buildings are erected, while reserves contribute to community wellbeing.

There is an expectation that if a site is purchased, it can have a house erected on it. It is therefore important to control subdivision to ensure that this is the case, through consideration of natural hazards, site size and characteristics and the provision of appropriate services.

The preparation of land for further development can itself have adverse effects on the environment, such as noise and sediment and the altering of water runoff patterns. These effects need to be managed to avoid or minimise their impact.

While there do not appear to be significant issues with subdivision within the main centres, the widespread uptake of rural subdivision and development of rural lifestyle properties has been identified as a significant concern across all three districts. This overlaps with the wider provisions in the Rural Zones, but there is a clearly identified need to better ensure that matters of rural production – both significant farming values and mineral extraction, are better accounted for in relation to subdivision.

A second key matter identified is the significant risks of natural hazards. These have been front of mind for the three Councils in processing subdivision applications, however the operative plans are

relatively weak in this area. With the identification within the TTPP of some of the most significant risk areas from natural hazards, there is a better ability to recognise those risks within the subdivision process. It is also acknowledged however that due to data and research constraints, not all significant risks, particularly from land instability, flood, liquefaction and some coastal hazards, have been identified. This means that as well as managing the risks around identified hazards, subdivision provisions need to allow for further assessment of natural hazards in areas where these could be located.

Additionally, there are a large number of areas and locations of special value – ecological, landscape, historic heritage and significant sites to Poutini Ngāi Tahu, as well as natural character values in the coastal environment. Subdivision has the potential to adversely affect these areas, though it can also be a positive instrument in their protection.

### 3.0 Scale and Significance Evaluation

The level of detail undertaken for the evaluation of the Proposed TTPP provisions has been determined by an assessment of the scale and significance of the implementation of these provisions. The scale and significance assessment considers the environmental, economic, social and cultural effects of the provisions. In making this assessment regard has been had to the following, namely whether the provisions:

	Minor	Low	Medium	High
Degree of change from the Operative Plans			x	
Effects on matters of national importance (s6 RMA)			x	
Scale of effects – geographically (local, district wide, regional, national)		x		
Scale of effects on people (how many will be affected – single landowners, multiple landowners, neighbourhoods, the public generally, future generations?)			x	
Scale of effects on those with particular interests, e.g. Tangata Whenua			x	
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?		x		
Likelihood of increased costs or restrictions on individuals, businesses or communities		x		

#### 3.1 Explanation Summary

Overall, it is considered that the scale and significance of the proposal is medium. The level of detail in this report corresponds with the scale and significance of the environmental, economic and cultural effects that are anticipated from the implementation of the Subdivision provisions.

- The degree of change from the operative District Plans is medium, considering that the activity status and technical standards for subdivision throughout the West Coast are generally being retained (albeit standardised and streamlined across the three districts).

- The geographic scale of effects applies to the whole West Coast. The wider community and tangata whenua are likely to be affected positively by the proposal as it is expected to result in improved subdivision design that is compatible with the role, function and predominant character of each zone, and greater consideration of natural features and landforms, and reverse sensitivity considerations.
- The development community may be affected by the proposal although this could be positive as the introduction of Controlled Activity subdivisions in areas where it was previously a Discretionary Activity makes the likely outcome from a subdivision proposal much clearer.
- The proposal does not directly relate to a s6 matter of national importance; however, the following Section 7 other matters are relevant; (c) maintenance and enhancement of amenity values, and (f) maintenance and enhancement of the quality of the environment.
- The proposed subdivision provisions are considered to be in accordance with best practice, and similar to the approach adopted in similar second generation plans throughout New Zealand.

While subdivision is often the precursor to further development, the provisions recommended for the Proposed TTPP are largely a refinement and standardisation of the existing operative plans provisions, rather than being a new approach. The effect of the provisions is therefore already well understood, and the proposed provisions will not result in significant additional environmental, economic, social or cultural costs.

Where new provisions are proposed in the subdivision chapter of the Proposed District Plan, they are to implement the objectives and policies of other plan topics, and so are assessed in the s32 report for those topics. For example, minimum site sizes are addressed in the s32 report for each zone, bonus lots for protection of significant indigenous biodiversity is addressed in the ecosystems and biodiversity s32 report and reverse sensitivity and rural production values are discussed in the rural zones s32 report. While the provisions relating to natural hazards are addressed in the s32 report for natural hazards

## 4.0 Evaluation

### 4.1 Evaluation of Objectives

This section of the report evaluates the proposed objectives as to whether they are the most appropriate to achieve the purpose of the Act.

Along with the proposed provisions, the Committee has also identified through the research, consultation, information gathering and analysis undertaken in relation to this topic one reasonably practicable alternative option to achieve the objectives.

Subdivision is a key matter that assists in the implementation of strategic objectives of the Plan. The most relevant strategic objectives are:

AG - O1	To maintain the productive value of versatile soils and agricultural land for current and future agricultural and horticultural uses.
AG - O2	To recognise the significance of agriculture to the West Coast economy, provide for agricultural development and innovation and enable the support industries and services needed to maintain agricultural viability within rural areas.
MIN - O4	To ensure that new subdivision, use and development does not compromise existing mineral extraction activities, including through reverse sensitivity to effects such as dust, noise and traffic generation.

NENV- O1	To recognise and protect the natural character, landscapes and features, ecosystems and indigenous biodiversity that contribute to the West Coast's character and identity and Poutini Ngāi Tahu's cultural and spiritual values.
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UFD - O1	<p>To have urban environments and built form on the West Coast/Te Tai o Poutini that:</p> <ol style="list-style-type: none"> <li>1. Are attractive to residents, business and visitors;</li> <li>2. Have areas of special character and amenity value identified and their values maintained;</li> <li>3. Support the economic viability and function of town centres;</li> <li>4. Recognise the risk of natural hazards whereby new development is located in less hazardous locations;</li> <li>5. Promote the re-use and re-development of buildings and land, including private and public land;</li> <li>6. Support inclusivity and housing choice for the diversity within the community now and into the future;</li> <li>7. Improve overall accessibility and connectivity for people, transport (including walking and cycling) and services;</li> <li>8. Promote the safe, efficient and effective provision and use of infrastructure, including the optimisation of the use of existing infrastructure and protection of critical infrastructure;</li> <li>9. Maintain the health and wellbeing of waterbodies, freshwater ecosystems and receiving environments; and</li> <li>10. Promote and enhance the distinctive character of the districts' towns and settlements.</li> </ol>
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The proposed objectives for the Subdivision Chapter are to achieve these Strategic Objectives.

Existing Objectives	Appropriateness to Achieve the Purpose of the Act
<p>Buller District Plan Objective: No general guidance re subdivision outcomes. One relevant objective:</p> <p><i>Objective 4.7.5.1. To maintain or enhance the natural character of the coastal environment by avoiding, remedying or mitigating the adverse effects of land use activities and subdivision requiring a coastal location.</i></p>	<p>The Buller and Westland Plans' objectives provide no specific direction for subdivisions provisions although the Westland Plan provides a broader direction in terms of outcomes sought as a result of the subdivision process.</p> <p>With no objectives specific to subdivision, the expectations for subdivision are not explicitly set out in the Buller and Westland District Plans, which provides limited guidance or direction on the outcomes that the District Plan is seeking to achieve. This hinders the ability of decision makers to apply a consistent approach to subdivision throughout those Districts.</p>
<p>Grey District Plan Objective: A range of objectives that provide guidance on the outcomes sought from subdivision as well as three specific objectives:</p> <p><i>Objective 13.3.1 To ensure that sites that are created by subdivision do not subsequently result in adverse effects on the environment which cannot be avoided, remedied or mitigated.</i></p> <p><i>Objective 13.5.1 The adequate provision of services, infrastructure and access for sites created by the subdivision in a manner that avoids, remedies or mitigates adverse effects.</i></p>	<p>The Grey District Plan objectives do set out clear expectations for subdivision in that district and provide a good basis for the development of objectives that will apply across the three districts within TTPP. They do not however respond directly to the key strategic directions set out above and so new objectives have been drafted as outlined below.</p>

