

District Plan Review

Plan Change 53 Settlements

Proposed Plan Change and Section 32 Report

Analysis of Costs, Benefits, and Alternatives

11 November 2020

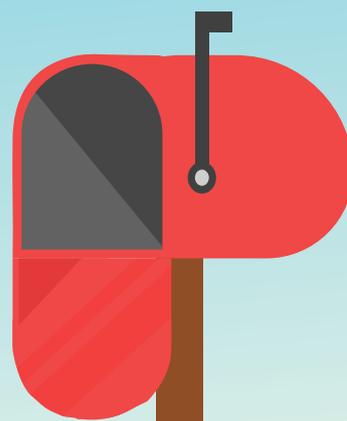


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Part A: Executive Summary

For the last 18 months Plan Change 53 – Settlements (the Settlements Plan Change) has been underway. This is part of the review process for the District Plan which Council is required to do every 10 years.

The Settlements Plan Change is reviewing the planning rules and zoning for our small settlements and also for rural house sites. A key driver for the plan change is to identify and introduce a specific zone and planning rules for our small settlements.

Initial work was been completed in terms of assessing the number of settlements that should be included in the plan change, assessing land use, servicing constraints and opportunities, as well as reviewing population projections. We then engaged with the community to understand what residents and stakeholders thought would work best for their settlements and rural house sites.

Council has also been mindful of the changes in the national and regional planning instruments which have helped to shape the direction of the plan change review.

We have received great feedback from our community and stakeholders and this has helped us to prepare a draft set of plan provisions which were subsequently released for feedback.

The key provisions of the Settlements Plan Change adopted by Council for notification now include:

- A new Settlement Zone incorporating a Residential, Commercial and Industrial Precinct;
- A new section of the District Plan which provides activity rule and performance standards for activities within the Settlement Zones; and
- New provisions for reduced yard setbacks for rural house sites.

The Plan Change has been prepared in accordance with the statutory provisions of the Resource Management Act 1991. Council will be pleased to receive submissions and further submissions on the alternatives and changes put forward in the Plan Change and the opportunity to further engage with the community and stakeholders.

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Part B: Introduction

The Settlements Plan Change supports and enables appropriate land use and activities in our small settlements. The small settlements for the purpose of the plan change are Waihou, Waitoa, Tahuna, Mangateparu, Motumaoho, Walton, Hinuera, Te Poi, Manawaru, and Te Aroha West. The Settlements Plan Change also reviews the rural yard setbacks for rural house sites.

1. Purpose and format of the report

This report explains the proposed changes to the zoning and planning provisions of the District Plan and provides a summary of the evaluation of the costs, benefits, and options considered during the preparation of the Settlements Plan Change, as required under Section 32 of the Resource Management Act 1991 (“RMA”).

The changes to the District Plan proposed through this review broadly relate to zoning and rule provisions within our existing settlements being Waihou, Waitoa, Tahuna, Mangateparu, Motumaoho, Walton, Hinuera, Te Poi, Manawaru, and Te Aroha West.

New provisions for yard setback for rural house sites are also proposed.

It is recognised that the public and stakeholders have an important contribution to make through the submissions and hearings process. The report, along with submissions received during notification, will assist the Council in its deliberations, prior to making its final decisions on the Settlements Plan Change.

When Council makes its decisions, a supplement to this report will be prepared to summarise the process undertaken by Council during its deliberations, and its rationale for any changes made to the proposed plan provisions as a result of the submissions.

3. District Plan rolling review

Our District Plan helps to shape the direction and outcomes for the sustainable management of the district’s natural and physical resources. This is a key part of the statutory framework provided by the RMA. The District Plan describes the resource management issues for the District and determines how we deal with those issues through policies and methods, to meet the objectives of the District Plan. The methods include rules that determine when activities are permitted and when resource consents are required. Where activities require resource consents, the District Plan provides guidance to ensure that we avoid, remedy, or mitigate adverse effects on the environment.

The RMA requires every district to have a District Plan which, once operative, has to be reviewed every ten years. Since our District Plan was first notified, the population of our district has grown and we have experienced new development and land use change.

There have also been legislative changes and new policy guidance through national planning instruments such as national policy statements and national environmental standards that mandate us to make changes to our District Plan. The Waikato Regional Policy Statement has also recently been reviewed and our District Plan needs to reflect these new policy directions.

Our current District Plan became operative in 2005. The option of a “rolling review” was enabled through legislative changes when the Resource Management (Simplifying and Streamlining) Amendment Act 2009 came into force on 1 October 2009. The Settlements Plan Change is part of Council’s rolling review of the District Plan.

This proposed Settlements Plan Change has progressed to the stage where Council has consulted with the community and key stakeholders, and completed its initial review of the relevant provisions. This report sets out the review process which has been undertaken and the new provisions which have been proposed for our settlements and rural house sites.

3. Scope of the Settlements Plan Change

There are two key parts to the Settlements Plan Change, settlement areas and rural house sites.

3.1 Settlement Areas

The current District Plan does not include any specific plan provisions for our settlements and does not define these in terms of a spatial area or zone mechanism. These areas are currently zoned either as a Rural Zone if there is no wastewater reticulation or as a Residential Zone if there is wastewater reticulation. In both cases, the nature of the zone provisions does not reflect the nature or character of the settlement areas. Regulatory and administrative issues arise from this zone regime where landowners are subject to inappropriate rule provisions, i.e. rural yard setbacks which bear little relevance to the nature of the site or surrounding land use.

The Settlements Plan Change is therefore proposing a new Settlement Zone which is tailored to the nature and type of activities which exist in these communities, as well as providing new opportunities for appropriate development and compatible activities. A new zone mechanism has allowed the preparation and identification of precincts that reflect existing land use and which allow for the management of land use activities to avoid the potential for incompatible land use activities to establish.

The scope of the Settlements Plan Change has been limited to the identification of specific settlement areas. It is not proposed to establish new, or extend the spatial areas of the existing settlements to any significant degree

There are a number of factors that have been considered when assessing the scope of the plan change. One key factor has been the lack of services within these areas and that Council is not intending to expand or upgrade any public services. A second factor is that there is no land shortage or demand issues which have been identified which would justify any major expansion of the settlement areas. Council considers that the primary areas for urban development will continue to be in the main towns of Matamata, Morrinsville and Te Aroha.

There has been a careful assessment and review of what settlement areas should be included within the Settlements Plan Change and therefore be part of the proposed Settlement Zone. The decision of Council is that the following settlements should now form part of the new Settlement Zone:

- Waihou
- Waitoa
- Tahuna
- Mangateparu
- Motumaoho
- Walton
- Hinuera
- Te Poi
- Manawaru
- Te Aroha West

It is considered these settlement areas have a spatial relationship and existing land use pattern including residential, commercial and other community land use activities which would benefit from a new and dedicated set of Settlement Zone provisions. It is recognised that there may be other areas that have a grouping of rural dwellings or other activities that may also have some characteristics of a settlement. In these cases, the provisions for rural house sites may apply. An example is Tatuanui which was originally assessed as being part of the plan change but was excluded given the lack of a cohesive settlement area.

It is noted that the existing heritage schedules, protected trees, waahi tapu sites within the settlement areas are not proposed to change and are not within the scope of the plan change.

3.2 Rural House Sites

Through this review process, it has also been acknowledged that there may be other areas where a number of houses sites are located in close proximity and which do not have the cohesion or character of a settlement, there are still inherent issues with the Rural Zone provisions that would otherwise apply to these properties.

To recognise and provide for efficient land use provisions, it is proposed to review and amend the rural yard provisions for rural house sites where these adjoin other sites of a similar land use and scale. Reduced rural yards are proposed in these situations.

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Part C: Proposed Changes to District Plan

An overview of the proposed changes to the District Plan and planning maps are set out in this section. This overview is presented to provide a non-technical outline of the proposed changes and how these changes have been assessed and developed. The specific changes to the District Plan and the technical analysis of cost and benefits are presented in other parts of this report.

1. Overview

Through research and community consultation, we have proposed the adoption of a new Settlement Zone including a Residential, Commercial and Industrial precinct mechanism for identified settlement areas. The following discussion sets out the main components of the Settlements Plan Change and the changes proposed to the District Plan.

2. Zone and Precinct mechanisms

After reviewing existing issues with the implementation of the District Plan and the current zone mechanisms that apply to settlement areas, it has been decided to propose a new Settlement Zone for the settlement areas. A new zone mechanisms allows the opportunity to consider and develop objectives, policies and rules specifically for the settlement areas.

Importantly, there is now a statutory requirement on all councils to adopt the new National Planning Standards. The new national standards provide for a Settlement Zone mechanism and therefore this proposal is in accordance with these standards.

The existing development and land use activities in our settlement areas have also led us to the view that different precincts should be adopted within the settlement areas to identify and maintain the predominant nature of the existing land use activities. As such, within the Settlement Zone, it is proposed to identify Residential, Commercial and Industrial precincts, each of which will establish a set of land use activities particular to that area and surrounding precincts.

The precincts will identify the type and nature of land use activities which can be established as a permitted activity and the performance standards. Those are suited to the management of activities and built form within, and adjacent to the identified precinct areas. This framework is also accommodated within the National Planning Standards template.

The framework for the Settlement Zone will be more mixed use than our other plan provisions reflecting the nature of land use that currently exists within our settlement areas.

ALTERNATIVES

In undertaking this review of the settlement area and appropriate plan provisions, the following alternatives have been considered:

- Mixed Zones;
- Overlays;
- Adoption of existing District Plan Zones; and
- Status Quo.

3. Subdivision, Density Standards and Services

Most of our settlements do not have any public three waters services apart from the following;

Waihou	Council Wastewater Supply
Tahuna	Council Wastewater and Water Supply
Hinuera	Council Water Supply
Te Aroha West	Council Water Supply
Te Poi	Council Water Supply

It is also noted that Waitoa has water supply partly provided by Fonterra and there is a community water supply for part of Waihou.

In considering the zone and development rules for our settlements, Council has been mindful to ensure that any new provisions should not compromise the existing public services and there should not be any expectation that new services will be provided for any new development.

In addition, the regional council sets a minimum area of 2,500m² for an on-site effluent treatment system (OSET)/septic tank as a permitted activity. Much smaller sites can accommodate a system subject to additional permitted activity criteria or resource consent application.

It is considered appropriate that 2,500m² should be the standard minimum lot size for unsewered lots with an option to have lots down to 1,000m² as a Discretionary Activity.

This would allow lots of 2,500m² to be granted as a Controlled Activity and subject to standard assessment and conditions with anything less subject to assessment of the wastewater solution and any additional impacts on neighbours.

For Waihou and Tahuna, where a public wastewater system is available, there are limits to the capacity of the treatment system and how many new connections can be accommodated.

Taking into account the character and nature of existing settlements and the need to manage the existing capacity of the public wastewater supply, a standard lot size 1,000m² for sewerred lots is proposed with provision to apply for a minimum lot of 600m² as a Discretionary Activity.

