

**BEFORE THE SELWYN DISTRICT COUNCIL**

<b>UNDER</b>	the Resource Management Act 1991
<b>IN THE MATTER OF</b>	Private Plan Change 74 to rezone approximately 20.687ha of Rural Inner Plains to Living West Melton.
<b>BETWEEN</b>	Hughes Development Limited
<b>AND</b>	Selwyn District Council

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**MEMORANDUM OF COUNCIL'S REPORTING OFFICER,  
RESPONSE TO DIRECTIONS IN COMMISSIONER MINUTE NO.6  
15 May 2023**

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1. This memorandum responds to the directions contained in the Commissioner Minute No. 6.<sup>1</sup> More specifically, this memorandum seeks to address several of the preliminary questions that have been raised by Counsel on behalf of the PC74 plan change proponent<sup>2</sup> and subsequently listed in Commissioner Minute No. 6.<sup>3</sup>
  2. The following questions relate to the status of the various reports, and the related inputs, outputs and methodologies, that have been prepared by Formative Economics for Selwyn District Council ('SDC') in respect to the Selwyn Capacity for Growth Model (the 'SCGM'):
    - a. Does the Formative Report dated 13 April 2023 supersede the earlier version dated 22 March 2023?
    - b. Which economic inputs, outputs and methodology should form the basis of on-going expert conferencing on economic and planning matters?
    - c. Are further iterations intended to be commissioned and issued by SDC and its consultants and if so, what are SDC's timing expectations?
  3. The context and relevance of these questions to the proceedings are usefully outlined in Commissioner Minute No. 6 and the Memorandum of Counsel dated 2 May 2023.<sup>4</sup>
  4. In preparing this response I have liaised with Mr. Ben Baird, SDCs Team Leader Strategy, who commissioned the SCGM reports, outputs, and inputs and coordinated how this information is presented on SDCs website.
  5. The remainder of this memorandum outlines a response to each of the questions listed in paragraph 2. above, which are supplemented by a discussion of the background analysis that has been undertaken to inform this response.
- a. Does the Formative Report dated 13 April 2023 supersede the earlier version dated 22 March 2023?**
6. Mr. Baird has confirmed that the Formative report dated 13 April 2023 reflects SDC's best understanding of demand and capacity across the district at this point in time. He has also confirmed that the 13 April Report supersedes the earlier 22 March iteration.
- Additional analysis and discussion*
7. As background, I can confirm that the latest content on SDCs PC74 webpage<sup>5</sup> when I viewed it on 5 May 2023 included a hyperlink to a separate webpage headed "Population and Growth Modelling", which contained information on the SCGM inputs, assumptions and methodology, and outputs.<sup>6</sup> This webpage included a bullet point summary of the eight key assumptions that have been applied in the SCGM and a hyperlink to the updated Formative Report entitled Selwyn Residential Capacity and Demand Model – Economic Assessment and dated 13 April 2023 under the heading "Growth Model Assumptions".
  8. As an aside, Mr. Baird has confirmed that the information contained in the "Population and Growth Planning" webpage has been set up as a space where the most relevant and

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<sup>1</sup> Commissioner Minute No. 6, 9 May 2023, paragraph 11.

<sup>2</sup> Memorandum of Counsel, 2 May 2023, paragraph 7.

<sup>3</sup> Commissioner Minute No. 6, 9 May 2023, paragraph 8.

<sup>4</sup> Memorandum of Counsel, 2 May 2023.

<sup>5</sup> [Hyperlink to the PC74 webpage](#)

<sup>6</sup> [Hyperlink to the "Population and Growth Planning" webpage](#)

up to date information SDC holds on population growth and housing sufficiency is to be made available. This includes information requested from parties involved in the multiple proceedings<sup>7</sup> that are currently taking place that rely on the SCGM reports and related population and growth information.