<p><i>Objective 13.7.1 To contribute to the protection of conservation values and enable public access and recreational use of rivers, lakes and the coastal environment by the creation of esplanade reserves and strips in locations where the above matters require addressing.</i></p>	
<p>Westland District Plan Objective: A range of objectives that provide guidance on the outcomes sought from subdivision. No specific technical objectives relating to the mechanics of subdivision.</p>	
<p>Proposed TTPP Objectives:</p> <p>Subdivision Chapter:</p> <p>SUB – O1 <i>Subdivision achieves patterns of land development that are compatible with the purpose, character and qualities of each zone.</i></p> <p>SUB - O2 <i>Subdivision occurs in locations and at a rate that:</i></p> <ol style="list-style-type: none"> <li><i>a. Is supported by the capacity of existing infrastructure networks, or provides for infrastructure facilities and networks that are sufficient to accommodate growth and development that meets the standards required by the Council and the Plan;</i></li> <li><i>b. Facilitates the operation of critical infrastructure;</i></li> <li><i>c. Enables access and connectivity;</i></li> <li><i>d. Provide for the health, wellbeing and safety of the West Coast/Te Tai o Poutini community;</i></li> <li><i>e. Provides for growth and expansion of West Coast/Te Tai o Poutini settlements and businesses; and</i></li> <li><i>f. Avoids significant natural hazards and are built to be resilient to natural hazards</i></li> </ol> <p>SUB – O3 Subdivision design and development protects significant coastal, natural, ecological, historical and Poutini Ngāi Tahu features and resources and responds to the physical characteristics and constraints of the site and surrounding environment.</p> <p>SUB – O4 Subdivision within the FUZ - Future Urban Zone does not result in the fragmentation of sites that would compromise the potential of land within the FUZ - Future Urban Zone to accommodate</p>	<p>The purpose of the RMA is to promote the sustainable management of natural and physical resources by managing the use, development and protection of physical resources in a way which enables people and communities to provide for their social, economic and cultural well-being. Under Section 7(c) and (f), this includes the maintenance and enhancement of amenity values and the quality of the environment, which district councils shall have particular regard to.</p> <p>The proposed objectives clearly set the outcomes anticipated by the plan and the expectations for subdivision. The objectives specifically respond to the strategic objectives of the plan and the resource management issues identified and provide greater direction to plan users on the outcomes expected under the Proposed TTPP framework to address the implementation issues being experienced</p> <p>Objective SUB-O1 also ensures that subdivision results in good quality development that is compatible with the role, function and predominant character of each zone (rather than the character of existing areas). As such, the objectives will sustain the potential of physical resources for current and future generations, and maintain and enhance amenity values and quality of the environment. T</p> <p>The proposed objectives provide plan users and decision makers with certainty as to the outcomes that are appropriate under TTPP provisions.</p> <p>The objectives are considered to be reasonable to address the resource management issues and will achieve the purpose of the RMA.</p>



<p>integrated and serviced urban development.</p> <p>SUB – O5 Esplanade reserves and strips created through subdivision contribute to the protection of identified significant natural heritage and Poutini Ngāi Tahu values, provide natural hazard mitigation, support good water quality and provide for public access to and along rivers and the coastal marine area</p> <p>SUB – O6 Where subdivision occurs, sufficient provision is made for the additional community need for open space.</p>	
<p>Evaluation of Alternative Option</p>	<p>Appropriateness to Achieve the Purpose of the Act</p>
<p>Do not include specific provisions for subdivision.</p>	<p>This option would hinder decision makers when assessing resource consent applications as they would have little guidance on what outcomes are expected. It would also fail to properly recognise the different character, role and function of each zone and appropriate types of subdivision to provide for future land use activities.</p>
<p>Summary</p> <p>The proposed objectives will achieve the purpose of the RMA as they are clear statements of intent that define the expectations for subdivision. They provide certainty as to the outcomes that are anticipated and are appropriate under TTPP provisions.</p>	

## 4.2 Evaluation of Policies and Rules in relation to Subdivision

This section evaluates the associated policies, rules and methods, as they relate to the Proposed TTPP Subdivision objectives.

For each potential approach an evaluation has been undertaken relating to the costs, benefits and the certainty and sufficiency of information (as informed by section 4 of this report) in order to determine the effectiveness and efficiency of the approach, and whether it is the most appropriate way to achieve the relevant objective(s).

For the purpose of this evaluation, the Council has considered the following potential options:

1. The proposed provisions.
2. Modified status quo provisions – recognising that there are currently operative district plans
3. A restrictive approach to subdivision with no minimum standards

### 4.2.1 Description of the Proposed Provisions

There are nine policies in relation to subdivision that:

- Outline the key expectations when new allotments are created
- Set out the expectations for servicing and infrastructure
- Outline the circumstances where subdivision is appropriate where there are scheduled features and values
- Outline the expectations around subdivision and managing significant natural hazard risk
- Provide the framework for subdivision in the Future Urban Zone
- Identify where subdivision should be avoided
- Provide for subdivision with the Residential Zones below minimum lot sizes
- Set a framework for subdividing existing residential dwellings that may not meet minimum standards

- Outline the circumstances where esplanade reserves or strips may be varied in width from 20m.

The Rules for Subdivision set up a framework whereby there are some minor subdivisions allowed as a Permitted Activity – boundary adjustments within the General Residential Zone and General Rural Zone and subdivision for a Network Utility or Critical Infrastructure.

Controlled Activity subdivisions with a minimum lot size and that meet other standards are provided for (outside of overlay areas) in:

- Residential Zones, Commercial and Mixed-Use Zones, Industrial Zones, Scenic Visitor Zone, Port Zone, Rural Zones, Māori Purpose Zone.

Controlled Activity subdivisions are also provided for in all zones and overlays for:

- Boundary adjustments
- Subdivision for network utilities, critical infrastructure, access or reserves
- The creation of one new allotment of 4000m<sup>2</sup> on land containing an area of significant indigenous biodiversity
- Subdivision to create allotments of land within the Electricity Transmission and Distribution Yard.

Restricted Discretionary Activity Subdivisions are:

- Subdivision to create up to three 4000m<sup>2</sup> allotments in an area of Significant Indigenous Biodiversity
- Subdivision to create allotments in Areas of Historic Heritage or Sites and Areas of Significance to Māori
- Subdivision to create allotments within Outstanding Natural Landscapes and Outstanding Natural Features
- Subdivision of land within the Future Urban Zone
- Subdivision to create allotments in the Flood Susceptibility, Flood Plain, Land Instability, Coastal Alert, Coastal Setback and Coastal Tsunami Overlays.

Discretionary Activity Subdivisions are:

- Subdivision to create allotments in the Hospital, Stadium, Mineral Extraction, Buller Coalfield and Airport Special Purpose Zones
- Subdivision to create allotments in the Māori Purpose Zone where there is no Iwi/Papatipu Rūnanga Management Plan in place
- Subdivision to create allotments in an area of significant indigenous biodiversity not meeting Controlled or Restricted Discretionary Activity Standards
- Subdivision to create allotments within the coastal environment subject to Outstanding Natural Landscape, Outstanding Natural Feature of High Coastal Natural Character Overlays
- Subdivision to create allotments where there is a Historic Heritage or Site/Area of Significance to Māori and Restricted Discretionary Activity standards are not met
- Subdivision which would otherwise be a Controlled or Restricted Discretionary Activity where subdivision standards are not complied with.
- Subdivision in any Open Space and Recreation Zone
- Subdivision within the Westport Hazard Overlay
- Subdivision within the Coastal Severe and Flood Severe Natural Hazard Overlays
- Subdivision within the Airport Noise Control Overlay

All Controlled and most Restricted Discretionary Activity Subdivisions must meet the Subdivision Standards. Standards are provided for:

- Minimum lot sizes
- Requirements for building platforms
- Water supply
- Stormwater
- Wastewater

- Transport and access
- Energy supply
- Telecommunications
- Esplanade reserves or strips
- Easements
- Point strips

Relevant definitions are

National Planning Standard Definitions – Subdivision, Allotment, Esplanade Reserve, Esplanade Strip, Boundary Adjustment, Stormwater, Wastewater.

TTPP Specific Definitions – Council Engineering Standards.