ALTERNATIVES

The following alternatives have been considered:

- Different combinations of lot sizes;
- Different activity status provisions to support subdivision; and
- Capacity and supply of services.

4. Activities within our Settlements

Council has adopted a mixed use approach to the proposed Settlement Zone given the nature and land use of the existing settlement areas.

The proposed Settlement Zone chapter and new provisions are fully set out in **Appendix 1** of this report. The changes cover all aspects of land use activities which may be anticipated within the settlement areas, also where and how these activities may be established. The new provisions enable a wide range of appropriate activities while ensuring potential conflicts between activities are avoided.

Some of the key principles supporting the provision and management of land use activities within the Settlement Zone are as follows:

- Dwellings are proposed to be permitted in the Residential Precinct and Commercial Precinct areas. The Residential Precincts will predominantly provide for residential activities while the Commercial Precinct will provide for a mix of retail and commercial activities while also allowing residential activities;
- Dwellings will not generally be allowed in the Industrial Precinct areas and will require a non-complying consent;
- Both the Commercial and Industry Precinct areas will provide for general retailing activities; and
- The Industrial Precinct will provide for light industry only, as a permitted activity given that these areas are generally close to existing residential activities.

In the review and development of the land use provisions for the new Settlement Zone, there has been consideration of specific activities and ways in which the District Plan can better respond to existing implementation issues. Therefore, Council has taken the opportunity to introduce new approaches and rule provisions to the following activities.

3.1 Minor Dwellings

There is a demand for more affordable housing and an option may be to build a minor dwelling on an existing property. This could be used as a rental unit or for relatives to stay or live.

Currently the District Plan only provides for dependent persons units with a requirement that the unit size is limited to 50m², it is relocatable and that it needs to be removed when the need no longer exists. This approach is problematic when it comes to compliance.

Although the current plan change will only apply to our settlements, there is merit in enabling new provision for such units which could then be translated over to the other zones as part of the upcoming District Plan review for the national standards and updates.

Council is therefore proposing a new provision for minor dwellings with a maximum footprint of 60m². The new rule provisions also set a number of performance standards to ensure that any minor dwelling can be appropriately located on the site and does not affect neighbours.

While we have referred to *minor dwelling* in this discussion given it is a simple and easily understood term, the plan change will need to refer to *minor residential unit* to be consistent with the new national planning standards.

3.2 Earthworks

In some situations, landowners complete site works on properties which change the relative level to the neighbour's property and this can lead to unintended consequences with how the building envelopes are assessed. For example, under the Building Act 2004, a retaining wall up to 1.5m can be built without a building consent. If a 1.8m boundary fence is then erected within the site, then technically the combined height of the retaining and fencing structure could be 3.3m on the neighbour's boundary.

There are also situations where uncertified fill and unsupervised cuts can compromise the geotechnical conditions of the site or adjoining properties.

The District Plan does not currently control earthworks other than requiring consent for over 1,000m² of cleanfill.

It is proposed to introduce a new provision for earthworks within the Settlement Zone. The proposed approach is to specify standards for permitted activity earthworks and then a resource consent will be required for any earthworks not meeting these standards.

3.3 Relocatable Buildings

As part of the consultation process, we have received correspondence from NZ Heavy Haulage Association Inc. They are seeking an amendment to the current provisions which require a resource consent for any relocatable building. They have cited an Environment Case which has determined that it is not a valid resource manage mechanism to control the visual appearance of relocatable dwellings more so than any other dwelling. They have also suggested provision for a reinstatement report to be submitted and be part of the permitted activity standard.

The current provisions were introduced into the District Plan to prevent issues occurring where buildings were relocated on to a site and not reinstated to a reasonable standard.

In most new subdivision developments, there are private covenants which prevent the placement of relocatable buildings. Therefore, this may be a case of self-policing.

The contention that controlling the visual appearance of relocatable buildings is unreasonable when the appearance of all other dwellings is not controlled is reasonable.

It is therefore proposed that there will be no control over relocatable buildings within the new Settlement Zone.

3.4 Home Occupations

Council has identified issues with the way in which the current provisions for home occupations provide for commercial and retail activities within a residential environment. While this is a district-wide issue and will need a resolution across the whole District Plan, it will be possible to develop part of the solution for the Settlement Zone.

The issue with the current provisions is that the definition of home occupation is very broad and does not confine the scale of any commercial activity.

It is proposed to retain the provisions for home occupations to be carried out without resource consent, however further definition around the scale and nature of activities is proposed. The national planning standards definition will also be adopted.

3.5 Council Reserve Land

There are varying ways reserves are recognised and provided for in the District Plan. Council has also identified issues with the reserve overlay as it has created complications when the land has been surplus to requirements and a district plan change is require to remove the overlay.

The District Plan also includes current rule for reserves:

7.1 Activities (excluding buildings) on public reserves as provided by a Management Plan under the Reserves Act 1977 or by a Conservation Management Strategy under the Conservation Act 1987.

The current rule is proposed to be retained with an amendment which also provides for buildings covered by a Management Plan. Therefore, while the reserves overlay is proposed to be removed from those reserve sites which are subject to an overlay, the resource management framework for reserves is not changing as the rule mechanism will still apply to all reserves. This will provide more consistency with the rules for reserves and the only effect of removing the overlay is that the location of some reserves will be removed from the District Plan.

It is also proposed that the underlying zone for any designated reserves be amended to the Settlement Zone given that these will form part of the settlement area.

ALTERNATIVES

The following alternatives have been considered:

- Different combinations of land use provisions across each of the precincts;
- Different activity status provisions to control how and where different land use activities can be established; and
- Various performance standards and criteria for individual activities.

5. Bulk and Location Standards

The Settlements Plan Change will need to set new performance standards for building height and setbacks within the settlements. This will also address one of the existing deficiencies with the Rural Zone provisions which currently apply to most of our existing settlements.

It is considered that the performance standards should recognise the larger lot sizes will be provided within the settlement areas and that distinct standards will be necessary for each of the respective precincts.

ALTERNATIVES

The following alternatives have been considered:

- Different combinations of performance standards; and
- Adopting the existing standards from existing District Plan zones.

6. Rural House Sites

While we are proposing specific zone and rule provisions for our identified settlements, the plan change is also intended to address issues for rural house sites which cannot accommodate a building site given the standard rural yards sets backs.

We are mindful that building closer to rural production properties can lead to reverse sensitivity issues and therefore it is proposed that any reduction in yard setbacks is limited to those situations where the adjoining property is of a lifestyle lot size and nature. The changes proposed are only to the permitted activity provisions. Therefore, any landowner will still be able to apply for a resource consent if what they are seeking is not accommodated by the rule provisions.

ALTERNATIVES

The following alternatives have been considered:

- Retaining status quo; and
- Various combinations of qualifying lot size and adjacent lot size.

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Part D: Statutory Requirements

In undertaking this District Plan review there are number of legislative requirements to be considered. Those which are relevant to the Plan Change are outlined in this section.

1. Purpose and Principles of the RMA

The overriding framework that guides all decision-making under the RMA is embodied in the purpose and principles of the Act, as stated in Part 2 (sections 5 – 8). The relationship between part 2 and the plan review process is now subject to the King Salmon decision which is further discussed in Part F of this report.

The purpose of the RMA is to promote the sustainable management of natural and physical resources. Section 5 of the RMA states:

5 Purpose

- (1) *The purpose of this Act is to promote the sustainable management of natural and physical resources.*
- (2) *In this Act, sustainable management means managing the use, development, and protection of natural and physical resources in a way, or at a rate, which enables people and communities to provide for their social, economic, and cultural well-being and for their health and safety while—*
 - (a) *sustaining the potential of natural and physical resources (excluding minerals) to meet the reasonably foreseeable needs of future generations; and*
 - (b) *safeguarding the life-supporting capacity of air, water, soil, and ecosystems; and*
 - (c) *avoiding, remedying, or mitigating any adverse effects of activities on the environment.*

Section 6 identifies matters of national importance, and states that in achieving the purpose of the RMA, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for these matters. The matters of national importance are:

6 Matters of national importance

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall recognise and provide for the following matters of national importance:

- (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:*
- (b) *the protection of outstanding natural features and landscapes from inappropriate subdivision, use, and development:*
- (c) *the protection of areas of significant indigenous vegetation and significant habitats of indigenous fauna:*
- (d) *the maintenance and enhancement of public access to and along the coastal marine area, lakes, and rivers:*
- (e) *the relationship of Maori and their culture and traditions with their ancestral lands, water, sites, waahi tapu, and other taonga:*
- (f) *the protection of historic heritage from inappropriate subdivision, use, and development:*

- (g) *the protection of protected customary rights:*
- (h) *the management of significant risks from natural hazards.*

Section 7 identifies “other matters” that in achieving the purpose of the RMA, all persons exercising functions and powers under the Act shall have particular regard to in relation to managing the use, development, and protection of natural and physical resources. These “other matters” are:

7 Other matters

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall have particular regard to—

- (a) *kaitiakitanga:*
- (aa) *the ethic of stewardship:*
- (b) *the efficient use and development of natural and physical resources:*
- (ba) *the efficiency of the end use of energy:*
- (c) *the maintenance and enhancement of amenity values:*
- (d) *intrinsic values of ecosystems:*
- (e) *[Repealed]*
- (f) *maintenance and enhancement of the quality of the environment:*
- (g) *any finite characteristics of natural and physical resources:*
- (h) *the protection of the habitat of trout and salmon:*
- (i) *the effects of climate change:*
- (j) *the benefits to be derived from the use and development of renewable energy.*

In achieving the purpose of the Act, decision makers should also take into account the principles of the Treaty of Waitangi (Section 8 of the Act):

8 Treaty of Waitangi

In achieving the purpose of this Act, all persons exercising functions and powers under it, in relation to managing the use, development, and protection of natural and physical resources, shall take into account the principles of the Treaty of Waitangi (Te Tiriti o Waitangi).

2. Functions of territorial authorities

A district plan is a method to assist territorial authorities to carry out their functions. It follows then that a district plan must be confined to matters that fall within the scope of a territorial authority’s functions. The functions of territorial authorities are set out in Section 31:

31 Functions of territorial authorities under this Act

- (1) *Every territorial authority shall have the following functions for the purpose of giving effect to this Act in its district:*
 - (a) *the establishment, implementation, and review of objectives, policies, and methods to achieve integrated management of the effects of the use, development, or protection of land and associated natural and physical resources of the district:*
 - (b) *the control of any actual or potential effects of the use, development, or protection of land, including for the purpose of—*
 - (i) *the avoidance or mitigation of natural hazards; and*
 - (ii) *the prevention or mitigation of any adverse effects of the storage, use, disposal, or transportation of hazardous substances; and*

- (iia) *the prevention or mitigation of any adverse effects of the development, subdivision, or use of contaminated land:*
 - (iii) *the maintenance of indigenous biological diversity:*
 - (d) *the control of the emission of noise and the mitigation of the effects of noise:*
 - (e) *the control of any actual or potential effects of activities in relation to the surface of water in rivers and lakes:*
 - (f) *any other functions specified in this Act.*
- (2) *The methods used to carry out any functions under subsection (1) may include the control of subdivision.*

3. Purpose of district plans

The purpose of district plans as set out in Section 72 is to assist territorial authorities to carry out their functions, in order to achieve the purpose of the Act. Section 72 states:

72 *Purpose of district plans*
The purpose of the preparation, implementation, and administration of district plans is to assist territorial authorities to carry out their functions in order to achieve the purpose of this Act.