9. More specifically, Mr. Baird has confirmed that the “Population and Growth Planning” webpage includes responses to the requests for the SCGM through the PC74 Memorandum of Counsel. I am also aware through my involvement in the District Plan Review proceedings that SDC was instructed by the Independent Hearings Panel through Minute No. 2 to ensure the submitters seeking rezoning requests on Variation 1 to the Proposed Selwyn District Plan can access relevant information on the SCGM.<sup>8</sup>
10. A review of the two iterations of the Formative Reports confirms that the latest 13 April version no longer includes ‘Section 4.5 Other Townships’, with consequential changes having been made to the Contents page and list of Figures. This means that the SCGM22 results for the balance of the districts townships, including West Melton, that were provided on pages 36 and 37 of the 22 March iteration have not been included in the latest 13 April version. Mr. Baird has confirmed that Section 4.5 was not included in the 13 April 2023 report because SDC are undertaking additional work on the balance of the townships in the district to inform the preparation of the Long-Term Plan. It is understood that this information can be provided upon request if it is required by the experts as part of the PC74 witness conferencing, evidence exchange and substantive hearing.
11. For completeness, my review also identified that two additional sentences have been added to the first paragraph of the ‘3.1 Residential Demand Projections’ sub-section of ‘Section 3 Selwyn Capacity for Growth Model’ on Page 19 of the 13 April version. An additional sentence has also been added to the first sentence on Page 24 of the April 2023 version, which relates to sub-section ‘3.2 Capacity Assessment Model’ of ‘Section 3 Selwyn Capacity for Growth Model’. Additional footnotes have been included to ‘Section 3 Selwyn Capacity for Growth Model’ of the 13 April version,<sup>9</sup> and the content of footnote 18 in the 22 March version has been replaced by footnote 23 in the latest iteration.

**b. Which economic inputs, outputs and methodology should form the basis of on-going expert conferencing on economic and planning matters?**

12. Mr. Baird has confirmed that the SCGM inputs and outputs outlined in paragraph 15 below have been superseded by the information that is currently available on SDCs website (as described in paragraph 16 below).
13. Mr. Baird has also confirmed that the SCGM methodology that was initially documented in the Formative report titled “Selwyn Residential Capacity and Demand 2020 - Methodology” and dated 28 February 2023 has been superseded by the methodology summary contained in the 13 April 2023 report.<sup>10</sup>
14. It is understood that while there have been some minor changes to the text in the report, there has been no substantial change to the inputs or outputs, or the resulting findings. Mr. Baird has confirmed that the amendments focus on clarifications in

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<sup>7</sup> Including the DPR Variation 1 Hearings and private plan change requests.

<sup>8</sup> [Independent Hearings Panel Minute No. 2, 13 April 2023](#)

<sup>9</sup> Including footnotes 6 to 8 on page 8, footnote 9 on page 10 and footnote 22 on page 25.

<sup>10</sup> More specifically, Section 3: Selwyn Capacity for Growth Model, Pages 17 to 27.

response to questions and requests that have been raised to date by the parties to the various proceedings that are currently taking place.

*Additional analysis and discussion*

15. As background, I can confirm that the latest content on SDC's PC74 webpage when I viewed it on 5 May 2023 provided a hyperlink to the "Population and Growth Planning" webpage that also contained information on the SCGM inputs, assumptions and methodology, and outputs. This information replaced the previous materials that were provided in response to the requests from the applicant's Counsel and referenced in Commissioner Minute No. 5,<sup>11</sup> which included the following related SGCM inputs and outputs:
    - a. Residential Data – Outputs of the model.
    - b. Valuation August 2022 – GIS inputs of the model.
  16. The information on the "Population and Growth Modelling" webpage contained links to separate files under the heading "Growth Model Inputs", which provided access to several of the SCGM inputs.<sup>12</sup> This webpage also provided access to a spreadsheet containing the outputs from the February 2023 SCGM update under the heading "Outputs". This spreadsheet listed the township-specific medium- and long-term feasible capacity estimates for each of the Proposed Selwyn District Plan land use zones.
  17. Mr. Baird has confirmed that the Residential Data outputs spreadsheet, GIS meta data and Stats NZ inputs spreadsheet that were previously available on the PC74 webpage have been replaced by the SCGM inputs and outputs in the "Population and Growth Planning" webpage. As with the Formative 13 April report, the input and output data was moved to a central webpage to assist the multiple parties participating in the various proceedings to readily access the most up to date information.
- c. Are further iterations intended by SDC and its consultants and if so, what are SDC's timing expectations?**
18. Mr. Baird has confirmed that the Formative reports on the SCGM and the associated input and output information are continually being refined. This is to ensure that SDC has the most up to date information available to advance work streams and inform decision making on multiple processes. He confirmed that any updates to either the Formative 13 April 2023 report, or the inputs, outputs or methodology, will be made available on the "Population and Growth Planning" website and will supersede the previous iterations.
  19. Mr. Baird anticipates that updates may be required to the SCGM when Stats NZ release the population estimates and census data for the year up to 30 June 2023, which he

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<sup>11</sup> Commissioner Minute No.5, 18 April 2023, paragraph 6.