#### 4.2.2 Evaluation of Options around Subdivision

Option	Benefits	Costs	Efficiency and Effectiveness	Risk of acting/not acting
<p><b>Option A: Status quo</b></p>	<ul style="list-style-type: none"> <li>Rules are known and have been operating for the last 20 years.</li> <li>Quality of the environment and amenity values are maintained to an extent.</li> </ul>	<ul style="list-style-type: none"> <li>Limited policy guidance and resulting in varied outcomes, with issues of reverse sensitivity, impacts on important areas of cultural and environmental significance, loss of primary production values of rural land and increased exposure of people to significant risks of natural hazards.</li> </ul>	<ul style="list-style-type: none"> <li>The evaluation set out in Section 2.5 of this report demonstrates that the existing approach is not effectively or efficiently achieving the purpose of the RMA.</li> <li>Due to limited policy guidance:</li> <li>Issues of reverse sensitivity (all districts), exposure to the significant risks of natural hazards (Buller District) and loss of rural production values (Buller and Grey Districts) and adverse effects on special sites and areas (all Districts) have occurred.</li> <li>Further, the lack of direction in the plan leads to inconsistent decision-making and lack of control over certain activities. Therefore, this option is not considered to be the most efficient, effective or appropriate option to achieve the objectives</li> </ul>	<ul style="list-style-type: none"> <li>The current policy framework lacks detail and specific direction on management of effects of subdivision. The rules are not effectively being implemented, are not well-integrated with design and infrastructure guidance, and/or Council's ability to manage certain effects is limited. The ineffectiveness of the current planning framework is demonstrated in Section 2.5 of this report, and is no longer considered to be best practice. It is considered that the risk of acting on these provisions outweighs the risk of not acting. There is sufficient information not to act on this approach.</li> </ul>

<p><b>Option B: Proposed Plan:</b></p> <p>Subdivision specific chapter in District Plan. Strong policy direction emphasising the circumstances where subdivision is appropriate, and the need to avoid the risks of significant natural hazards and to minimise effects on the environment and integrated and comprehensive infrastructure provision.</p> <p>Allow subdivision as a controlled activity in urban and rural zones, subject to compliance with standards. Remove minimum lot sizes for Commercial and Industrial Zones.</p> <p>Standards for minimum lot design and parameters, stable and flood free building platforms, compliance with Councils Land Development and Subdivision Infrastructure Standard, stormwater treatment, catchment and disposal, water supply, sewage disposal, network utilities services, network utilities services, transport,</p>	<ul style="list-style-type: none"> <li>• Specific and clear direction in policy framework on the quality and type of outcomes expected by TTPP</li> <li>• Clear direction means that plan users and developers will have upfront understanding of the subdivision provisions of the plan, and councils' expectations, which leads to efficient and consistent decision-making.</li> <li>• Certainty for developers with regard to process, matters to be considered, and likelihood of approval.</li> <li>• Provides for the availability of land for future development, to give effect to the NPS on Urban Development Capacity 2016.</li> <li>• Better quality subdivision design, connectivity, and associated neighbourhood and community environments which results in economic and social benefits for new residents.</li> <li>• The matters of control and discretion accurately reflect consideration of the full range of likely adverse effects from subdivision, which provides Council</li> </ul>	<ul style="list-style-type: none"> <li>• Standardisation of subdivision rules across the three districts introduces Controlled Activities for subdivision in Rural Zones in Buller and Westland— may result in unanticipated environmental effects.</li> <li>• Change in plan structure and policy framework for subdivision, in the short term, may result in higher compliance costs and associated time and uncertainty for landowners and developers involved in obtaining resource consents.</li> </ul>	<ul style="list-style-type: none"> <li>• This approach is effective and efficient as it would allow subdivision to proceed with an appropriate and comprehensive assessment of environmental effects of the proposal.</li> <li>• Streamlined, simplified rules that are easier for plan users to interpret and apply. The reduced duplication and clear direction in policy framework and standards is expected to result in increased compliance and effective compliance monitoring.</li> <li>• This approach addresses current issues, in particular providing appropriate policy and assessment criteria to enable a complete assessment of possible environmental effects based on experience. The approach achieves the proposed objective in an efficient and effective manner by providing a balance between management of adverse effects and enabling appropriate activities to occur.</li> </ul>	<ul style="list-style-type: none"> <li>• Not acting may mean that the current implementation issues with the Operative Plan approach (described in Section 4.4) continue and incrementally result in loss of amenity values and quality of the environment.</li> <li>• Overall, it is considered that there is sufficient information to act, and that risks of not acting are outweighed by the benefits of acting.</li> </ul>
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<p>access and connectivity.</p> <p>Discretionary or noncomplying activity status for subdivision not meeting scale, design and intensity standards, Subdivision within the Special Purpose Zones, Open Space and Recreation Zones, Severe Hazard Overlays and Air Noise Contours.</p> <p>Restricted Discretionary or Discretionary Activity to undertake subdivision in locations where there are sites and areas of identified special value scheduled the plan and identified on the planning maps.</p>	<p>with greater control, full assessment, and improved and effective management of subdivision.</p> <ul style="list-style-type: none"> <li>• Certainty for neighbours that subdivision on adjacent sites will be compatible with the role, function and predominant character of the zone.</li> <li>• Streamlined, simplified rules that are easier for plan users to interpret and apply. The reduction in ambiguity is expected to result in increased compliance and effective compliance monitoring.</li> </ul>		<ul style="list-style-type: none"> <li>• Resource consent process enables the efficient and effective management of adverse effects on the environment resulting from subdivision, and provides certainty to the developer and community with regard to process and confidence that good quality subdivision proposals supported by appropriate applications will be granted.</li> <li>• Permitted Activity for simple boundary adjustments and creation of allotments for infrastructure and reserves avoids unnecessary regulation.</li> <li>• This option is considered to be the most efficient and effective to achieve the objectives.</li> <li>•</li> </ul>	
<p><b>Option C: Restrictive approach with no minimum standards</b></p> <p>Subdivision specific chapter in District Plan.</p> <ul style="list-style-type: none"> <li>• Objectives and policies specific to management of effects generated by subdivision.</li> </ul>	<ul style="list-style-type: none"> <li>• Greater flexibility for developers without specified minimum lot sizes, resulting in a variety of lot sizes and different housing typologies in accordance with relevant design guides.</li> <li>• Council has greater control and discretion over subdivision applications</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of certainty for developers with regard to process, matters to be considered, and likelihood of approval.</li> <li>• Potential financial cost associated with designing and applying for subdivision applications that may be declined (including financial burden</li> </ul>	<ul style="list-style-type: none"> <li>• This approach would require discretionary activity consent for all subdivision applications regardless of their size, scale or compliance with various standards.</li> <li>• In comparison to Option B which uses a range of standards to achieve controlled activity status to</li> </ul>	<ul style="list-style-type: none"> <li>• The risk of acting on these provisions is that the effectiveness of the option would rely on effective communication between developers and council to determine expectations on a case-by-case basis.</li> <li>• Lack of standards and direction in the plan may lead to varied outcomes.</li> </ul>

<ul style="list-style-type: none"> <li>• District-wide Discretionary activity status for subdivision without minimum lot sizes or technical standards (appropriate lot size and servicing determined on a case by case basis).</li> </ul>	<p>and ability to decline a resource consent application if it does not achieve the objectives or is inconsistent with the policies.</p> <ul style="list-style-type: none"> <li>• Also avoids instances where the controlled activity status establishes an unrealistic expectation that any subdivision consent meeting standards will be approved. Focuses on good quality subdivision design rather than compliance with standards.</li> </ul>	<p>for landowners who undertake small-scale subdivisions).</p> <ul style="list-style-type: none"> <li>• Greater potential for inconsistent decision making.</li> <li>• Perceived loss of development rights.</li> <li>• Change in approach to subdivision, in the short term, may result in higher compliance costs and associated time and uncertainty for landowners and developers involved in obtaining resource consents.</li> </ul>	<p>encourage subdivision in urban areas, and manage the potential adverse effects of subdivision, The Option C approach would provide the councils with greater control over all potential effects of subdivision through a case-by-case assessment.</p> <ul style="list-style-type: none"> <li>• However, it could lead to varied and inconsistent outcomes, lack of certainty for developers, and has potential to be overly restrictive and onerous for small-scale subdivision. Therefore, this approach is not considered to be the most efficient or effective approach to achieve the proposed objectives.</li> </ul>	<ul style="list-style-type: none"> <li>• It is considered that the risk of acting on these provisions outweighs the risk of not acting.</li> <li>• There is sufficient information not to act on this approach.</li> </ul>
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**Quantification**

Section 32(2)(b) requires that if practicable the benefits and costs of a proposal are quantified. The evaluation in this report identifies where there may be additional cost(s), however the exact quantification of the benefits and costs discussed was not considered necessary, beneficial or practicable.