4. Preparation/change of district plans

Section 73 requires a territorial authority to have a district plan in place at all times, gives authority to the Council to change its district plan in accordance with the provisions in Schedule 1¹ RMA, and mandates the Council to change its district plan to give effect to an operative regional policy statement.

Section 73 of the RMA states:

- 73** *Preparation and change of district plans*
- (1) *There shall at all times be 1 district plan for each district prepared by the territorial authority in the manner set out in Schedule 1.*
 - (1A) *A district plan may be changed by a territorial authority in the manner set out in Schedule 1.*
 - (1B) *A territorial authority given a direction under section 25A(2) must prepare a change to its district plan in a way that implements the direction.*
 - (4) *A local authority must amend a proposed district plan or district plan to give effect to a regional policy statement, if—*
 - (a) *the statement contains a provision to which the plan does not give effect; and*
 - (b) *one of the following occurs:*
 - (i) *the statement is reviewed under section 79 and not changed or replaced; or*
 - (ii) *the statement is reviewed under section 79 and is changed or replaced and the change or replacement becomes operative; or*
 - (iii) *the statement is changed or varied and becomes operative.*

¹ Schedule 1 RMA sets out the procedural requirements for the Plan Change process including time limits, consultation, submissions, hearings, notification of decisions, and appeals.

5. Matters to be considered

Section 74 sets out the matters to be considered when changing district plans.

74 Matters to be considered by territorial authority

- (1) *A territorial authority must prepare and change its district plan in accordance with—*
 - (a) *its functions under section 31; and*
 - (b) *the provisions of Part 2; and*
 - (c) *a direction given under section 25A(2); and*
 - (d) *its obligation (if any) to prepare an evaluation report in accordance with section 32; and*
 - (e) *its obligation to have particular regard to an evaluation report prepared in accordance with section 32; and*
 - (f) *a national policy statement, a New Zealand coastal policy statement, and a national planning standard; and*
 - (g) *any regulations*

- (2) *In addition to the requirements of section 75(3) and (4), when preparing or changing a district plan, a territorial authority shall have regard to—*
 - (a) *any—*
 - (i) *proposed regional policy statement; or*
 - (ii) *proposed regional plan of its region in regard to any matter of regional significance or for which the regional council has primary responsibility under Part 4; and*
 - (b) *any—*
 - (i) *management plans and strategies prepared under other Acts; and*
 - (ii) *[Repealed]*
 - (iia) *relevant entry on the New Zealand Heritage List/Rārangī Kōrero required by the Heritage New Zealand Pouhere Taonga Act 2014; and*
 - (iii) *regulations relating to ensuring sustainability, or the conservation, management, or sustainability of fisheries resources (including regulations or bylaws relating to taiapure, mahinga mataitai, or other non-commercial Maori customary fishing),—*
to the extent that their content has a bearing on resource management issues of the district; and
 - (iv) *relevant project area and project objectives (as those terms are defined in section 9 of the Urban Development Act 2020), if section 98 of that Act applies,—*
 - (c) *the extent to which the district plan needs to be consistent with the plans or proposed plans of adjacent territorial authorities.*

- (2A) *A territorial authority, when preparing or changing a district plan, must take into account any relevant planning document recognised by an iwi authority...*

- (3) *In preparing or changing any district plan, a territorial authority must not have regard to trade competition or the effects of trade competition.*

6. District Plan content

Section 75 determines the contents of district plans, planning instruments that a district plan must give effect to, and that it must not be inconsistent with.

75 Contents of district plans

- (1) *A district plan must state—*
 - (a) *the objectives for the district; and*
 - (b) *the policies to implement the objectives; and*
 - (c) *the rules (if any) to implement the policies.*

- (2) *A district plan may state—*
 - (a) *the significant resource management issues for the district; and*
 - (b) *the methods, other than rules, for implementing the policies for the district; and*
 - (c) *the principal reasons for adopting the policies and methods; and*
 - (d) *the environmental results expected from the policies and methods; and*
 - (e) *the procedures for monitoring the efficiency and effectiveness of the policies and methods; and*
 - (f) *the processes for dealing with issues that cross territorial authority boundaries; and*
 - (g) *the information to be included with an application for a resource consent; and*
 - (h) *any other information required for the purpose of the territorial authority's functions, powers, and duties under this Act.*

- (3) *A district plan must give effect to—*
 - (a) *any national policy statement*
 - (b) *any New Zealand coastal policy statement*
 - (ba) *a national planning standard; and*
 - (c) *any regional policy statement.*

- (4) *A district plan must not be inconsistent with—*
 - (a) *a water conservation order; or*
 - (b) *a regional plan for any matter specified in section 30(1).*

- (5) *A district plan may incorporate material by reference under Part 3 of Schedule 1.*

7. District rules

Section 76 allows rules to be included in a district plan, to enable the Council to carry out its functions, and to achieve the objectives and policies of the plan. In making rules, the territorial authority must have regard to the effects on the environment. Rules may apply universally to the whole of the district, or to selected parts of the district only. Rules may be general or specific, can make provision for different classes of effects, and can require resource consent to be obtained for an activity likely to cause adverse effects not covered by the plan.

76 District rules

- (1) *A territorial authority may, for the purpose of—*
 - (a) *carrying out its functions under this Act; and*
 - (b) *achieving the objectives and policies of the plan,—*
include rules in a district plan.
- (3) *In making a rule, the territorial authority shall have regard to the actual or potential effect on the environment of activities including, in particular, any adverse effect.*
- (4) *A rule may—*
 - (a) *apply throughout a district or a part of a district:*
 - (b) *make different provision for—*
 - (i) *different parts of the district; or*
 - (ii) *different classes of effects arising from an activity:*
 - (c) *apply all the time or for stated periods or seasons:*
 - (d) *be specific or general in its application:*
 - (e) *require a resource consent to be obtained for an activity causing, or likely to cause, adverse effects not covered by the plan.*

Section 77A provides Council the power to make rules for the different activity classes (permitted, controlled, restricted-discretionary, discretionary, non-complying, and prohibited) and specify conditions in a plan. Under Section 77B, it is mandatory that a district plan must state the matters over which the Council has retained control for controlled activities, and to which the Council has restricted its discretion for restricted-discretionary activities. The relevant sections of the Act are quoted below:

77A Power to make rules to apply to classes of activities and specify conditions

- (1) *A local authority may—*
 - (a) *categorise activities as belonging to one of the classes of activity described in subsection (2); and*
 - (b) *make rules in its plan or proposed plan for each class of activity that apply—*
 - (i) *to each activity within the class; and*
 - (ii) *for the purposes of that plan or proposed plan; and*
 - (c) *specify conditions in a plan or proposed plan, but only if the conditions relate to the matters described in section 108 or 220.*
- (2) *An activity may be—*
 - (a) *a permitted activity; or*
 - (b) *a controlled activity; or*
 - (c) *a restricted discretionary activity; or*
 - (d) *a discretionary activity; or*
 - (e) *a non-complying activity; or*
 - (f) *a prohibited activity.*
- (3) *Subsection (1)(b) is subject to section 77B.*

77B Duty to include certain rules in relation to controlled or restricted discretionary activities

- (1) *Subsection (2) applies if a local authority makes a rule in its plan or proposed plan classifying an activity as a controlled activity.*
- (2) *The local authority must specify in the rule the matters over which it has reserved control in relation to the activity.*
- (3) *Subsection (4) applies if a local authority makes a rule in its plan or proposed plan classifying an activity as a restricted discretionary activity.*

- (4) *The local authority must specify in the rule the matters over which it has restricted its discretion in relation to the activity.*

Section 77D refers to the opportunity to specific notification standards for particular rule activities

77D Rules specifying activities for which consent applications must be notified or are precluded from being notified

A local authority may make a rule specifying the activities for which the consent authority—

- (a) must give public notification of an application for a resource consent:*
- (b) is precluded from giving public notification of an application for a resource consent:*
- (c) is precluded from giving limited notification of an application for a resource consent.*

8. National Environmental Standards

Sections 43 to 44A address the contents of national environmental standards and their relationship to plan rules.

9. National Policy Statements

Sections 45 and 45A deal with the purpose of national policy statements (NPSs), and their relevance to the plan-making process.

Under the relevant provisions, the purpose of NPSs is to state objectives and policies for matters of national significance, relevant to achieving the purpose of the RMA.

10. National Planning Standards

Sections 58B to 58J of the RMA establish provision for national planning standards. The purpose of the national planning standards is set out in Section 58B as follows:

58B Purposes of national planning standards

- (1) The purposes of national planning standards are—*
 - (a) to assist in achieving the purpose of this Act; and*
 - (b) to set out requirements or other provisions relating to any aspect of the structure, format, or content of regional policy statements and plans to address any matter that the Minister considers—*
 - (i) requires national consistency;*
 - (ii) is required to support the implementation of a national environmental standard, a national policy statement, a New Zealand coastal policy statement, or regulations made under this Act;*
 - (iii) is required to assist people to comply with the procedural principles set out in section 18A.*

The Minister for the Environment and the Minister of Conservation released the first set of national planning standards on 05 April 2019 and these came into force on 3 May 2019.

All Councils are now required to transition and adapt their respective plans to give effect to the national planning standards.

11. Section 32 evaluation

Section 32 requires the Council, before a Plan Change is notified, to evaluate alternative options for dealing with the District's resource management issues.

Section 32(1) states:

An evaluation report required under this Act must—

- (a) *examine the extent to which the objectives of the proposal being evaluated are the most appropriate way to achieve the purpose of this Act; and*
- (b) *examine whether the provisions in the proposal are the most appropriate way to achieve the objectives by—*
 - (i) *identifying other reasonably practicable options for achieving the objectives; and*
 - (ii) *assessing the efficiency and effectiveness of the provisions in achieving the objectives; and*
 - (iii) *summarising the reasons for deciding on the provisions; and*
- (c) *contain a level of detail that corresponds to the scale and significance of the environmental, economic, social and cultural effects that are anticipated from the implementation of the proposal.*

The scope and matters that Council must take into account during its evaluation of the evaluation required, is described as follows in Section 32(2):

An assessment under subsection (1)(b)(ii) must—

- (a) *identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
 - (i) *economic growth that are anticipated to be provided or reduced; and*
 - (ii) *employment that are anticipated to be provided or reduced; and*
- (b) *if practicable, quantify the benefits and costs referred to in paragraph (a); and*
- (c) *assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions.*

Subsections 32(3) and (4) address the specific requirements for the evaluation report for changes affecting a national environmental standard.