<sup>12</sup> (a) District Plan Zoning Layers and Building Envelope Rules – Hyperlink to the Proposed Selwyn District Plan homepage. (b) Rating database GIS meta data on land value, capital value, number of dwellings, typology, gross floor area and dwelling age; (c) Land Development Cost Assumptions - Hyperlink to a Technical Memo prepared by Harrison Grierson Consultants, dated 2 July 2021, that outlines the percentage change in the land development costings relating to 'greenfield' subdivisions in Greater Christchurch from the 2018 costings; (d) Build Development Costs Assumptions – Hyperlink to a Land Development Inputs spreadsheet prepared by Christchurch City Council; (e) Sales Data – Reference to "Data Requested from QV"; and (f) Stats NZ Population Estimates and Projection Assumptions – Hyperlink to Statistics New Zealand website homepage.

identifies are typically released in September. New information that is informing the Long-Term Plan 2024 may also result in changes to the SCGM.

*Emerging evidence – Housing Development Capacity Assessment 2023*

20. The complexity associated with estimating housing demand and supply means that the evidence base is progressively changing, which is demonstrated in the following example. In reviewing the materials relating to the SCGM and discussing these with Mr. Baird, it was brought to my attention that the model outputs have been used by the Greater Christchurch Partnership to inform the preparation of the next iteration of the housing development capacity assessment.<sup>13</sup> A draft assessment, entitled the “Greater Christchurch Housing Development Capacity Assessment, March 2023” (the ‘HDCA23’), has been prepared and made available to the public on the Greater Christchurch Partnership website.<sup>14</sup>
21. Mr. Baird has confirmed that the housing supply information in the HDCA23 is consistent with the latest Formative report dated 13 April 2023. The housing demand information is similar, but the HDCA23 uses the demand estimates contained in the Research Report titled “Housing Demand and Need in Greater Christchurch” prepared by Livingston and Associates Limited in July 2021.<sup>15</sup>
22. The HDCA23 is a component part of the draft Greater Christchurch Spatial Plan that is to be considered for endorsement by the Greater Christchurch Partnership Whakawhanake Kāinga Komiti (Committee) on 12 May 2023.<sup>16</sup> I understand that an endorsement of this agenda item would then enable the HDCA23 to be considered for further endorsement by the respective partner councils.
23. Consequently, and depending upon the timing for when the PC74 witness conferencing may commence,<sup>17</sup> the HDCA23 will become a relevant matter to consider during the PC74 proceedings. This is because a fully endorsed HDCA23 will effectively replace the Housing and Development Capacity Assessment 2021 (the ‘HDCA21’) that has been referenced in the PC74 evidence prepared to this point in time.<sup>18</sup>



Craig Friedel

SDC Reporting Officer

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<sup>13</sup> Tier 1 local authorities are required to prepare a housing development capacity assessment under Subpart 5 and implementation clauses 3.19 through 3.27 of the National Policy Statement on Urban Development 2020 (amended May 2022).

<sup>14</sup> [Hyperlink to the Greater Christchurch Partnership HDCA23.pdf](#)

<sup>15</sup> [Hyperlink to the Livingston & Associates Research Report on the GCP website.](#)

<sup>16</sup> [Hyperlink to the Whakawhanake Kāinga Komiti Agenda \(Item 5\), Friday, 12 May 2023](#)

<sup>17</sup> Commissioner Minute No. 3, dated 28 March 2023, paragraphs 10 to 13.

<sup>18</sup> NPS-UD implementation clause 3.19(1) only requires that a housing development capacity assessment is made publicly available, so a formal consultation or decision-making process are not necessary.