**Summary:**

The above table has demonstrated that Option B is the most appropriate method for ensuring that subdivision results in an efficient use of land, achieves patterns of development that reflect good quality community environments, are compatible with the role, function and predominant character of the area, and minimises any adverse effects on the environment. The option would also address many of the implementation issues currently being experienced with the Operative Plans subdivision provisions.

## 5.0 Summary

This evaluation has been undertaken in accordance with Section 32 of the Act in order to identify the need, benefits and costs and the appropriateness of the proposal having regard to its effectiveness and efficiency relative to other means in achieving the purpose of the RMA. The evaluation demonstrates that this proposal is the most appropriate option as:

- The objectives and policies provide direction and certainty to plan users on the outcomes expected for subdivision
- The provisions generally allow subdivision as a controlled activity in the residential and rural zones subject to standards.
- Proposed subdivision is required to comply with standards for minimum lot sizes, requirements for building platforms, water supply, stormwater, wastewater, transport and access, energy supply, telecommunications, esplanades, easements and point strips.

Overall, it is considered that the set of preferred provisions is the most appropriate given that the benefits outweigh the costs, and there are considerable efficiencies to be gained from adopting the preferred provisions. The risks of acting are also clearly identifiable and limited in their extent.



## Part Two: Financial Contributions

### 6.0 Overview and Purpose

This s32 evaluation report should be read in conjunction with the s32 'Overview Report', which also includes an overview of the s32 legislative requirements, the methodology and approach to the s32 evaluations and the process that the TPPP Committee has undertaken to date through the development of Te Tai o Poutini Plan, including consultation and engagement.

This Section 32 report covers the provisions in the Financial Contributions Section that apply throughout the West Coast. Other closely related sections to consider are:

- Energy Infrastructure and Transport
- Subdivision

The evaluation for these sections is set out in the Section 32 evaluation report specific to each topic.

#### 6.1 Introduction to the Resource Management Issue

Section 108 of the RMA empowers a Council to impose financial contributions on resource consents, in accordance with the purposes specified in a District Plan. Financial contributions may be imposed for the purpose of promoting the sustainable management of natural and physical resources. Financial contributions can be required as a condition of consent for subdivision and/or development, for the purposes of:

- Providing and/or upgrading public network utility services and transport infrastructure
- Providing and/or upgrading public reserves.
- Securing environmental compensation generating positive effects to offset any adverse effects of the subdivision, use or development that cannot be avoided, remedied or otherwise mitigated.

Financial contributions under the RMA allow the Councils to manage the externalities associated with proposed activities. Financial contributions are used as a mechanism for achieving the Plan's objectives. For most activities, financial contributions are generally required at the subdivision stage, therefore this topic has a close relationship with that chapter.

Currently the three District Councils on the West Coast/Te Tai o Poutini use financial contributions under the RMA as the sole mechanism to provide for the costs and impacts of development on Council infrastructure and these draft provisions have been developed on the basis of that approach continuing.

However, the District Councils are exploring the potential to move to a Development Contributions regime under the Local Government Act 2002 (LGA). If the Councils do introduce Development Contributions under the LGA then these provisions will be amended by Variation or Plan Change to reflect the updated regime.

#### 6.2 Regulatory and Policy Direction

##### 6.2.1 RMA

###### *Part Two*

In carrying out a s32 analysis, an evaluation is required of how the proposal achieves the purpose and principles contained in Part 2 of the RMA.

Section 5 sets out the purpose of the RMA, which is to promote the sustainable management of natural and physical resources. Sustainable management includes managing the use, development, and protection of natural and physical resources to enable people and communities to provide for their social, economic and cultural wellbeing and for their health and safety.

In achieving this purpose, authorities need also to recognise and provide for the matters of national importance identified in s6, have particular regard to other matters referred to in s7 and take into account the principles of the Treaty of Waitangi referred to in s8.

Financial contributions are a key mechanism to avoid remedy or mitigate adverse effects on infrastructure and the environment.

Section 8 requires the Council to take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi). Consistent with the practice followed in the development of the Proposed District Plan, the section 8 principle of most relevance to this topic is the duty to make informed decisions through consultation. Tāngata whenua, through iwi authorities have been consulted a part of the review process and the obligation to make informed decisions based on that consultation is noted. Additionally, Poutini Ngāi Tahu representation with decision making rights were included in TTPP Committee as part of the review process.

#### *Other Relevant Sections*

s108(2)(a) of the RMA allows that financial contribution conditions can be imposed. Such conditions must be in accordance with the purposes specified in the plan and the level of contribution needs to be determined as set out in the plan. Financial contributions policies in proposed plans do not have legal effect until a decision on submissions has been made and notified (s86B).

Financial contribution conditions either require a contribution of money or land or can be a combination of the two (s108(9)). Financial contributions can assist with the costs of providing infrastructure for developments and providing for the recreational needs of the community. Funds can also be used to provide upgraded or additional servicing or to acquire or enhance land or assets for recreation and community purposes. Councils must specifically use these monies collected for the purposes they are intended.

Financial contributions can be taken to provide off site 'offset' mitigation, e.g., where the adverse effects of replacing a bridge on a riverbed habitat cannot be avoided or satisfactorily mitigated, a financial contribution could be used to improve the riverbed habitat elsewhere as part of a wider riverbed restoration programme.

Financial contributions are not the same as development contributions. Development contributions are authorised under the Local Government Act 2002 through long term council community plans (LTCCP) or conditions of consent attached under s220.

### 6.2.2 Regional Policy

The Regional Policy Statement has specific policy around environmental offsets and environmental compensation for work in Significant Natural Areas, which guide those aspects of any financial contributions regime. Specific relevant policy is as follows:

*Policy 4. Provided that Policy 2 is met, and the adverse effects on a SNA cannot be avoided, remedied or mitigated, in accordance with Policy 3, then consider biodiversity offsetting if the following criteria are met:*

- a. Irreplaceable or significant indigenous biological diversity is maintained and*
- b. There must be a high degree of certainty that the offset can be successfully delivered; and*
- c. The offset must be shown to be in accordance with the 6 key principles of:*
  - i. Additionality: the offset will achieve indigenous biological diversity outcomes beyond results that would have occurred if the offset was not proposed;*
  - ii. Permanence: the positive ecological outcomes of the offset last at least as long as the impact of the activity, preferably in perpetuity;*
  - iii. No-net loss: the offset achieves no net loss and preferably a net gain in indigenous biological diversity;*
  - iv. Equivalence: the offset is applied so that the ecological values being achieved are the same or similar to those being lost;*
  - v. Landscape context: the offset is close to the location of the development; and*
  - vi. The delay between the loss of the indigenous biological diversity through the proposal and the gain or maturation of the offset's indigenous biological diversity outcomes is minimised*
- d. The offset maintains the values of the SNA.*

*Policy 5: Provided that Policy 2 is met, in the absence of being able to satisfy Policies 3 and 4, consider the use of biodiversity compensation provided that it meets the following:*

- a. Irreplaceable or significant indigenous biological diversity is maintained: and*
- b. The compensation is at least proportionate to the adverse effect; and*
- c. The compensation is undertaken where it will result in the best practicable ecological outcome, and is preferably:
  - i. Close to the location of development: or*
  - ii. Within the same Ecological District: and**
- d. The compensation will achieve positive indigenous biological diversity outcomes that would not have occurred without that compensation: and*
- e. The positive ecological outcomes of the compensation last for at least as long as the adverse effects of the activity: and*
- f. The delay between the loss of indigenous biological diversity through the proposal and the gain or maturation of the compensation's indigenous biological diversity outcomes is minimised.*

## 7.0 Resource Management Issue and Analysis

### 7.1 Background

All three Operative District Plans contain provisions around Financial Contributions. Currently these are the sole source of revenue from development for infrastructure servicing needs, as none of the three Councils are taking Development Contributions under the Local Government Act. While these financial contributions provisions do focus on infrastructure servicing, there are also provisions for the taking of financial contributions to offset environmental effects.

The purposes for which the three Councils seek to take financial contributions are as follow:

#### New Roads

- To provide safe and adequate access to activities and provide for the needs of road users where access to the land proposed to be subdivided or developed cannot be achieved from existing roads, or where the capacity of existing roads would be exceeded.