Subsection 32(4A) refers to reporting requirements associated with iwi authorities.

PLAN CHANGE 53

Settlements

Part E: Review and Research Process

The Settlements Plan Change has involved technical work and engagement with the community and stakeholders on the character of our existing settlements and the plan provisions which are appropriate for these areas.

1. Overview

As discussed in Part A the Plan Change is part of a rolling review of the District Plan and the genesis of the Plan Change was first formulated through the Town Strategies.

The proposed changes for the Settlements Plan Change have evolved through the technical work and input that have been received in response to comments and feedback from the community and stakeholders on the options which have been discussed.

2. Background Information

In the initial stage of the plan review process, Council gathered information about our settlement areas including existing land use, servicing information and visited a wide range of settlements to identify the nature and context of our existing settlements. This also included the relationship of the existing settlement areas to rural areas and large-scale industry, transportation corridors and other spatial features such as ecological features and heritage sites.

3. Population Projections

Council has reviewed population projections for the district which help to inform Councils strategic decision making on planning and asset management and funding. As part of the Settlements Plan Change, Council also engaged with specialists to ascertain whether there would be benefit in gaining data on population projections at the level of each of our settlements to assist with decision-making on whether any additional land supply is required.

The advice and feedback Council has received is that there is little merit in carrying out population projections at such a small scale. The reasons for this are:

- Existing data would not capture the spatial extent of the settlement areas that form part of the current review process;
- It would not be possible to provide projections with any reasonable level of confidence as very small changes in the population would lead to significant swings in the projections; and
- Such small population centres do not necessarily follow the trends in broader level projections for the district or sub-catchment and are more driven by direct social and economic conditions affecting the immediate area.

Given these limitations, Council has not commissioned any specific projections or advice on the population projections for our settlement areas.

It is noted that Council does monitor and review populations projections for the Matamata-Piako District as a whole and including sub catchment areas. The latest projections for Matamata-Piako District's population under the medium scenario, show gradual growth to a peak at 39,500 by 2039, beyond which the population will stabilise for the remainder of the projection period, easing slightly to 38,700 in 2051.

4. Infrastructure and Services

Council has assessed the infrastructure and servicing requirements and capacity within the existing settlements to ascertain what constraints and opportunities may exist and which need to be considered as part of any new District Plan rules and mechanisms for additional development.

The majority of our existing settlements do not have a municipal wastewater system and rely on their own on-site effluent disposal/septic tank system. This is a key factor in how the existing settlements have developed and what may be accommodated in terms of future subdivision and development. Any new development that requires on-site effluent disposal will need to comply with the provisions of the Waikato Regional Plan. There is provision for permitted activity disposal for lots of 2,500m² or more and smaller lots can also be a permitted activity subject to specific assessment of site conditions and effects of the discharge.

Both the Waihou and Tahuna settlements have a municipal wastewater system and Council has assessed the capacity of the existing network and treatment plants to accommodate additional dwellings. In both cases there is a small community wastewater system which serves the existing community and there is some additional capacity within the system. The additional capacity and function of the network is subject to many variables including the occupancy of existing dwellings connected to the network and managing infiltration and inflow into the existing reticulation network.

Council considers that there is some capacity to absorb some additional dwelling and infill development with both Waihou and Tahuna however this must be managed to avoid new connections overloading the existing network. Each settlement has been assessed as having capacity in the order of 40 additional dwellings. A deliberate decision has been made to restrict the amount of additional land which may be available for new development or subdivision within these settlements to ensure that the future capacity and function of the system is not compromised or there is an unintended consequence of the plan change leading to the funding of additional upgrade works.

5. Noise

The Settlements Plan Change was originally proposed to adopt the existing noise standards set out in Section 5 of the District Plan. However, Council is in the initial stages of reviewing the District Plan to align it with the national planning standards and has undertaken some work on the appropriate noise standards that should be included in the District Plan including the noise metrics used to set and measure noise levels.

Council has commissioned specialist noise input and advice on the noise standards for the District Plan from Hegley Acoustics Consultants. This has recommended that Council adopts new noise standard metric to align with NZS6802:2008 Acoustics – Environmental Noise as well as other matters associated with noise insulation standards.

This report and advice have been used to help inform the Settlements Plan Change and the adoption of rule mechanisms which are aligned to the New Zealand standards. The report is provided in **Appendix 3**.

6. Consultation and Stakeholder Engagement

To help with the review process and development of provisions for our settlements, Council has undertaken two phases of community and stakeholder engagement and has also met with and discussed the plan change with individual and groups throughout the review process.

The following summary of the consultation methodology has been prepared to illustrate the nature of the consultation which has been undertaken and the type of feedback that has been received.

6.1 Consultation and Engagement Process – Phase 1

Phase 1 of the consultation process was an opportunity to engage with the community and stakeholders to introduce the review process and to seek feedback on the scope of the review and what the key issues were for our settlements and rural house sites. The Phase 1 process included:

6.1.1 Community Notices

Council approached local businesses and community groups to seek the opportunity to provide stands and posters about the plan review process. The community were also given feedback forms and an opportunity to meet with Council staff.

6.1.2 Community Engagement Sessions

Council staff set up and attended three presentation and information stands at local supermarkets to provide information on the plan change review process and to seek direct feedback from the community.

6.1.3 Online and Media Comments and Feedback

Council set up a webpage and social media platforms to allow the community to access information about the plan change and provide comments and input into the process. In addition, Council published articles in the Council e-newsletter, antenno, facebook and MPDC website. Articles were also placed in the Piako Post and Matamata Chronicle.

All correspondence, public notices and topic papers have also included email contacts for the community to provide engage with Council staff directly about the review process.

6.1.4 Statutory Stakeholder meetings

Council has consulted with the Waikato Regional Council, the New Zealand Transport Agency and Heritage New Zealand. Iwi and hapu who have been consulted are discussed in Section 6.3.

6.1.5 Other Stakeholder meetings

Council met with various landowners and businesses to discuss specific issues affecting their property or business interests.

6.1.6 Community Mail Out

Council sent correspondence out to property owners within the existing settlement areas to introduce the plan change review and to seek comments.

6.1.7 Phase 1 Feedback

Council received a range of feedback in terms of the direction of the plan change review, the nature and character of the settlement areas and also what areas should be included in the plan change review. This feedback has been very useful in helping to develop the proposed plan provisions for our settlement areas.

We have recorded a summary of the feedback in **Appendix 4**. All feedback from individual people is treated as confidential so individual responses have not been identified or listed.

6.2 Consultation and Engagement Process – Phase 2

A Phase 2 consultation was undertaken as this allowed the opportunity for Council to provide a draft set of provisions for the settlement areas and to provide the community and stakeholders a clear sense of how the planning provisions would affect their property and businesses.

This process also allowed Council to assess and review different approaches to the rule mechanisms and to develop a set of plan provisions aligned to the National Planning Standards.

The Phase 2 process included the following steps.

6.2.1 Phase 1 Participants

All parties who had been contacted, provided feedback or had input into the Phase 1 process were sent correspondence and information on the draft provisions and were invited to provide further feedback.

6.2.2 Land Development and Building Industry Stakeholders

The draft plan provisions included a number of standards around building and subdivision including new initiatives around earthworks, subdivision density and minor dwellings. To ensure that our land development and building industry stakeholders had an opportunity to provide input into the proposed provisions before they were further refined as part of the notification process.

6.2.3 Community Notices

Council updated the community posters within the settlement areas and provided further details on where to obtain additional information and how to be involved in the process.

6.2.4 Online and Media Comments and Feedback

Council updated the webpage and social media platforms to provide an update on the process and opportunity to review the draft provisions. In addition, Council published additional articles in the Te Aroha News, Morrinsville News and Scene.

6.2.5 Phase 2 Feedback

Council received good feedback on the draft provisions including general support for the Settlement Provisions and specific comments and suggestions on the rule mechanisms. This feedback has assisted in refining the draft plan provision.

We have recorded a summary of the feedback in **Appendix 4**. All feedback from individual persons and landowners is treated as confidential so individual responses have not been identified or listed.

6.3 Iwi Consultation

Iwi consultation has occurred through regular updates to the Te Manawhenua Forum which started in December 2018 and continued through to September 2020.

The purpose of Te Manawhenua Forum mo Matamata-Piako is, “*To facilitate tangata whenua contribution to Council’s decision making*”. The forum has allowed an opportunity to present and discuss the scope of the Settlements Plan Change with Ngāti Haua, Ngāti Rahiri-Tumutumu, Raukawa, Ngāti Maru, Ngāti Hinerangi, Ngāti Tamatera, Ngāti Whanaunga and Ngāti Paoa.

In addition to the presentations to the Te Manawhenua Forum, the following iwi and hapu have been sent correspondence during the Phase 1 and Phase 2 consultation processes:

- Ngāti Haua
- Ngāti Hako
- Ngāti Korokī Kahukura
- Ngāti Tara Tokanui
- Ngaati Whanaunga
- Ngāti Rahiri-Tumutumu
- Ngāti Paoa
- Runanga o Ngāti Maru
- Ngāti Maru
- Ngāti Hinerangi
- Ngaati Whanaunga
- Raukawa
- Waikato

While there has been some interest and discussion on the Settlements Plan Change, Council has not received any formal feedback. This may reflect the nature and scope of the plan change which is primarily focused on the zoning and planning rules for our small settlements and rural house sites.

PLAN CHANGE 53

Settlements

Part F: Assessment of Planning Instruments and Statutory Provisions

There are a number of planning instruments that the Settlements Plan Change must take into account and give effect to as part of the review of the District Plan.

This section provides a discussion and assessment of the relevant planning instruments in accordance with the statutory requirements of the RMA.

1. National Policy Statements

The following national policy statements are currently in place:

- National Policy Statement on Urban Development
- National Policy Statement for Freshwater Management
- National Policy Statement for Renewable Electricity Generation
- National Policy Statement on Electricity Generation
- New Zealand Coastal Policy Statement

Section 75(3) states that the District Plan must give effect to the national policy statements.

The nature and scope of the Settlements Plan Change is primarily associated with establishing a new Settlement Zone for existing settlements within the Matamata-Piako District. The second part of the review addresses the performance standards for yards on rural house sites.

The only national policy statement that has some relevance to the plan review process is the National Policy Statement on Urban Development (NPS-UD). The NPS-UD came into effect on 20 August 2020 and replaced the National Policy Statement on Urban Development Capacity 2016.

National Policy Statement on Urban Development (NPS-UD)

The NPS-UD recognises the national significance of:

- having well-functioning urban environments that enable all people and communities to provide for their social, economic, and cultural wellbeing, and for their health and safety, now and into the future
- providing sufficient development capacity to meet the different needs of people and communities.

It was developed by the Ministry for the Environment and the Ministry of Housing and Urban Development.

The objectives and high-level policies of the NPS-UD 2020 apply to all councils that have all or part of an urban environment within their district or region. However, some policies apply only to Tier 1 or Tier 2 councils.

The Matamata-Piako District is a Tier 3 local authority however Council has determined that the District does not have a housing or labour market of more than 10,000 people and therefore does not include a Tier 3 Urban Environment.

Tier 3 local authorities are strongly encouraged to adopt the provisions that Tier 1 or 2 local authorities are obliged to do under Parts 2 and 3 of the NPS-UD 2020, with whatever modifications are necessary or helpful to enable them to do so.

The objectives set out in Section 2.1 of the NPS-UD 2020 are largely concerned with urban environments (10,000 person housing or labour market) and are not directly relevant to the Matamata-Piako District. In addition, the Settlements Plan Change is only concerned with our small settlements which are not considered to be an urban environment individually or combined with other urban centres as defined under the NPS-UD 2020.

While the objectives are not directly relevant to this review process, Council has previously assessed and made provision for additional land supply as part of Plan Change 47 – Plan Your Town. This earlier plan change carried out detailed assessments of available land for housing, commercial and industrial land supply and sought to ensure that there was an oversupply in each of our three main towns being Matamata, Morrinsville and Te Aroha.

The policies of the NPS-UD 2020 do include specific provisions for Tier 3 local authorities. The relevant provisions are as follows:

Policy 2: *Tier 1, 2, and 3 local authorities, at all times, provide at least sufficient development capacity to meet expected demand for housing and for business land over the short term, medium term, and long term.*

Policy 10: *Tier 1, 2, and 3 local authorities:*

- (a) that share jurisdiction over urban environments work together when implementing this National Policy Statement; and*
- (b) engage with providers of development infrastructure and additional infrastructure to achieve integrated land use and infrastructure planning; and*
- (c) engage with the development sector to identify significant opportunities for urban development.*

Policy 11: *In relation to car parking:*

- (a) the district plans of tier 1, 2, and 3 territorial authorities do not set minimum car parking rate requirements, other than for accessible car parks; and*
- (b) tier 1, 2, and 3 local authorities are strongly encouraged to manage effects associated with the supply and demand of car parking through comprehensive parking management plans.*

In relation to Policy 2, Council through the earlier Plan Change 47 undertook a careful examination of land supply across our three main towns. This led to the provision of additional residential, commercial and industrial land to ensure that there was an oversupply of land based on assessed development trends to 2040. In addition, new provisions were developed for infill residential development.

Council therefore considers that the District Plan provides land supply in accordance with Policy 2. While the Settlements Plan Change will provide some additional land supply and new provisions for minor dwellings, the underlying purpose of the Settlements Plan Change is to provide a new Settlement Zone mechanism to the existing settlement areas and not to deliver additional land supply per se. The small nature of the settlement areas and limitations in terms of servicing do not lend the settlement areas to be significant contributors to land supply within the Matamata-Piako District.

Policy 10 again only has limited relevance to the Settlements Plan Change. There is no overlapping jurisdiction in terms of the existing settlement areas and the nature and supply of services has been taken into account with defining the nature and scope of the proposed Settlement Zone spatial areas and location. The development sector has been provided the opportunity to engage and provide input into the plan review process.

Policy 11 is a new provision which requires all Councils with a housing or labour market of more than 10,000 people to withdraw any provisions or rules for car parking from their respective plans. While Council has determined it does not have such a housing or labour market, the Settlements Plan Change is proposing to exclude car parking rules and to give effect to the policy direction of the NPS-UD 2020.

2. National Environmental Standards

The following national environmental standards have statutory effect:

- National Environmental Standards for Air Quality
- National Environmental Standards for Sources of Drinking Water
- National Environmental Standards for Telecommunication Facilities
- National Environmental Standards for Electricity Transmission Activities
- National Environmental Standards for Assessing and Managing Contaminants in Soil to Protect Human Health
- National Environmental Standards for Plantation Forestry
- National Environmental Standards for Freshwater (takes effect 3 September 2020)
- National Environmental Standards for Marine Aquaculture [MPI website] (takes effect 1 December 2020)

Sections 43-43B of the RMA prescribe the relationship between the national environmental standards and plan rules. The overriding principle is that plans have to adopt and give effect to the national environmental standards and can only deviate from the standards if there is provision to do so under the respective standards.

Given the nature and scope of the Settlements Plan Change, the majority of the national environmental standards plan have little or no relevance to the plan review process. The following assessment has been made of the relevant national environmental standards.

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

The NESCS came into effect on 1 January 2012. The NESCS does not affect existing land uses.

The NESCS provides a nationally consistent set of planning controls and soil contaminant values and ensures that land affected by contaminants in soil is appropriately identified and assessed before it is developed - and if necessary, the land is remediated or the contaminants contained to make the land safe for human use.

Any future subdivision or development will be subject to the requirements under the NESCS on a site-by-site basis and it is considered that this offer the appropriate time and mechanisms to assess any site contamination issues.

2.2 National Environmental Standards for Sources of Drinking Water (NESDW)

The NESDW is focused on regional plans and the need to ensure that any source of human drinking water is protected from contamination. Five of our existing settlement areas have a municipal water supply (or part supply) being Waihou, Tahuna, Hinuera, Te Aroha West and Te Poi. Matamata-Pikao Council holds regional consent for water bores and water takes and these will be reviewed in accordance with the provisions of the Waikato Regional Plan as and when required.

2.3 National Environmental Standards for Electricity Transmission Activities (NESETA)

The Settlements Plan Change does not affect existing transmission corridors.

3. National Planning Standards

The Settlements Plan Change has been designed to give effect to the National Planning Standards in accordance with Sections 58B to 58J of the RMA.

Given that the balance of the Matamata-Piako District Plan is yet to be reviewed, there is a need to provide separate definitions and rule provisions for the proposed Settlement Zone and associated rules until such time as the District Plan is reviewed as a whole.

4. Waikato Regional Policy Statement

In accordance with S.75(3) of the RMA, the District Plan and by extension any plan change must give effect to the operative regional policy statement.

The Waikato Regional Policy Statement (RPS) came into effect on 20 May 2016.

The RPS has a strong focus on coordinated and integrated development and protection of the efficiency and effectiveness of regionally significant infrastructure. The issues, objectives, policies and methods which are of direct significance to the Settlements Plan Change are identified as follows:

4.1 Issues and Objectives

- **Issue 1.4 Managing the Built Environment**
Development of the built environment, transport and other infrastructure is impacting on our ability to sustainably manage natural and physical resources and provide for our wellbeing.

- **Objective 3.1 Integrated Management**
Natural and physical resources are managed in a way that recognises:
 - a) *the inter-relationships within and values of water body catchments, riparian areas and wetlands, the coastal environment, the Hauraki Gulf and the Waikato River;*
 - b) *natural processes that inherently occur without human management or interference;*
 - c) *the complex interactions between air, water, land and all living things;*
 - d) *the needs of current and future generations;*
 - e) *the relationships between environmental, social, economic and cultural wellbeing;*
 - f) *the need to work with agencies, landowners, resource users and communities; and*
 - g) *the interrelationship of natural resources with the built environment*

- **Objective 3.2 Resource use and development**
Recognise and provide for the role of sustainable resource use and development and its benefits in enabling people and communities to provide for their economic, social and cultural wellbeing, including by maintaining and where appropriate enhancing:
 - a) *access to natural and physical resources to provide for regionally significant industry and primary production activities that support such industry;*
 - b) *the life supporting capacity of soils, water and ecosystems to support primary production activities;*
 - c) *the availability of energy resources for electricity generation and for electricity generation activities to locate where the energy resource exists;*
 - d) *access to the significant mineral resources of the region; and*
 - e) *the availability of water for municipal and domestic supply to people and communities.*

- **Objective 3.12 Built Environment**
Development of the built environment (including transport and other infrastructure) and associated land use occurs in an integrated, sustainable and planned manner which enables positive environmental, social, cultural and economic outcomes, including by:
 - a) *promoting positive indigenous biodiversity outcomes;*
 - b) *preserving and protecting natural character, and protecting outstanding natural features and landscapes from inappropriate subdivision, use, and development;*
 - c) *Integrating land use and infrastructure planning, including by ensuring that development of the built environment does not compromise the safe, efficient and effective operation of infrastructure corridors;*
 - d) *integrating land use and water planning, including to ensure that sufficient water is available to support future planned growth;*
 - e) *recognising and protecting the value and long-term benefits of regionally significant infrastructure;*
 - f) *protecting access to identified significant mineral resources;*
 - g) *minimising land use conflicts, including minimising potential for reverse sensitivity;*
 - h) *anticipating and responding to changing land use pressures outside the Waikato region which may impact on the built environment within the region;*
 - i) *providing for the development, operation, maintenance and upgrading of new and existing electricity transmission and renewable electricity generation activities including small and community scale generation;*
 - j) *promoting a viable and vibrant central business district in Hamilton city, with a supporting network of sub-regional and town centres; and*
 - k) *providing for a range of commercial development to support the social and economic wellbeing of the region.*

- **Objective 3.21 Amenity**
The qualities and characteristics of area and features, valued for their contribution to amenity, are maintained or enhanced.

- **Objective 3.25 Values of soil**
The soil resource is managed to safeguard its life supporting capacity, for the existing and foreseeable range of uses.

- **Objective 3.26 High class soils**
The value of high class soils for primary production is recognised and high class soils are protected from inappropriate subdivision, use or development.

The Settlements Plan Change is primarily concerned with the zone and planning mechanisms which will support our existing small settlements and communities. It is proposed to introduce a new Settlement Zone for these settlement areas to replace the existing Rural and Residential Zone provisions that currently apply to these areas.

The spatial area and extent of the new Settlement Zone will largely reflect the existing built form and settlement areas with some extension of the Settlement Zone on the periphery of these areas where this provides a logical and/or minor extension of the settlement area. It should be noted that the purpose of the Settlements Plan Change does not seek to increase the size or function of the settlement areas and this plan change does not seek to provide additional development capacity in response to any land supply or demand issues.

Council has already undertaken earlier work on land supply as part of Plan Change 47 – Plan your Town and considers that the urban areas of Matamata, Morrinsville and Te Aroha will continue to provide the primary urban areas for future land development.

The Settlements Plan Change has adopted an integrated management approach (Objective 3.1 and Objective 3.2) to the identification of plan mechanism which can support our settlement areas and communities by assessing existing land use patterns, infrastructure provision and capacity and by considering the interface with surrounding rural land use activities including the protection of soil resources.