#### Upgrades of Existing Roads

- To provide safe and adequate access to activities and provide for the needs of road users where existing roads are of inadequate width or construction to cater for the increased usage caused by the subdivision or development

#### Vehicle Parking

- To provide safe accessible parking for people of all abilities and transport modes where the on-site accessible parking, on-site bicycle parking, on-site trailer/boat parking or EV charging requirements cannot be achieved for the activity in the zone in accordance with the Transport Performance Standards.

#### Service Lanes

- To ensure that within town centres, development can be accessed by service vehicles from service lanes to minimise adverse effects of service vehicle access on pedestrian amenity and safety.

#### Water Supply

- To provide an adequate supply of potable water for human consumption, for industrial and commercial activities, and for firefighting where proposed allotments, sites or buildings are intended for human habitation or occupation.

## Wastewater

- To maintain the health and amenity of inhabitants or occupants and to protect the natural environment from indiscriminate and harmful disposal of sewage where new allotments, sites and buildings are intended for human habitation or occupation.

## Stormwater

- To prevent damage and loss of property and amenity from the indiscriminate and uncontrolled run-off of stormwater and to prevent adverse effects on freshwater and coastal ecosystems from contaminated stormwater where new allotments, roads and/or other impervious surfaces are created by subdivision or development.

## Reserves and Community Facilities

- To upgrade public recreational space and other reserves with facilities for public recreation and enjoyment or the protection of conservation values where the subdivision results, or will result, in an increase or an intensification of the use of land, whether by increased resident population or by commercial or industrial activities.

## 7.2 Evidence Base – Research, Consultation, Information and Analysis undertaken

### 7.2.1 Research

The Committee has reviewed the three current District Plans, commissioned technical advice, obtained assistance from various internal and external experts and utilised this, along with internal workshops and community feedback to assist with setting the plan framework. This work has been used to inform the identification and assessment of the environmental, economic, social and cultural effects that are anticipated from the implementation of the provisions. This advice includes the following:

<b>Title</b>	<b>Te Tai o Poutini Plan: Technical Update Approach to Financial Contributions. Report to Te Tai o Poutini Plan Committee August 2020</b>
<b>Author</b>	Lois Easton
<b>Brief Synopsis</b>	This report outlines the differences between financial contributions and development contributions and identifies a potential approach to financial contributions for inclusion in TTPP.
<b>Link to Document</b>	<a href="https://tppp.nz/wp-content/uploads/2022/01/Te-Tai-o-Poutini-Plan-Committee-Agenda-13-August-2020.pdf">https://tppp.nz/wp-content/uploads/2022/01/Te-Tai-o-Poutini-Plan-Committee-Agenda-13-August-2020.pdf</a>

<b>Title</b>	<b>Te Tai o Poutini Plan: Technical Update Draft Financial Contributions Objectives and Policies. Report to Te Tai o Poutini Plan Committee March 2021</b>
<b>Author</b>	Lois Easton
<b>Brief Synopsis</b>	This report outlines the issues in relation to financial contributions and recommends draft objectives and policies around these for inclusion in TTPP.
<b>Link to Document</b>	<a href="https://tppp.nz/wp-content/uploads/2021/04/TTPP-Agenda-30-March-2021.pdf">https://tppp.nz/wp-content/uploads/2021/04/TTPP-Agenda-30-March-2021.pdf</a>

<b>Title</b>	<b>Te Tai o Poutini Plan: Technical Update Draft Financial Contributions Rules. Report to Te Tai o Poutini Plan Committee September 2021</b>
<b>Author</b>	Lois Easton

<b>Brief Synopsis</b>	This report outlines the issues in relation to financial contributions and recommends draft rules around these for inclusion in TTPP.
<b>Link to Document</b>	<a href="https://tpp.nz/wp-content/uploads/2021/09/Agenda-TTPP-28-September-2021.pdf">https://tpp.nz/wp-content/uploads/2021/09/Agenda-TTPP-28-September-2021.pdf</a>

## 7.2.2 Consultation and Engagement

Te Tai o Poutini Plan has been the subject of significant consultation and community engagement. Within that, the issues around urban areas and settlements have been the subject of targeted consultation alongside the overall TTPP consultation and engagement process.

This commenced in 2019 with the identification of development stakeholders on the West Coast – local surveyors and planning firms, infrastructure providers, Development West Coast, Māwhera Incorporation, Regional Public Health and local businesses.

Numerous one on one meetings were held with individual stakeholders during the Plan drafting, with multi-stakeholder workshops also held.

Specific meetings and workshops held were:

### *Plan Development Phase*

- 19 October 2019 – Westland growth and development workshop
- 20 October 2019 – Grey growth and development workshop
- 20 and 21<sup>st</sup> November 2019 – Buller growth and development workshops
- 18<sup>th</sup> March 2020 – Hokitika public meeting (general community)
- 19 March 2020 - Hokitika and Greymouth town centre drop ins and Greymouth public meeting (general community)
- 22 September 2020 – Westport public meeting (general community)
- 24 September 2020 – Reefton drop in and public meeting (general community)

### *Draft Plan Consultation Phase*

- 22 February 2022 – multi-stakeholder infrastructure provider workshop
- 24 February 2022 – multi-stakeholder developer and professional services interests
- 21 February 2022 – Westport community public meeting (general community)
- 22 February 2022 – multi-stakeholder infrastructure provider workshop
- 22 February 2022 – Hokitika community drop in (general community)
- 24 February 2022 – multi-stakeholder developer and professional services interests
- 24 February 2022 – Greymouth community drop in (general community)
- 11 April 2022 – Hokitika public meeting (general community)
- 12 April 2022 – Greymouth public meeting (general community)
- 13 April 2022 – Westport public meeting (general community)

The draft TTPP was released for public feedback in January 2022 and there was some feedback provided on the Financial Contributions Chapter. The chapter was amended following feedback as outlined in a report to the Committee on 29 March 2022.

<b>Title</b>	<b>Te Tai o Poutini Plan: Technical Report Feedback on the Draft Plan: Report to Te Tai o Poutini Plan Committee 29 April 2022</b>
<b>Author</b>	Lois Easton

<b>Brief Synopsis</b>	This report brings the feedback on the draft Plan and recommends amendments to the Plan in response to that feedback.
<b>Link to Document</b>	<a href="https://tppp.nz/wp-content/uploads/2022/03/TTPP-Agenda-29-March-2022.pdf">https://tppp.nz/wp-content/uploads/2022/03/TTPP-Agenda-29-March-2022.pdf</a>

### *RMA Schedule 1 Consultation*

The RMA requires councils to undertake pre-notification consultation with those parties identified in Schedule 1, clause 3, during the preparation of a proposed district plan. These parties include:

- the Minister for the Environment;
- those other Ministers of the Crown who may be affected by the proposed plan;
- local authorities who may be so affected; and
- the tangata whenua of the area who may be so affected, through iwi authorities.

As a result of this consultation, written feedback was received from Department of Conservation, Department of Internal Affairs, Te Rūnanga o Ngāi Tahu and the Ministry for the Environment.

No specific feedback was provided on the Financial Contributions topic.

#### 7.2.3 Poutini Ngāi Tahu Advice

Te Rūnanga o Ngāti Waewae and Te Rūnanga o Ngāti Mahaki o Makaawhio are the two papatipu rūnanga on the West Coast/Te Tai o Poutini. They are collectively known as Poutini Ngāi Tahu. Poutini Ngāi Tahu have provided feedback on the approach to subdivision, with two key concerns identified:

- adverse effects of subdivision and the consequent development occurring in and around sites and areas of significance to Poutini Ngāi Tahu and within their cultural landscapes
- subdivision resulting in discharges of wastewater to freshwaters or the coast, and the need for effective land-based wastewater treatment and disposal systems to be required as part of policy and subdivision standards.

## 7.3 Operative District Plan Provisions

### 7.3.1 Buller District Plan

Financial contributions are the subject of a separate chapter of the Buller District Plan – but there are no specific objectives and policies around these.