While the settlement areas are small and contain very modest housing capacity (the larger settlements of Waihou and Waitoa have fewer than 140 houses), these areas are part of the built environment and therefore Objective 3.12 of the RPS is relevant. The proposed Settlement Zone is designed to apply to existing settlement areas with some very minor additional land areas included on the periphery of existing areas. Therefore, the Settlement Plan Change will not result in the loss of biodiversity or impact on versatile soils or landscapes. Consideration has been given to the servicing of the settlement areas. The lack of public supply or limited capacity of existing supply is a factor taken into account in determining the extent and scope of any areas which may form part of the new zone.

Objective 3.21 is a very broad-based provision regarding amenity values. Council has been mindful of the existing character and amenity values of the settlement areas in developing the performance standards for subdivision and land use activities within these areas. While new provisions are proposed which will allow some new subdivision and residential activities, including new provisions for minor dwellings, care has been taken in setting minimum lot size, density and yard setbacks to maintain a sense of the existing character of these areas.

Objective 3.25 and Objective 3.26 are concerned with the soil resource. Council has been mindful of the need to protect the soil resource and this has been another factor which has informed the spatial extent of the proposed Settlement Zone.

Council has taken into account the objectives of the RPS is reviewing the settlement areas and formulating the spatial extent and planning provisions for the proposed Settlement Zone. In Council's opinion, the Settlement Zone is consistent with the objectives and gives effect to the RPS.

The RPS also includes a range of other issues including sustainable and efficient use of resources, heritage and cultural values, air quality, outstanding natural features and landscapes. These issues are still relevant to development in town but not fundamental to the guiding framework for this plan change.

4.2 Policies and Implementation Methods

- **Policy 4.4 Regionally significant industry and primary production**
The management of natural and physical resources provides for the continued operation and development of regionally significant industry and primary production activities by:
 - a) *recognising the value and long term benefits of regionally significant industry to economic, social and cultural wellbeing;*
 - b) *recognising the value and long term benefits of primary production activities which support regionally significant industry;*
 - c) *ensuring the adverse effects of regionally significant industry and primary production are avoided, remedied or mitigated;*
 - d) *co-ordinating infrastructure and service provision at a scale appropriate to the activities likely to be undertaken;*
 - e) *maintaining and where appropriate enhancing access to natural and physical resources, while balancing the competing demand for these resources;*
 - f) *avoiding or minimising the potential for reverse sensitivity; and*
 - g) *promoting positive environmental outcomes.*

The Settlements Plan Change is proposing new planning provisions within existing settlement areas and also for rural house sites which will potentially allow additional land use and development opportunities. The subdivision and density standards for our settlements intentionally require larger lots sizes both in light of requirements for on-site effluent disposal as well as in recognition of the character and amenity of the existing settlement areas.

The new provisions for rural house sites are promoting reduced yards to avoid over regulation for buildings or alterations/extensions on these sites and where it is not possible or practicable to provide the standard rural yard setback. However, the reduced yards only apply where the site boundary adjoins a rural residential or lifestyle lot up to 1ha in area.

It is considered that the proposed Settlement Zone provisions and rules for rural house sites provide for the continued operation and development of primary production activities and therefore gives effect to Policy 4.4.

- **Policy 6.1 Planned and co-ordinated subdivision, use and development**
Subdivision, use and development of the built environment, including transport, occurs in a planned and co-ordinated manner which:
 - a) *has regard to the principles in section 6A;*
 - b) *recognises and addresses potential cumulative effects of subdivision, use and development;*
 - c) *Is based on sufficient information to allow assessment of the potential long-term effects of subdivision, use and development; and*
 - d) *has regard to the existing built environment.*
- **6.1.7 Urban development planning**
Territorial authorities should ensure that before land is rezoned for urban development, urban development planning mechanisms such as structure plans and town plans are produced, which facilitate proactive decisions about the future location of urban development and allow the information in Implementation Method 6.1.7 to be considered.

- **6.1.8 Information to support new urban development and subdivision**
District plan zoning for new urban development (and redevelopment where applicable), and subdivision and consent decisions for urban development, shall be supported by information which identifies, as appropriate to the scale and potential effects of development, the following:

 - a) the type and location of land uses (including residential, industrial, commercial and recreational land uses, and community facilities where these can be anticipated) that will be permitted or provided for, and the density, staging and trigger requirements;*
 - b) the location, type, scale, funding and staging of infrastructure required to service the area;*
 - c) multi-modal transport links and connectivity, both within the area of new urban development, and to neighbouring areas and existing transport infrastructure; and how the safe and efficient functioning of existing and planned transport and other regionally significant infrastructure will be protected and enhanced;*
 - d) how existing values, and valued features of the area (including amenity, landscape, natural character, ecological and heritage values, water bodies, high class soils and significant view catchments) will be managed;*
 - e) potential natural hazards and how the related risks will be managed;*
 - f) potential issues arising from the storage, use, disposal and transport of hazardous substances in the area and any contaminated sites and describes how related risks will be managed;*
 - g) how stormwater will be managed having regard to a total catchment management approach and low impact design methods;*
 - h) any significant mineral resources (as identified through Method 6.7.1) in the area and any provisions (such as development staging) to allow their extraction where appropriate;*
 - i) how the relationship of tāngata whenua and their culture and traditions with their ancestral lands, water, sites, wāhi tapu, and other taonga has been recognised and provided for;*
 - j) anticipated water requirements necessary to support development and ensure the availability of volumes required, which may include identifying the available sources of water for water supply;*
 - k) how the design will achieve the efficient use of water;*
 - l) how any locations identified as likely renewable energy generation sites will be managed;*
 - m) the location of existing and planned renewable energy generation and consider how these areas and existing and planned urban development will be managed in relation to one another; and*
 - n) the location of any existing or planned electricity transmission network or national grid corridor and how development will be managed in relation to that network or corridor, including how sensitive activities will be avoided in the national grid corridor.*

- **Policy 6.3 Co-ordinating growth and infrastructure**
Management of the built environment ensures:

 - a) the nature, timing and sequencing of new development is co-ordinated with the development, funding, implementation and operation of transport and other infrastructure, in order to:*

- i) *optimise the efficient and affordable provision of both the development and the infrastructure;*
- ii) *maintain or enhance the operational effectiveness, viability and safety of existing and planned infrastructure;*
- iii) *protect investment in existing infrastructure; and*
- iv) *ensure new development does not occur until provision for appropriate infrastructure necessary to service the development is in place;*
- b) *the spatial pattern of land use development, as it is likely to develop over at least a 30-year period, is understood sufficiently to inform reviews of the Regional Land Transport Plan. As a minimum, this will require the development and maintenance of growth strategies where strong population growth is anticipated;*
- c) *the efficient and effective functioning of infrastructure, including transport corridors, is maintained, and the ability to maintain and upgrade that infrastructure is retained; and*
- d) *a co-ordinated and integrated approach across regional and district boundaries and between agencies; and*
- e) *that where new infrastructure is provided by the private sector, it does not compromise the function of existing, or the planned provision of, infrastructure provided by central, regional and local government agencies.*

The above policies and Implementation Method 6.1.8 are relevant to Settlements Plan Change 53 as the issues of integrated subdivision and development, the nature of the existing built environment, servicing, transportation, hazards are all relevant to current and future land use within our settlement areas. However, the proposed Settlement Zone is largely designed to accommodate existing land use activities and provide bespoke plan rules for additional development at a suitable scale and intensity within these areas. This includes identifying within the Settlement Zone, provision for Residential, Commercial and Industrial precincts.

Council is satisfied that sufficient assessment of the settlement areas has been undertaken in terms of the above policies and implementation methods and commensurate with the scope and nature of the plan change.

5. Regional Plan

The Waikato Regional Plan (Regional Plan) became operative on 28 September 2007 and subsequently there have been a number of variations to the Regional Plan. Section 75(4) of the RMA states that the District Plan must not be inconsistent with a Regional Plan.

The Regional Plan provides further policy direction, including rules, to give effect to the RPS relating to matters within the scope of the regional council functions under the RMA. As such, the Regional Plan provides more detail regarding the management of the regional matters including:

1. *Approaches to Resource Management*
2. *Matters of Significance to Maori*
3. *Water Module*
4. *River and Lake Bed Module*
5. *Land and Soil Module*
6. *Air Module*
7. *Geothermal Module*

The provisions of the Regional Plan have been taken into account with the preparation of the Plan Change and it is considered that there are no issues arising with the proposed changes in terms of consistency with the Regional Plan.

In some cases, and depending on the nature of the land use or subdivision activity which may require consent under the District Plan, associated regional council consents may also be required. In these instances, the need for both district and regional council consents will ensure that any future land use or subdivision will meet the provisions of the regional plan.

6 Management Plans and Strategies

Section 74(2) of the RMA sets out a number of management plans and strategies that must be *given regard to* or *taken into account* when preparing a plan change. The relevant plans and strategies identified in relation to Plan Change 53 are discussed below.

6.1 Waikato Regional Land Transport Strategy 2011 – 2041 (RLTS)

The Regional Land Transport Strategy (RLTS) emphasises the need for integrated development. The “vision” and desired “outcomes” can be summarised as follows:

Vision

- An affordable, integrated, safe, responsive, and sustainable land transport system that enhances the environmental, economic, social, and cultural wellbeing of the population.

Outcomes

- An integrated transport system that supports economic activity and provides for efficient movement of people and goods;
- Safety and security across all modes of travel;
- An inclusive, accessible, and affordable transport system;
- A well-connected transport system that enables positive public health outcomes;
- An environmentally sustainable, resilient, and efficient transport system;
- An integrated multi-modal transport system supported by land-use planning, and enabled by collaborative planning and partnerships.

Plan Change 53 maintains a safety and security approach across all modes of travel. All new subdivision and development within the settlement areas will need to comply with the performance standards and assessment criteria within the District Plan and in particular Section 9 – Transportation.

For the reasons mentioned above, no inconsistencies with the Waikato Land Transport Strategy and this proposed Plan Change have been identified.

Council has also consulted with Waka Kotahi - NZ Transport Agency on the scope and nature of the plan review process and has taking into account their feedback as part of the formulation of the proposed provisions.

7 Iwi Plans and Planning Documents

The following iwi management plans and strategies have been reviewed in terms of the proposed amendments forming Plan Change 53:

- Te Rautaki Taiao A Raukawa (Ruakawa Environmental Management Plan)
- Tai Tumu Tai Pari Tai Ao (Waikato-Tainui Environmental Plan)
- Whaia te Mahere Taiao a Hauraki (Hauraki Iwi Environmental Plan)

The above plans and strategies discuss the values, experiences and aspirations of iwi in terms of resource management and environmental issues. The plans and strategies in some cases are based around specific rohe which may have more or less relevance to the Matamata-Piako District.

These plans and strategies provide a comprehensive resource and wealth of information regarding the environmental issues for the respective iwi and hapu. These are also living documents which will evolve over time and they also canvass the relationships between iwi/hapu and statutory agencies which will mature and develop over time.