The operative Buller District Plan addresses infrastructure within its Infrastructure Chapter. This provides some context for financial contributions. There is one objective relating to infrastructure that is relevant to financial contributions:

*Objective 4.2.5.1. To provide for the efficient development, operation and maintenance of infrastructure throughout the District, while avoiding, remedying or mitigating adverse effects.*

There are two operative policies, only Policy 4.2.6.1 and 4.2.6.2 that are relevant to financial contributions as relates to this s32 report and are as follows:

*Policy 4.6.2.1 Development in areas which, due to physical characteristics, are difficult to service shall be permitted where appropriate technical solutions are provided to avoid, remedy or mitigate against adverse effects.*

*Policy 4.2.6.2. To ensure that services are provided in a manner which does not have adverse effects on the environment, and which enables communities to provide for their health and safety.*

In terms of the rules:

- Financial contributions are District Wide.
- There are a wide range of infrastructure contributions – road upgrading; access and new roads; sewerage upgrading; sewerage connection and new systems; potable water supply, street lighting, private ways and accessways.
- Infrastructure contributions are for 100% of the full cost

- Contributions include Cash in lieu of carparking – Current market value of 35m<sup>2</sup> of land in the zone per parking or loading space.
- Landscaping and planting, fencing and screening are also identified as full cost financial contributions.
- Contributions of full costs are required for electricity and telephone works.
- Open Space, Recreation and Reserves Contributions are required
  - Where >10 allotments land suitable for development of a reserve
  - For each additional allotment of <1ha 7.5% of land value
  - For each additional allotment of 1-5ha 5% of land value
  - For each additional allotment over 5ha 2.5% of land value of no greater than 10ha each allotment
  - Development Contribution for recreation/community/reserves - Developments of a value of over \$500,000 shall be subject to a financial contribution of up to 0.5% of the value of the building work.

### *Plan Change 145*

The proposed Buller District Plan Change 145 included two objectives relevant to infrastructure as relates to financial contributions specifically.

*Objective 1 To provide for the safe, efficient and sustainable development, operation, maintenance and upgrade of utilities and regionally significant infrastructure, to meet the needs of the district, in a manner which avoids, remedies or mitigates adverse effects on the environment.*

*Objective 4 To co-ordinate the provision of utilities with subdivision, use and development of land in the district.*

There is one proposed Policy relevant to infrastructure as relates to financial contributions as follows:

#### *Policy 7 – Provisions for Adequate Utilities / Services*

*To ensure that subdivision, land use and development is capable of being adequately serviced including:*

- *Safe and efficient vehicle access;*
- *Adequate water supplies;*
- *Disposal of wastewater*
- *Disposal of stormwater;*
- *Supply of electricity and telecommunications using a method that is appropriate to the subdivision / development and the character of the area; and*
- *Connections into reticulated systems where they are available*

### 7.3.2 Grey District Plan

Financial contributions are the subject of a separate chapter of the Grey District Plan – but there are no specific objectives and policies around these.

The operative Grey District Plan addresses infrastructure within its Infrastructure Chapter. This provides some context for financial contributions. There is one objective relating to subdivision that is relevant to financial contributions:

*Objective 13.5.1 The adequate provision of services, infrastructure and access for sites created by the subdivision in a manner that avoids, remedies or mitigates adverse effects.*

- Financial contributions are District Wide.
- There are a wide range of infrastructure contributions – road upgrading; access and new roads; sewerage upgrading; sewerage connection and new systems and potable water supply
- Infrastructure contributions are for 100% of the full cost except
  - a. Road upgrading 50% of costs of road formation and land acquisition, 100% of costs for newly created separate frontages, kerb and channel, berms, footpaths, crossings and street lighting
  - b. Sewerage upgrading 100% of costs
- Cash in lieu of car parking costs are current market value of 25m<sup>2</sup> of land in the zone per parking or loading space and construction costs with a maximum amount of \$1500 + GST/carpark.

- Reserve contributions are 2% of the value of each new allotment/the value of 4000m<sup>2</sup> of each allotment, whichever is the lesser.
- Development Contributions for recreation/community/reserves - Developments of a value of over \$500,000 are subject to a financial contribution of up to 0.5% of the value of the building work, paid at the time of issue of the building consent.
- There is a general provision to take a financial contribution to avoid, remedy or mitigate identified adverse effects of any activity.

### 7.3.3 Westland District Plan

There are no objectives and policies that are relevant to financial contributions. A standalone chapter contains the rules for these.

- Financial contributions are District Wide.
- There are a wide range of infrastructure contributions – road upgrading; access and new roads; sewerage upgrading; sewerage connection and new systems and potable water supply
- Infrastructure contributions are for 100% of the full cost except for road and sewerage upgrading where only 50% of the costs are sought. Staff have advised this is unaffordable for the Council and a key provision they would like to alter.
- Cash in lieu of on-site car parking is required at current market value of 35m<sup>2</sup> of land in the zone per parking or loading space required by the vehicle parking standards of the plan.
- Contributions of full costs are required for electricity and telephone works.
- Landscaping and planting, fencing and screening are also identified as full cost contributions.
- Earthworks are identified as a full cost contribution – for a combination of infrastructure development and remediation of environmental effects
- Recreation facilities require 5% of the value of each new allotment/the value of 4000m<sup>2</sup> of each allotment, whichever is the lesser (Min and max charge stated in the Annual Plan).
- Esplanade reserves and strips require full costs of vesting/contributing & value of land, surveying & conveyancing to a max 20m width.
- Protection of natural areas and significant landscapes – where required not exceeding the amount calculated for recreational facilities contributions.
- Protection of heritage items or wāhi tapu – where required not exceeding the amount calculated for recreational facilities contributions.
- Verandahs in Hokitika town centre are also specified as a financial contribution
- Mining requires financial contributions for landscaping, land restoration and roading as matters of discretion.

### 7.3.4 Analysis of combined operative district plan approaches

The operative district plans provide poor guidance on the intent of financial contributions through objectives and policy – relying instead on non-statutory explanations. The rules include matters that do not fit with a current legal financial contributions framework (e.g. verandahs in Hokitika town centre, on-site landscaping). They reflect the age of the plans and are not fit for purpose under the current RMA framework.

Ideally the three Councils would move to a Development Contributions framework under the Local Government Act, however at this point in time such a mechanism has not been developed, and so financial contributions provisions will need to be modernised for inclusion in TTPP.

## 7.4 Analysis of Best Practice – How Other Councils are Addressing the Same Issue

The majority of district councils now use Development Contributions under the Local Government Act for infrastructure contributions as that framework has been in place for 17 years. The Councils who are still using Financial Contributions for the impacts of development on infrastructure are generally those still working with first generation RMA plans.

The most useful comparisons are the Councils who have retained financial contributions provisions in recent second or third generation plans produced in the last 5 years –Southland, Whakatāne, Ōpōtiki, South Waikato and Hamilton.



It is important to note all of these Councils except Ōpōtiki also use Development Contributions under the LGA alongside their RMA financial contributions provisions.

Looking at the five most recent Plans to include financial contributions, the rule framework is outlined in the table below. Of these, the most applicable to the West Coast situation are Whakatāne, Opōtiki and South Waikato.

Council	Approach
Southland	<ul style="list-style-type: none"> <li>• Also have Development Contributions under the LGA.</li> <li>• Require contributions to offsetting the effects of a subdivision, land use or development on roading and reserve infrastructure.</li> <li>• Financial contributions for environmental compensation for adverse effects on roading and reserve infrastructure associated with the subdivision, land use or development that cannot be avoided, remedied or otherwise mitigated, so that a positive environmental outcome is achieved. <ul style="list-style-type: none"> <li>○ Based on a set of criteria, but no formula or specific sums</li> </ul> </li> <li>• Financial contributions to add to the quality and diversity of open spaces and recreation areas available to communities within the District. <ul style="list-style-type: none"> <li>○ Quite complex formula for reserve contributions based on sufficiency of existing reserves</li> </ul> </li> </ul>
Whakatāne	<ul style="list-style-type: none"> <li>• Also have Development Contributions under the LGA.</li> <li>• Require all works and services on or within the site to be funded by the developer.</li> <li>• Require all upgrading or extensions not within the LTP or Annual Plan to be funded by the developer.</li> <li>• No financial contribution required for upgrades or extensions budgeted for in the current Annual Plan.</li> <li>• No financial contribution is payable if the infrastructure upgrades are budgeted in the current Annual Plan.</li> <li>• Upgrades and extensions not in the Annual Plan (but in the LTP) must be funded by the developer – but provision to negotiate for some future Council contribution.</li> <li>• Fixed sum financial contribution per new lot or dwelling for reserves programme. This is identified in the Long Term Plan or Annual Plan for the Service Area.</li> <li>• Reserves contributions in land are 130m<sup>2</sup> land per additional lot or an amount not less in value than this.</li> </ul>
Ōpōtiki	<p>Financial contributions for subdivision and land use consents for the following purposes:</p> <ul style="list-style-type: none"> <li>• The mitigation of potential adverse effects arising from the activity, including any shortfall in on-site carparking (formula used for contribution based on 25m<sup>2</sup> of land and cost of construction).</li> <li>• Ensuring positive effects on the environment to offset adverse effects.</li> <li>• Ensuring that infrastructural services within the District continue to operate in a safe and efficient manner, such that the developer pays for the additional demand on infrastructure services.</li> <li>• Roothing <ul style="list-style-type: none"> <li>○ Where Service Lanes are identified in District Plan the cost of formation and vesting of land;</li> <li>○ Full costs of new roading and upgrading according to a formula in the Plan);</li> <li>○ Identification of specific roads that are at capacity for traffic for their structure. Further subdivision on these roads requires a financial contribution of the full cost to upgrade the road to Council standards to accommodate additional loadings.</li> </ul> </li> <li>• Water Supply, Sewerage and Stormwater Treatment <ul style="list-style-type: none"> <li>○ Developer responsible for installation of services in any subdivision and development and the costs of connection to Council systems.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Financial contribution in the form of money or upgrading of services with different formulas for residential development and non residential activities.</li> <li>● Reserve purposes, such that the developer pays for the additional demand on the reserves in the District. <ul style="list-style-type: none"> <li>○ A contribution has been calculated based on a formula - \$790 per new lot created</li> </ul> </li> </ul>
South Waikato	<ul style="list-style-type: none"> <li>● Also have Development Contributions.</li> <li>● All roads and utilities required to serve the development funded by the developer.</li> <li>● Upgrade contributions for roading, 3 waters, urban and rural reserves.</li> <li>● Formulae for upgrade contributions for 3 waters.</li> <li>● Formula for reserves contributions based on value of the reserve's asset and number of UAGC units in the district.</li> </ul>
Hamilton	<ul style="list-style-type: none"> <li>● Also have Development Contributions.</li> <li>● Require financial contributions for providing and/or upgrading public network utility services and transport infrastructure. Contribution rules have criteria and discretion is substantial on the amount charged based on an asset evaluation.</li> <li>● Require financial contributions for providing and/or upgrading public reserves. Contribution rules have criteria and discretion is substantial on the amount charged based on an asset evaluation.</li> <li>● Contributions for securing environmental compensation generating positive effects to offset any adverse effects of the subdivision, use or development that cannot be avoided, remedied or otherwise mitigated.</li> </ul>

## 7.5 Summary of Issues Analysis

All three of the Councils wish to include financial contributions for infrastructure servicing in Te Tai o Poutini Plan, regardless of whether they also eventually progress to a development contributions framework in the future.

On that basis financial contributions are included within the proposed Plan for the following purposes:

- a. Offsetting the effects of a subdivision, land use or development on roading, three waters (water supply, wastewater, stormwater) and reserve infrastructure.
- b. Environmental compensation for adverse effects on roading, three waters and reserve infrastructure associated with the subdivision, land use or development that cannot be avoided, remedied or otherwise mitigated, so that a positive environmental outcome is achieved.
- c. To add to the quality and diversity of open spaces, recreation areas and community facilities available to communities within the districts.
- d. To provide for environmental offsetting and compensation where adverse environmental effects occur.

## 8.0 Scale and Significance Evaluation

The level of detail undertaken for the evaluation of the Proposed TTPP provisions has been determined by an assessment of the scale and significance of the implementation of these provisions. The scale and significance assessment considers the environmental, economic, social and cultural effects of the provisions. In making this assessment regard has been had to the following, namely whether the provisions:

	Minor	Low	Medium	High
Degree of change from the Operative Plans		x		
Effects on matters of national importance (s6 RMA)			x	

Scale of effects – geographically (local, district wide, regional, national)		x		
Scale of effects on people (how many will be affected – single landowners, multiple landowners, neighbourhoods, the public generally, future generations?)			x	
Scale of effects on those with particular interests, e.g. Tangata Whenua		x		
Degree of policy risk – does it involve effects that have been considered implicitly or explicitly by higher order documents? Does it involve effects addressed by other standards/commonly accepted best practice?				x
Likelihood of increased costs or restrictions on individuals, businesses or communities		x		

## 8.1 Explanation Summary

Overall, it is considered that the scale and significance of the proposal is low - medium. The level of detail in this report corresponds with the scale and significance of the environmental, economic and cultural effects that are anticipated from the implementation of the Financial Contributions provisions.

- The degree of change from the operative District Plans is low – the provisions are essentially a rollover of the existing plans, standardised across the three districts.
- The geographic scale of effects applies to the whole West Coast the wider community and tangata whenua are likely to be affected positively by the proposal as it is expected to result in infrastructure that meets the needs of new development – rather than existing ratepayers bearing that cost.
- The proposal does not directly relate to a s6 matter of national importance; however, the following Section 7 other matters are relevant; (c) maintenance and enhancement of amenity values, and (f) maintenance and enhancement of the quality of the environment.

## 9.0 Evaluation

### 9.1 Evaluation of Objectives

This section of the report evaluates the proposed objectives as to whether they are the most appropriate to achieve the purpose of the Act.

Along with the proposed provisions, the Committee has also identified through the research, consultation, information gathering and analysis undertaken in relation to this topic one reasonably practicable alternative option to achieve the objectives.

The provision of infrastructure through financial contributions is a key matter that assists in the implementation of strategic objectives of the Plan. The most relevant strategic objective is:

UFD - O1	To have urban environments and built form on the West Coast/Te Tai o Poutini that: <ol style="list-style-type: none"> <li>1. Are attractive to residents, business and visitors;</li> </ol>
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	<ol style="list-style-type: none"> <li>2. Have areas of special character and amenity value identified and their values maintained;</li> <li>3. Support the economic viability and function of town centres;</li> <li>4. Recognise the risk of natural hazards whereby new development is located in less hazardous locations;</li> <li>5. Promote the re-use and re-development of buildings and land, including private and public land;</li> <li>6. Support inclusivity and housing choice for the diversity within the community now and into the future;</li> <li>7. Improve overall accessibility and connectivity for people, transport (including walking and cycling) and services;</li> <li>8. Promote the safe, efficient and effective provision and use of infrastructure, including the optimisation of the use of existing infrastructure and protection of critical infrastructure;</li> <li>9. Maintain the health and wellbeing of waterbodies, freshwater ecosystems and receiving environments; and</li> <li>10. Promote and enhance the distinctive character of the districts' towns and settlements.</li> </ol>
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The proposed objectives for the Financial Contributions Chapter are to achieve these Strategic Objectives.

Existing Objectives	Appropriateness to Achieve the Purpose of the Act
<p>Buller District Plan Change 145 Objective: No general guidance re financial contribution outcomes. Relevant infrastructure objectives:</p> <p><i>Objective 1 To provide for the safe, efficient and sustainable development, operation, maintenance and upgrade of utilities and regionally significant infrastructure, to meet the needs of the district, in a manner which avoids, remedies or mitigates adverse effects on the environment.</i></p> <p><i>Objective 4 To co-ordinate the provision of utilities with subdivision, use and development of land in the district.</i></p>	<p>The operative plans objectives provide no specific direction for financial contributions provisions and rely on the framework for infrastructure. In the case of the Westland District Plan there is also no specific direction for subdivision – making the intent of financial contributions difficult to assess.</p> <p>With no objectives specific to financial contributions, the expectations for financial contributions are not explicitly set out and there is limited guidance or direction on the outcomes that the District Plan is seeking to achieve. This hinders the ability of decision makers to apply a consistent approach to financial contributions.</p> <p>New objectives have been drafted as outlined below.</p>
<p>Grey District Plan Objective: One subdivision objective that provides guidance for financial contributions.</p> <p><i>Objective 13.5.1 The adequate provision of services, infrastructure and access for sites created by the subdivision in a manner that avoids, remedies or mitigates adverse effects.</i></p>	
<p>Westland District Plan Objective: A range of objectives that provide guidance on the outcomes sought from subdivision. No specific technical objectives relating to financial contributions.</p>	