Given the consultation process through the plan review process, including presentations to the Te Manawhenua Forum, Council has not identified any specific aspects or provisions within the Settlements Plan Change which would be inconsistent with the plans and strategies identified above. Through the assessment of options in terms of zoning and other plan rules, Council has also been mindful to identify any culturally significant sites or values which has directly influenced the final make up of changes included in Plan Change 53.

Council will look forward through the formal submission process to gain further insight into the plans and strategies and whether or not any specific issues may arise with the scope and nature of changes which are proposed in Plan Change 53.

8 Part 2 Assessment

The overriding purpose of the RMA is to promote the sustainable management of natural and physical resources. As previously discussed, the relationship between Part 2 and the plan review process is now subject to the King Salmon decision². The King Salmon decision from the Supreme Court established the following legal principles;

- Councils must pay careful attention to the way in which objectives and policies are expressed in all planning documents (the words mean what they say),
- More directive objectives and policies carry greater weight than those expressed in less directive terms,
- Directive objectives and policies to avoid adverse effects should usually be accompanied by a restrictive activity status, such as non-complying or prohibited,

² *Environmental Defence Society Inc v The New Zealand King Salmon Co Ltd* [2014] NZSC 38

- There is a hierarchy of planning documents and subordinate plans which must implement the objectives and policies of the national policy statements and arguably the regional policy statement and, if they are directive, must do so as an "*obligation*"
- When considering the higher order planning documents, Councils should not refer to Part 2 or undertake a "*balancing*" interpretation unless the policy statement does not "*cover the field*" in relation to the issues being addressed, or the wording is uncertain or conflicting.

Plan Change 53 is primarily concerned with the introduction of a new Settlement Zone and plan provisions for our existing settlement areas and also provisions for reduced yards on rural house sites.

It is considered that the national and regional planning documents provide very clear statutory direction for the current review process and the scope and nature of the plan change. In particular the RPS has carefully assessed growth and development across the Waikato region including how to respond to growth pressures and the coordination of infrastructure and servicing with new development. While the Settlements Plan Change is focussed on existing settlement areas and is not promoting substantive areas of new land for urbanisation, the principles behind the RPS have provided guidance to the review process.

It is considered that there is no statutory requirement to refer back to Part 2 given the King Salmon decision. Notwithstanding this viewpoint, it is considered that the Settlements Plan Change will enable the community to provide for their social, economic and cultural well-being by ensuring that the District Plan provides the appropriate location and type of zoning for current and future land use. Furthermore, it is considered that the planning provisions are effective and efficient at delivering the objectives of the District Plan.

PLAN CHANGE 53

Settlements

Part G: Section 32 Analysis

This section of the report provides a summary of the different regulatory options, costs and benefits considered during this plan review process, as required under s32 of the RMA. It explains why the preferred option has been chosen and also discusses some of the alternatives which have also been considered.

1. Overview

As part of the Plan Change process, Council must provide an assessment of costs and benefits in accordance with the RMA. Section 32(2) states:

An assessment under subsection (1)(b)(ii) must—

- (a) identify and assess the benefits and costs of the environmental, economic, social, and cultural effects that are anticipated from the implementation of the provisions, including the opportunities for—*
 - (i) economic growth that are anticipated to be provided or reduced; and*
 - (ii) employment that are anticipated to be provided or reduced; and*
- (b) if practicable, quantify the benefits and costs referred to in paragraph (a); and*
- (c) assess the risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the provisions*

Under the above provision, Council is required to document the evaluation process and its reasons for selecting its preferred options as the most suitable means of dealing with the resource management issues and achieving the desired environmental outcomes.

Section 32(5) requires that the “*report must be available for public inspection at the same time as the document to which the report relates is publicly notified or the regulation is made*”.

In broad terms, the purpose of the section 32 analysis is to ensure:

- That decision-makers have the necessary policy analysis on which to base their decisions;
- That the costs borne by individuals and the community are the least practicable, and consistent with achieving the purpose of the RMA; and:
- That the proposed plan provisions are necessary and more appropriate (efficient and effective) than the alternatives.

To achieve its purpose, a section 32 analysis must therefore evaluate:

- The extent to which each objective is the most appropriate way to achieve the purpose of the RMA;
- Whether, having regard to their efficiency and effectiveness, the policies, rules, or other methods are the most appropriate for achieving the objectives;
- The benefits and costs of the environmental, economic, social and cultural effects that are anticipated from the policies, rules or other methods; and

- The risk of acting or not acting if there is uncertain or insufficient information about the subject matter of the policies, rules and other methods.

2. Cost Benefit Analysis

The following tables have been prepared to capture the cost benefit analysis that has been prepared for Plan Change 53. This analysis takes into account the following:

- The statutory framework and purpose and principles of the RMA;
- Review of existing District Plan provisions;
- Assessment of other planning instruments, and in particular the Proposed Regional Policy Statement;
- Assessment of services and infrastructure information;
- Consultation and feedback from our community;
- Direct engagement with stakeholders;
- Feedback and input from land development professionals;
- Guidance and political leadership from Councillors;
- Review and assessment of other planning documents and best practice guidelines; and
- Input from Council technical staff.

The cost benefit analysis is presented in a series of tables. The first section discusses the broad Plan Change issues and the following sections discuss specific topic areas, specific rule provisions, and the District Plan objectives.

3. Assessment of Objectives

Section 32 requires an evaluation of whether each objective is the most appropriate way to achieve the purpose of the RMA. In light of the *King Salmon* decision, this is considered that this is primarily achieved through an assessment of the proposed objectives in terms of the higher order national and regional plans.

The higher order plans have been discussed in Part F of this report. The following discussion complements the assessment already provided and discusses more specifically the actual objectives which are proposed. It should also be noted, that the Settlements Zone link to many other sections of the District Plan and these sections are supported by objectives and policies set out in Part A of the District Plan. Therefore, the Settlements Zone only includes objectives which are specific to the settlement areas and other broader objectives will still apply through linkage to the other sections of the District Plan.

The Settlements Plan Change proposes the following objectives:

SETZ O1	To recognise and provide for a mix of land use activities within identified settlement areas that reflect and provide for the needs of the local communities and businesses.
SETZ O2	Residential activities are predominantly provided for in identified precinct areas.
SETZ O3	Industrial and Commercial activities are predominantly provided for in identified precinct areas and are compatible with surrounding residential activities.
SETZ O4	To promote land use activities which support the long term social and economic cohesion of settlements.
SETZ O5	To manage activities in a manner that gives certainty to the community regarding the potential location and effects of activities.
SETZ O6	Land-use, subdivision and infrastructure are planned in an integrated manner that does not compromise the supply and capacity of public and private services.

The proposed objectives provide a set of provisions which reflect the nature of the existing settlement areas and how these areas can be developed in future.

The objectives are the most appropriate way to achieve the purpose of the RMA taking into account the higher order plan at a national and regional level for the following reasons:

- Objective SETZ O1 recognises there is a mixed use of land use within our existing settlement areas and that these activities need to be recognised in the planning mechanism that are developed for our settlements;
- SETZ O2 recognises that residential activities are the predominant land use within the Residential Precinct areas and therefore it is both necessary and appropriate to support these existing activities and to enable further residential activities within these areas;
- Within some settlement areas, there are commercial and industrial activities servicing the local community and other activities representing historical development which has changed over time. Objective SETZ O3 recognises the need to identify these areas and the proposed precinct mechanism which has been adopted for the Settlement Zone;
- The Settlements Plan Change recognises the decline in the services and conditions of the settlement areas and it is seeking to provide mechanisms to enable and support our settlement communities. Given the small size of our settlement areas, any new land use activities must be of a scale and nature that does not disrupt or compromise the cohesion of the settlements. The Settlements Plans Change is seeking to minimise and manage potential conflicts between existing and future land use activities and to ensure that new residential subdivisions and activities are

compatible with the amenity and character of the existing areas. SETZ O4 and SETZ O5 seek to provide the most appropriate balance of enabling new activities and development while recognising the need to avoid conflicts between activities;

- SETZ O6 recognises the limitations in terms of public reticulation services and also how new activities may need to provide their own wastewater and water supply;
- While Matamata-Piako District Council is not a Tier 1 or Tier 2 territorial authority under the NPS-UD definition, it is considered that the Settlements Plan Change is consistent and gives effect to the policy statement by providing appropriate provisions for land use planning while recognising the need to integrate land development with provision of services. As discussed in Part F of this report, the Settlements Plan Change is not seeking to provide additional land supply with Council focussed on our three main towns to provide residential/commercial and industrial land supply;
- The Settlements Plan Change has adopted the provisions of the National Planning Standards including the introduction of a Settlement Zone and precincts; and
- The Settlement Plan Change gives effect to the Waikato RPS provisions for urban development, integration with infrastructure and services, and for the protection of soils in accordance with the discussion and assessment set out in Part F of this report.

4. Assessment of Plan Mechanisms and Rules

The following tables present a cost benefit analysis of the proposed plan mechanism and rules.

4.1 Settlement Zone and Precincts

	Option 1 – Status Quo	Option 2 – New Settlement Zone and Precincts	Option 3 – Alternatives considered
Description	<ul style="list-style-type: none"> Settlement areas predominantly subject to Rural and Residential Zone provisions. 	<ul style="list-style-type: none"> New Settlement Zone New Residential, Commercial and Industrial precincts identified within each Settlement Zone area. 	<ul style="list-style-type: none"> Adoption of Settlement Zone without precincts Adoption of modified Zone provisions based on existing District Plan provisions.
Costs/ Benefits	<ul style="list-style-type: none"> Environmental – Limited benefits; some landowners may prefer existing zone regime and plan outcomes. Economic – Limited benefits given that existing commercial and industrial activities are largely dependent on existing use rights. Size of settlement areas and location away from main towns limit economic impacts. Social – Limited costs or benefits, community does not need to adapt to change and certainty for District Plan users based on existing provisions. Cultural outcomes – No significant cultural issues or benefits/cost identified. Economic outcomes <ul style="list-style-type: none"> Economic growth – The existing zone provisions do not support economic growth as there is limited opportunity for commercial or industrial land use. Employment – The settlement areas do not have a strong labour market given their size and location away from main towns. 	<ul style="list-style-type: none"> Environmental – Improved outcomes by recognising the type and nature of existing land use within the settlement areas and providing specific recognition to these uses and areas through the zone and precinct mechanisms. Economic – The identified commercial and industrial precincts may provide greater certainty for land and business owners to invest in their property/business activities. Social – The feedback from the community consultation is largely supportive of the plan change. The settlement Zone and proposed precincts will provide certainty for the type, location and nature of land use activities which may be established within the settlement areas. Cultural outcomes – No significant cultural issues or benefits/cost identified. Economic outcomes <ul style="list-style-type: none"> Economic growth – The Commercial and Industrial Precincts will recognise the presence of existing activities and provide future certainty around the location of non-residential activities within each settlement. 	<ul style="list-style-type: none"> Environmental – These options would offer some benefits over the existing Rural and Residential Zone provisions however they would require substantive alterations to the existing District Plan format and structure. Economic – May provide greater certainty for land and business owners to invest in their property/business activities. Social – Some benefits may accrue. Cultural outcomes – No significant cultural issues or benefits/cost identified. Economic outcomes <ul style="list-style-type: none"> Economic growth – Similar assessment and outcomes anticipated as per Option 2. Employment – The settlement areas do not have a strong labour market given their size and location away from main towns. The Settlements Plan Change is unlikely to have a significant impact on labour markets.