<p>Proposed TTPP Objectives:</p> <p>Financial Contributions Chapter:</p> <p>FC – O1 Through the use of Financial Contributions the West Coast/Te Tai o Poutini’s infrastructure is able to meet the demands generated by subdivision, land use and development so that it does not adversely affect natural and physical resources, or compromise the quality of service provided to existing users, through the use of financial contributions.</p> <p>FC – O2 To ensure that new activities and development contributes fairly and equitably towards the costs of avoiding, remedying, mitigating or offsetting adverse effects on the environment and infrastructure resources of the West Coast/Te Tai o Poutini.</p>	<p>The purpose of the RMA is to promote the sustainable management of natural and physical resources by managing the use, development and protection of physical resources in a way which enables people and communities to provide for their social, economic and cultural well-being. Under Section 7(c) and (f), this includes the maintenance and enhancement of amenity values and the quality of the environment, which district councils shall have particular regard to.</p> <p>The proposed objectives clearly set the outcomes anticipated by the plan and the expectations for financial contributions. The objectives specifically respond to the strategic objectives of the plan and the resource management issues identified and provide greater direction to plan users on the outcomes expected under the Proposed TTPP framework to address the implementation issues being experienced</p> <p>The objectives will sustain the potential of physical resources for current and future generations and maintain and enhance amenity values and quality of the environment. The proposed objectives provide plan users and decision makers with certainty as to the outcomes that are appropriate under TTPP provisions.</p> <p>The objectives are considered to be reasonable to address the resource management issues and will achieve the purpose of the RMA.</p>
<p>Evaluation of Alternative Option</p>	<p>Appropriateness to Achieve the Purpose of the Act</p>
<p>Do not include specific provisions for subdivision.</p>	<p>This option would hinder decision makers when assessing resource consent applications as they would have little guidance on what outcomes are expected. It would also fail to properly recognise the different infrastructure needs within different types of development or provide guidance around when financial contributions to address other environmental effects are appropriate.</p>
<p>Summary</p> <p>The proposed objectives will achieve the purpose of the RMA as they are clear statements of intent that define the expectations for financial contributions. They provide certainty as to the outcomes that are anticipated and are appropriate under TTPP provisions.</p>	

## 9.2 Evaluation of Policies and Rules in relation to Financial Contributions

This section evaluates the associated policies, rules and methods, as they relate to the Proposed TTPP Financial Contributions objectives.

For each potential approach an evaluation has been undertaken relating to the costs, benefits and the certainty and sufficiency of information (as informed by section 4 of this report) in order to determine the effectiveness and efficiency of the approach, and whether it is the most appropriate way to achieve the relevant objective(s).

For the purpose of this evaluation, the Council has considered the following potential options:

1. The proposed provisions.
2. Modified status quo provisions – recognising that there are currently operative district plans

### 9.2.1 Description of the Proposed Provisions

There are seven policies in relation to financial contributions that:

- Outline when financial contributions will be required
- Provide for fair and equitable contributions
- Provide for contributions in the form of cash, land or works
- Outline that land provided must be suitable for the intended use
- Provide for financial contributions to provide additional capacity in community infrastructure and facilities
- Provide for financial contributions for managing adverse effects on significant indigenous biodiversity and outstanding natural landscapes where these cannot be avoided, remedied or mitigated and there are functional or operational needs for the activity to be located in the area
- Provide for assessment of benefits to form part of financial contributions calculations

Rules require financial contributions for:

- Roads
- Accessible, bike and trailer/boat parking and EV charging sites
- Service Lanes
- Water supply
- Wastewater treatment and disposal
- Stormwater treatment and disposal
- Reserves and community facilities
- Shared pathways
- Offsetting and compensation for adverse effects on natural landscape or biodiversity values

## 9.2.2 Evaluation of Options around Financial Contributions

Option	Benefits	Costs	Efficiency and Effectiveness	Risk of acting/not acting
<p><b>Option A: Status quo</b></p>	<ul style="list-style-type: none"> <li>Rules are known and have been operating for the last 20 years.</li> </ul>	<ul style="list-style-type: none"> <li>Insufficient policy guidance and resulting in varied outcomes, with costs of infrastructure to support development being funded by ratepayers rather than by the developer as part of the mitigation of the adverse effects caused by the development</li> <li>Particular problem in Westland where significant costs of three waters and roading infrastructure is falling on ratepayers as insufficient contributions are being made towards upgrading of infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>The evaluation set out in Section 2.5 of this report demonstrates that the existing approach is not effectively or efficiently achieving the purpose of the RMA.</li> <li>Further, the lack of direction in the plan leads to inconsistent decision-making and lack of control over certain activities. Therefore, this option is not considered to be the most efficient, effective or appropriate option to achieve the objectives</li> </ul>	<ul style="list-style-type: none"> <li>The current policy framework lacks detail and specific direction on management of effects of subdivision and development on demand for infrastructure.</li> <li>The rules are not effectively being implemented, are not well-integrated with design and infrastructure guidance, and/or the Councils' ability to manage certain effects is limited.</li> <li>The ineffectiveness of the current planning framework is demonstrated in Section 2.5 of this report, and is no longer considered to be best practice. It is considered that the risk of acting on these provisions outweighs the risk of not acting. There is sufficient information not to act on this approach.</li> </ul>

<p><b>Option B: Proposed Plan.</b></p>	<ul style="list-style-type: none"> <li>• Ensures that financial contributions are fair and equitable.</li> <li>• Specific and clear direction in policy framework on the quality and type of outcomes expected by TTPP</li> <li>• Clear direction means that plan users and developers will have upfront understanding of the financial contributions provisions of the plan, and councils' expectations, which leads to efficient and consistent decision-making.</li> <li>• Certainty for developers with regard to process, matters to be considered, and likelihood of costs.</li> <li>• Avoidance of unforeseen costs of infrastructure demand falling on ratepayers when new development occurs</li> <li>• Enables environmental effects to be offset or compensated where the functional or operational need of infrastructure and mineral extraction require activities within significant natural areas or outstanding landscapes</li> </ul>	<ul style="list-style-type: none"> <li>• Financial costs to a development.</li> <li>• Financial contributions cannot be charged for a building consent or activity that does not trigger a resource consent – unlike Development Contributions under the LGA, so likely that some development will occur and increase demand on infrastructure that will not be funded by development.</li> </ul>	<p>The benefits of these policies outweigh the costs. They are efficient and effective in terms of achieving the objectives as they provide for a fair and reasonable financial contribution in order to avoid, remedy or mitigate adverse effects on the environment. The policies are effective in ensuring that activities contribute to the costs associated with their environmental effects. They are efficient as they provide a clear direction for the financial contributions methods.</p>	<p>The risks of not acting are known in that development is creating additional infrastructure costs on ratepayers – or where upgrading is unaffordable to ratepayers, adverse environmental effects. It is considered that the provisions as drafted are appropriate. It is considered that there is sufficient information to support the approaches being taken.</p>
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	<ul style="list-style-type: none"> <li>• Streamlined, simplified rules that are easier for plan users to interpret and apply. The reduction in ambiguity is expected to result in increased compliance and effective compliance monitoring.</li> <li>• Helps to ensure that adequate infrastructure is in place and is maintained in order to support a development.</li> <li>• Community and social benefits of having adequate reserve land and community facilities in place.</li> <li>• Positive environmental effects</li> </ul>			
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Quantification

Section 32(2)(b) requires that if practicable the benefits and costs of a proposal are quantified. The evaluation in this report identifies where there may be additional cost(s), however the exact quantification of the benefits and costs discussed was not considered necessary, beneficial or practicable.

Summary:

The above table has demonstrated that Option B is the most appropriate method for ensuring that financial contributions result in development of sufficient infrastructure to support the land use or subdivision and minimises any adverse effects on the environment. The option would also address many of the implementation issues currently being experienced with the Operative Plans financial contributions provisions.

## 10.0 Summary

This evaluation has been undertaken in accordance with Section 32 of the Act in order to identify the need, benefits and costs and the appropriateness of the proposal having regard to its effectiveness and efficiency relative to other means in achieving the purpose of the RMA. The evaluation demonstrates that this proposal is the most appropriate option as:

- The objectives and policies provide direction and certainty to plan users on the outcomes expected for financial contributions
- The provisions clearly outline when financial contributions will be required and the purposes for these.
- The provisions have been updated in accordance with current best practice and put in place an appropriate framework until such time as the Councils develop Development Contributions provisions under the Local Government Act.

Overall, it is considered that the set of preferred provisions is the most appropriate given that the benefits outweigh the costs, and there are considerable efficiencies to be gained from adopting the preferred provisions. The risks of acting are also clearly identifiable and limited in their extent.