		<ul style="list-style-type: none"> o Employment – The settlement areas do not have a strong labour market given their size and location away from main towns. The Settlements Plan Change is unlikely to have a significant impact on labour markets. 	
Effectiveness/ Efficiency	<ul style="list-style-type: none"> ▪ The existing zone provisions are considered to be ineffective and inefficient. The current mechanism does not cater for specific provisions to enable land use and activities within a settlement context. A key issue arises with the Rural Zone provisions; it does not relate to the type of land use activity and environmental outcomes which should be anticipated within our settlement areas. 	<ul style="list-style-type: none"> ▪ The proposed Settlement Zone and precinct mechanisms are supported under the new National Planning standards ▪ The new zone and precinct mechanisms will provide a framework to establish new activities, as well as effects-based rules to enable and manage land use activities including any potential issues relating to the location of incompatible activities. ▪ The new zone and precinct mechanisms will also recognise current and historical land use activities within the settlements. 	<ul style="list-style-type: none"> ▪ The Settlement Zone option without precincts would not be effective in recognising the location and spatial relationships of existing land use activities and where these may be developed in the future. ▪ Utilising existing District Plan Zones would not be effective or efficient as there would need to be a complex set of amendments and restructuring of the existing Zone provisions. The proposed Settlement Zone chapter allows a consolidated set of objectives, policies and rule mechanisms to be developed which will provide ease of administration and linkages between the proposed plan provisions.
Risks of Acting/ Not Acting - uncertain or insufficient information	<ul style="list-style-type: none"> ▪ The information available is sufficient to provide an informed assessment of the planning alternatives and costs and benefits. 		
Preferred Option	<ul style="list-style-type: none"> ▪ Option 2 is the most appropriate way to achieve the objectives of the Settlement Zone and the District Plan. ▪ The Settlement Zone and proposed precinct mechanisms reflect the existing land use pattern that has developed within our settlement areas and will clearly identify the nature and location of future land use activities which are enabled through the District Plan. 		

4.2 Settlement Zone - Activity Lists and Performance Standards

	Option 1 – Activity Lists and Performance Standards included within each precinct	Option 2 – Effects Based Rules	Option 3 – Linkage to existing Activity List and Rules in District Plan
Description	<ul style="list-style-type: none"> ▪ Activity lists and associated performance standards are identified for each precinct. 	<ul style="list-style-type: none"> ▪ Activities are assessed in terms of effects-based criteria and standards. 	<ul style="list-style-type: none"> ▪ Activity lists are utilised from existing District Plan provisions.
Costs/ Benefits	<ul style="list-style-type: none"> ▪ Environmental – The spatial relationship between activities and the nature and type of activities which can be established without resource consent are clearly identified. ▪ Economic – Certainty over the plan provisions may enable more confidence in terms of building and development within the settlement areas. ▪ Social – Activity based rules are a simple and easy way to present planning rules; generally easier to understand and utilize. ▪ Cultural outcomes – No significant cultural issues or benefits/cost identified. ▪ Economic outcomes <ul style="list-style-type: none"> ○ Economic growth – The activity lists and performance standards will recognise the presence of existing activities and provide future certainty around the location of non-residential activities within each settlement. ○ Employment – The settlement areas do not have a strong labour market given their size and location away from main towns. The Settlements Plan Change is unlikely to have a significant impact on labour markets. 	<ul style="list-style-type: none"> ▪ Environmental – Lack of certainty can lead to some inefficiencies and uncertainty for the community. Effects based rules often require a planning assessment before certainty is determined on whether an activity is permitted. ▪ Economic – Lack of certainty may lead to additional assessment and compliance costs before a decision can be made to invest in or develop a property. ▪ Social – Can provide for more innovative approaches to land use, as activities can be assessed on their merits without being assessed against prescribed rules and definitions. ▪ Cultural outcomes – No significant cultural issues or benefits/cost identified. ▪ Economic outcomes <ul style="list-style-type: none"> ○ Economic growth – Effects based rules may encourage innovation, however the outcomes are also uncertain. There are advantages and disadvantages of effects-based rules. ○ Employment – The settlement areas do not have a strong labour market given their size and location away from main towns. The Settlements Plan Change is unlikely to have a significant impact on labour markets. 	<ul style="list-style-type: none"> ▪ Environmental – The performance standards within the District Plan may not translate well to the nature and character of our settlement areas. ▪ Economic – Dependent on the rules which could be adopted and translated to our settlement areas. This would potentially impact on other Zones standards and would extend the scope of the plan review process. ▪ Social – Dependent on the precise rules which could be adopted and translated to our settlement areas. ▪ Cultural outcomes – No significant cultural issues or benefits/cost identified. ▪ Economic outcomes <ul style="list-style-type: none"> ○ Economic growth – the same outcomes may be achieved as per the new Settlement Zone provisions however this would require amendments to and restructuring of multiple sections of the District Plan. ○ Employment – The settlement areas do not have a strong labour market given their size and location away from main towns. The Settlements Plan Change is unlikely to have a significant impact on labour markets.

Effectiveness/ Efficiency	<ul style="list-style-type: none"> ▪ The creation of a precinct specific activity lists with associated performance standards allows for the provision of new rules which reflect and can be tailored to the specific characteristics of our settlement areas. ▪ The overlap with and need to modify other sections of the District Plan is minimised. ▪ The creation of a Settlement Zone section of the District Plan fulfils the obligation to follow the mandatory National Planning Standards. ▪ The creation of a new Settlement Zone allows for the adoption of the National Planning Standards while work is progressed on the transition of the remainder of the District Plan. ▪ The activity list approach is also adopted for other zones in the District Plan and there is efficiency in maintaining a consistent approach. 	<ul style="list-style-type: none"> ▪ Effects based rules can be effective in focussing on the effects of activities without being tied to classes of activities and definitions apply across a wide range of different activities. ▪ The disadvantage is that there is often inefficiency created with the assessment of permitted activities, and where compliance with performance standards must be demonstrated in order to assess whether an activity require land use consent. ▪ Providing advice and certainty to users of the District Plan is more difficult to achieve. 	<ul style="list-style-type: none"> ▪ This option would be less efficient and effective as it would require modification and reframing of activity lists and rules to recognise and cater for differences between the settlement areas and other urban areas.
Risks of Acting/ Not Acting - uncertain or insufficient information	<ul style="list-style-type: none"> ▪ The information available is sufficient to provide an informed assessment of the planning alternatives and costs and benefits. 		
Preferred Option	<ul style="list-style-type: none"> ▪ Option 1 is the most appropriate way to achieve the objectives of the Settlement Zone and the District Plan. ▪ The opportunity to establish activity lists and performance standards specific to the Settlement Zone is the most effective and efficient mechanism as it allows the rules to be tailored to the nature and character of our settlement areas. ▪ This approach allows an early adoption of the National Planning Standards. 		

4.3 Rural House Sites

	Option 1 – Status Quo	Option 2 – Reduced yards is specified circumstances	Option 3 – Alternatives considered
Description	<ul style="list-style-type: none"> Rural Yards are set for all rural properties with no recognition to the size of the rural lot and its ability to allow for a practicable building site. 	<ul style="list-style-type: none"> New provisions for small lots (2,500m² or less) to have reduced yards. Reduced yards only apply to common boundaries with other rural residential or lifestyle lots up to 1ha to avoid potential conflict with rural based/farming activities. 	<ul style="list-style-type: none"> Reduced yards with no standards on qualifying sites.
Costs/ Benefits	<ul style="list-style-type: none"> Environmental – Owners of small rural sites may face additional compliance costs and reduced property rights based on rural yard setbacks which are more suited to large rural land holdings. Existing <ul style="list-style-type: none"> Setbacks offer more privacy and separation between properties. Economic – Additional compliance costs of implementing rules. <ul style="list-style-type: none"> No costs associated with plan review or adapting to new rules. Social – No significant social issues or benefits/cost identified. Cultural outcomes – No significant cultural issues or benefits/cost identified. Economic outcomes <ul style="list-style-type: none"> Additional compliance costs of implementing rules. Employment – Nil. 	<ul style="list-style-type: none"> Environmental – More opportunity to utilise property without requiring land use consent Potential reverse sensitivity issues addressed, as reduced yards setbacks only apply to boundaries with other rural-residential or lifestyle lots. Economic – Compliance costs reduced. Social – No significant social issues or benefits/cost identified. Cultural outcomes – No significant cultural issues or benefits/cost identified. Economic outcomes <ul style="list-style-type: none"> Reduced compliance costs. Employment – Nil. 	<ul style="list-style-type: none"> Environmental – This could potentially lead to reverse sensitivity issues if new residential activities were located close to the boundary of larger farming or horticulture blocks. In addition, a reduced front yard can lead to issues with noise and vibration from traffic movements such that the reduced front yard should only be applied to sites which cannot otherwise accommodate a complying building site. More opportunity to utilise property without requiring land use consent Economic – Compliance costs reduced. Social – No significant social issues or benefits/cost identified. Cultural outcomes – No significant cultural issues or benefits/cost identified. Economic outcomes <ul style="list-style-type: none"> Reduced compliance costs. Employment – Nil.
Effectiveness/ Efficiency	<ul style="list-style-type: none"> The existing rules are effective and efficient in the sense that they provide a clear set of yard provisions for all rural property. However, they are not efficient in 	<ul style="list-style-type: none"> The proposed rules provide reduced yard setbacks based on the size of the site and in relation to side and rear yards, as well as the size of the adjoining rural land holding. 	<ul style="list-style-type: none"> Reduced yard setback rules that did not have any pre-requisites on the size of the lot or adjoining lots would be effective and efficient in controlling the location of new buildings however this could lead to

	recognising that some rural lots are too small to accommodate the rural yard setbacks and provide a practical building site.	<ul style="list-style-type: none"> It is considered the rules are effective and efficient as they provide a clear set of standards as to what rural lots qualify for the reduced yards. 	unintended consequences in terms of adjoining land use and road corridor effects.
Risks of Acting/ Not Acting - uncertain or insufficient information	<ul style="list-style-type: none"> The information available is sufficient to provide an informed assessment of the planning alternatives and costs and benefits. 		
Preferred Option	<ul style="list-style-type: none"> Option 2 is the most appropriate way to achieve the objectives of the District Plan. The reduced yards will allow for the better utilisation of rural house sites and reduce compliance costs while also ensuring that reverse sensitivity effects are avoided or mitigated. 		

